

**ORIGEN RESOURCES INC.**

**NOTICE OF SPECIAL MEETING  
AND  
MANAGEMENT INFORMATION CIRCULAR**

**FOR THE  
ANNUAL GENERAL AND SPECIAL MEETING  
OF SHAREHOLDERS**

**TO BE HELD AT 10:00 A.M. (PACIFIC TIME)**

**ON MAY 12, 2021**

**AT**

**SUITE 488 – 625 HOWE STREET**

**VANCOUVER, BC V6C 2T6**

## ORIGEN RESOURCES INC.

April 9, 2021

Dear Shareholders:

You are invited to attend an annual general and special meeting (the “**Origen Meeting**”) of the shareholders (the “**Origen Shareholders**”) of Origen Resources Inc. (“**Origen**”, or the “**Company**”) to be held at the Company offices Suite 488, 625 Howe Street, Vancouver, British Columbia, V6C 2T6, on Wednesday May 12, 2021 commencing at 10:00 a.m. (Pacific time).

***Due to the COVID19 Pandemic and given the restrictions on public gatherings and in the best interest of the health of all participants in the Company’s Meeting, the Company respectfully asks that all shareholders do not attend the Meeting in person. The Company requests that shareholders who wish to participate by listening to the Meeting, contact the Company by May 10, 2021 at (604)681-0209 or e-mail: cmggary@gmail.com to be included in the telephone conference for the Meeting. The Company will arrange for telephone participation for all shareholders who have requested it by May 10, 2021. However, the Company strongly recommends that shareholders vote by Proxy or VIF in advance to ease the voting tabulation at the Meeting by Olympia Trust Company. If public health guidelines regarding physical distancing in British Columbia have changed by the meeting date of May 12, 2021, the Company will issue a news release advising of permitted Meeting attendance in accordance with such updated guidelines.***

At the Origen Meeting, you will be asked to consider and vote upon regular annual general meeting matters, as well as three principal transactions.

### **Arrangement – Spin-out of exploration assets and liabilities to Spinco**

At the Origen Meeting, you will be asked to consider and vote upon a proposed statutory plan of arrangement of Origen (the “**Arrangement**”). The Arrangement involves, among other things, the transfer by Origen of certain assets and liabilities to Forty Pillars Mining Corp. (“**Spinco**”) in exchange for common shares of Spinco (the “**Spinco Shares**”) representing that number of common shares as is equal to 0.2 of the outstanding Origen common shares, a reorganization of Origen’s share capital and a distribution of Spinco Shares to Origen Shareholders such that each Origen Shareholder will receive one new Origen share (each an “**Origen New Share**”) and 0.12 of a Spinco Share in exchange for each Origen Share (as defined in the accompanying Circular) held by the Origen Shareholder at the effective time of the Arrangement. Origen will retain Spinco Shares as part of the Arrangement, which are not transferred to Origen Shareholders.

Upon completion of the Arrangement, Spinco will own certain exploration assets previously held by Origen and is expected to have \$66,893.60 in cash from the Arrangement, plus funds from the Spinco Financing. Origen Shareholders will hold 60% of the outstanding Spinco Shares upon completion of the Arrangement, with Origen holding 40% of the outstanding Spinco Shares. Detailed information regarding the Arrangement is contained in the attached Notice of Meeting and Management Circular.

In order to become effective, the Arrangement must be approved by a special resolution passed by: (a) at least a two-thirds majority of the votes cast by Origen Shareholders at the Origen Meeting and present in person or by proxy. Completion of the Arrangement is also subject to receipt of certain required regulatory approvals, including the approval of the Supreme Court of British Columbia (the “**Court**”), and other customary closing conditions, all of which are described in more detail in the attached Circular.

The board of directors of Origen (the “**Board**”) has unanimously determined that the Arrangement is fair and is in the best interests of Origen. **Accordingly, the Board recommends that the Origen Shareholders vote FOR the Arrangement.**

### Voting

If you are not registered as the holder of your Origen Shares but hold your Origen Shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary to vote your Origen Shares. See the section in the accompanying Circular entitled “*General Proxy Information - Non-Registered Holders*” for further information on how to vote your Origen Shares.

If you are a registered Origen Shareholder, you must deliver the completed form of proxy to the office of Origen’s registrar and transfer agent, Olympia Trust Company, PO Box 128, STN M, Calgary, AB T2P 2H6 Attention Proxy Dept by mail or fax to 1(403) 668-8307 or toll free number indicated on the proxy form (in Canada and United States) or go to the website indicated on the proxy form and follow the instructions on the form, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Origen Meeting or any adjournment. The Chair of the Origen Meeting may waive the proxy cut-off time at his discretion without notice. Please vote as soon as possible. Voting by proxy will not prevent you from voting in person if you attend the Origen Meeting and revoke your proxy, but will ensure that your vote will be counted if you are unable to attend.

\* \* \* \* \*

While certain matters, such as the timing of the receipt of Court approval, are beyond the control of Origen, if the resolution approving the Arrangement is passed by the requisite majority of Origen Shareholders at the Origen Meeting, it is anticipated that the Arrangement will be completed and become effective on or about May 31, 2021 or shortly thereafter, and subject to completion of the Spinco Financing.

The Canadian Securities Exchange (the “**CSE**”) has neither reviewed nor approved the disclosure in this Circular. The application for listing of Spinco’s Shares on the CSE will be subject to Spinco meeting the initial listing requirements of the CSE.

Sincerely,

“*Gary Schellenberg*”  
CEO and Director

## FREQUENTLY ASKED QUESTIONS ABOUT THE ARRANGEMENT AND THE ORIGEN MEETING

*Following are some questions that you, as an Origen Shareholder, may have relating to the Origen Meeting and answers to those questions. These questions and answers do not provide all of the information relating to the Origen Meeting or the matters to be considered at the Origen Meeting and are qualified in their entirety by the more detailed information contained elsewhere in this Circular. You are urged to read this Circular in its entirety before making a decision related to your Origen Shares.*

**Q: What am I voting on?**

A: You are voting on regular annual general meeting items, such as the election of directors of Origen, approval of Origen's stock option plan and the appointment of Origen's auditors.

You are also being asked to consider and, if deemed advisable, to vote FOR the resolution approving the Arrangement (the "**Arrangement Resolution**"), which provides for, among other things, the disposition of Origen's Silver Dollar property to Spinco in consideration for the distribution of Spinco Shares to Origen Shareholders such that Origen Shareholders will receive one new Origen share and 0.12 of a Spinco Share in exchange for each Origen common share held by the Origen Shareholder at the effective time of the Arrangement. Origen will also retain certain Spinco Shares.

Origen Shareholders are also being asked to approve the Spinco Option Plan. Spinco has adopted the Spinco Option Plan in order to provide incentive compensation to directors, officers, employees and consultants of Spinco as well as to assist Spinco in attracting, motivating and retaining qualified directors, management personnel and consultants. The purpose of the Spinco Option Plan is to provide additional incentive for participants' efforts to promote the growth and success of the business of Spinco.

**Q: When and where is the Origen Meeting?**

A: The Origen Meeting will take place on Wednesday, May 12, 2021 at 10:00 a.m. (Pacific time), at the Company's offices Suite 488 – 625 Howe Street, Vancouver, British Columbia, V6C 2T6.

**Q: Who is soliciting my proxy?**

A: Your proxy is being solicited by management of Origen. This Circular is furnished in connection with that solicitation. The solicitation of proxies for the Origen Meeting will be made primarily by mail, and may be supplemented by telephone.

**Q: Who can attend and vote at the Origen Meeting and what is the quorum for the Origen Meeting?**

A: Only Origen Shareholders of record as of the close of business on March 24, 2021, the record date for the Origen Meeting, are entitled to receive notice of and to attend, and vote at, the Origen Meeting or any adjournment(s) or postponement(s) of the Origen Meeting.

The quorum for the transaction of business at the Origen Meeting will be two persons who are shareholders, or two persons present in person who each represent at least one shareholder by proxy, or one shareholder present in person and representing one shareholder by proxy entitled to vote at the Origen Meeting.



**Q: How many Origen Shares are entitled to vote?**

A: As of March 24, 2021, there were 32,248,657 Origen common shares outstanding and entitled to vote at the Origen Meeting. You are entitled to one vote for each Origen common share that you own.

**Q: What will I receive in the Arrangement?**

A: If the Arrangement is completed, Origen Shareholders will be entitled to receive one Origen New Share and 0.12 of a Spinco Share in exchange for each Origen Share (as defined in the accompanying Circular) held on the Effective Date of the Arrangement.

**Q: What vote is required at the Origen Meeting to approve the Resolutions?**

A: The Arrangement Resolution must be passed by the affirmative vote of at least two-thirds of the votes cast at the Origen Meeting by Origen Shareholders.

The Spinco Option Plan must be approved by a simple majority of the Origen Shareholders.

**Q: How do I vote?**

A: Registered Origen Shareholders can vote in the following ways:

- **Mail:** To the offices of Olympia Trust Company, PO Box 128, STN M, Calgary, AB T2P 2H6 Attention Proxy Dept; or
- **Fax:** Olympia Trust Company: Fax: 1(403) 668-8307; or
- **Online:** Go to the website indicated on the proxy form and follow the instructions on the form; or
- **Phone:** Call the toll-free number indicated on the proxy form (in Canada and United States) and follow the voice instructions; or
- **In Person:** Present yourself to a representative of Olympia Trust Company at the Origen Meeting, subject to compliance with COVID-protocols.

Non-registered shareholders are either “objecting beneficial owners” or “**OBOs**”, who object to intermediaries disclosing information about their identity and ownership in the Company or “non-objecting beneficial owners” or “**NOBOs**”, who do not object to such disclosure.

Canadian NOBOs may vote in the following ways:

- **Mail:** To the offices of Olympia Trust Company, PO Box 128, STN M, Calgary, AB T2P 2H6 Attention Proxy Dept; or
- **Fax:** Olympia Trust Company: Fax: 1(403) 668-8307; or
- **Online:** Go to the website indicated on the proxy form and follow the instructions on the form; or
- **Phone:** Call the toll-free number indicated on the proxy form (in Canada and United States) and follow the voice instructions.

U.S. NOBOs and Canadian and U.S. OBOs will have received this Circular from their nominee, together with a form of proxy or a VIF. If that is the case, it is most important that you comply strictly with the instructions that have been given to you by your nominee on the VIF.

**Q: What if I return my proxy but do not mark it to show how I wish to vote?**

A: If your proxy is signed and dated and returned without specifying your choice or is returned specifying both choices, your Origen common shares will be voted FOR the Arrangement Resolution, FOR the Spinco Stock Option Plan, and in accordance with the recommendations of the Board.

**Q: When is the cut-off time for delivery of proxies?**

A: Proxies must be received not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Origen Meeting or any adjournment thereof. In this case, assuming no adjournment, the proxy-cut off time is 10:00 a.m. (Pacific time) May 10, 2021. The Chair of the Origen Meeting may waive the proxy cut-off time at his discretion without notice.

**Q: Can I change my vote?**

A: Yes. If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Origen Meeting and voting in person if you were a Registered Origen Shareholder at the Record Date; (b) voting again online; (c) signing and returning a proxy bearing a later date; (d) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Registered Office of Origen at Suite 400 – 725 Granville Street, Vancouver, British Columbia, V7Y 1G5, Attention: Kathy Tang; or (e) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 4:00 p.m. (Pacific time) on the last Business Day before the day of the Origen Meeting, or is delivered to the person presiding at the Origen Meeting before it commences. Registered Origen Shareholders that revoke their proxy and do not replace it with another that is deposited with us before the deadline, can still vote their shares, but to do so they must attend the Origen Meeting in person.

**Q: What are the recommendations of the Directors on the Arrangement?**

A: After taking into consideration, among other things, the fairness opinion of RwE Growth Partners, Inc. regarding the fairness of the Arrangement (based on the Plan of Arrangement and Arrangement Agreement), and the directors have concluded that the Arrangement is in the best interests of Origen and is fair to the Origen Shareholders and recommend that Origen Shareholders vote FOR the Arrangement Resolution to approve the Arrangement.

**Q: Why are the directors making this recommendation?**

A: In reaching their conclusion that the Arrangement is fair to Origen Shareholders and that it is in the best interests of Origen, the directors considered and relied upon a number of factors, including those described under the headings “*The Origen Meeting – Reasons for the Arrangement*” in this Circular.

**Q: In addition to the approval of Origen Shareholders, are there any other approvals required for the Arrangement?**

A: Yes, the Arrangement requires the approval of the Court and also is subject to the receipt of certain regulatory approvals, including the approval of the CSE. See “*The Origen Meeting –*

*Court Approval of the Arrangement*” and *“The Origen Meeting – Regulatory Approvals”* in this Circular.

**Q: Do any directors or executive officers of Origen have any interests in the Arrangement that are different from, or in addition to, those of the Origen Shareholders?**

A: In considering the recommendation of the Board to vote in favour of the matters discussed in this Circular, Origen Shareholders should note that the directors and executive officers of Origen, to the extent that they hold Origen Shares, have interests in the Arrangement that are the same as interests of Origen Shareholders generally. Further, all holders of Origen stock options, which include Origen directors and executive officers, are foregoing their right to receive any such stock options in Forty Pillars. See *“The Origen Meeting – Interests of Certain Persons in the Arrangement”* in this Circular.

**Q: Do I need to send in my Origen Share certificates?**

A: No. You are not required to send the certificates representing your Origen common shares to validly cast your vote in respect of the Arrangement Resolution or to receive Spinco Shares, except as otherwise disclosed herein.

**Q: When can I expect to receive my Spinco Shares and Origen New Shares?**

A: Assuming completion of the Arrangement, if you hold your Origen common shares through an intermediary, then you are not required to take any action and Spinco Shares and Origen New Shares will be delivered to your intermediary through the procedures in place for such purposes between CDS & Co. or similar entities and such intermediaries. If you hold your Origen common shares through an intermediary, you should contact your intermediary if you have questions regarding this process.

In the case of Registered Origen Shareholders, concurrently with the mailing of the Circular, Origen will cause Olympia Trust Company (“**Olympia**”) to mail the Letter of Transmittal to the registered Origen Shareholders, which will be used to exchange their certificates or DRS Advices representing the Origen Shares for share certificates or DRS Advices representing Origen New Shares to which the Registered Origen Shareholder is entitled. Registered Origen Shareholders will also receive Spinco Shares on completion of the Arrangement from Spinco’s transfer agent, as part of the transmittal process.

See *“The Origen Meeting – Procedure for Distribution of Certificates”* in this Circular.

**Q: How will the votes be counted?**

A: Olympia, Origen’s transfer agent, counts and tabulates the proxies. Proxies are counted and tabulated by the transfer agent in such a manner as to preserve the confidentiality of the voting instructions of Registered Origen Shareholders, subject to a limited number of exceptions.

**Q: How will I know when the Arrangement will be implemented?**

A: The effective date of the Arrangement will occur upon satisfaction or waiver of all of the conditions to the completion of the Arrangement. If the requisite level of approval is obtained at the Origen Meeting and all other conditions are satisfied, the effective date is expected to occur on or about May 31, 2021 or shortly thereafter. On the effective date of the Arrangement, Origen will publicly announce that the conditions are satisfied or waived and that the Arrangement has been implemented.

**Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?**

A: Yes. Origen Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (i) the Arrangement Agreement may be terminated at the discretion of the directors of Origen or Spinco; (ii) there can be no certainty that all conditions precedent to the Arrangement will be satisfied; (iii) Origen will incur costs even if the Arrangement is not completed; (iv) directors and executive officers of Origen may have interests in the Arrangement that are different from those of the Origen Shareholders; (v) the market price for Origen common shares and Spinco Shares (if Spinco Shares are listed) may decline; (vi) there is no guarantee that the Spinco Shares will be listed on the CSE or that a market for such shares will develop; and (vii) Spinco Shares may not be qualified investments under the *Income Tax Act* (Canada) for a trust governed by a Registered Plan (as defined in the accompanying Circular).

See “*The Origen Meeting – Risks Associated with the Arrangement*” in this Circular.

**Q: What are the Canadian income tax consequences of the Arrangement?**

A: For a summary of certain material Canadian income tax consequences of the Arrangement, see “*Certain Canadian Federal Income Tax Considerations*”. Such summary is not intended to be legal or tax advice to any particular Origen Shareholder. Origen Shareholders should consult their own tax and investment advisors with respect to their particular circumstances.

**Q: Am I entitled to Dissent Rights?**

A: Origen Shareholders will not be given the right to dissent in respect of the Arrangement Resolution.

**Q: What will happen to the Origen Shares that I currently own after completion of the Arrangement?**

A: Concurrently with the mailing of the Circular, Origen will cause Olympia to mail the Letter of Transmittal to the Registered Origen Shareholders, which will be used to exchange their certificates or DRS Advices representing the Origen Shares for share certificates or DRS Advices representing Origen New Shares to which they are entitled. Further details are set out in the Letter of Transmittal.

## NOTICE OF MEETING

NOTICE IS GIVEN that an annual general and special meeting (the “**Origen Meeting**”) of the holders of common shares (“**Origen Shareholders**”) of Origen Resources Inc. (“**Origen**”) will be held at the Company’s offices, Suite 488 - 625 Howe Street, Vancouver, British Columbia, V6C 2T6, on Wednesday May 12, 2021 at 10:00 a.m. (Pacific time) for the following purposes:

1. to receive Origen’s audited financial statements for the financial year ended March 31, 2020 and the auditor’s report thereon;
2. to appoint Davidson & Company, Chartered Professional Accountants, as Origen’s auditor for the ensuing fiscal year and to authorize the directors to set the auditor’s remuneration;
3. to set the number of directors at four;
4. to elect the directors of Origen for the ensuing year;
5. to approve an amendment to Origen’s articles, as more particularly set out in the accompanying Management Information Circular;
6. to approve Origen’s stock option plan;
7. to consider pursuant to an Interim Order of the Supreme Court of British Columbia dated April 8, 2021 (the “**Origen Interim Order**”) and, if thought advisable, to pass, with or without amendment, a special resolution (the “**Arrangement Resolution**”) approving an arrangement (the “**Arrangement**”) under Section 288 of the *Business Corporations Act* (British Columbia), the full text of which resolution is set forth in Appendix “A” to the accompanying Management Information Circular (the “**Circular**”);
8. to approve the stock option plan of Spinco (Forty Pillars Mining Corp.); and
9. to transact such further or other business as may properly come before the Origen Meeting or any adjournments thereof.

The Circular provides additional information relating to the matters to be addressed at the Origen Meeting, including the Arrangement, and is deemed to form part of this Notice.

Registered Origen Shareholders are entitled to vote at the Origen Meeting either in person or by proxy. Registered Origen Shareholders who are unable to attend the Origen Meeting in person are encouraged to read, complete, sign, date and return the enclosed form of proxy in accordance with the instructions set out in the proxy and in the Circular. In order to be valid for use at the Origen Meeting, proxies must be received by Olympia Trust Company, PO Box 128, STN M, Calgary, AB T2P 2H6 Attention Proxy Dept or fax to 1(403) 668-8307 or call the toll-free number indicated on the proxy form (in Canada and United States) or go to the website indicated on the proxy form and follow the instructions on the form and follow the voice instructions, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Origen Meeting or any adjournment. The Chair of the Origen Meeting may waive the proxy cut-off time at his discretion without notice. Please advise Origen of any change in your mailing address.

***Due to the COVID19 Pandemic and given the restrictions on public gatherings and in the best interest of the health of all participants in the Company’s Meeting, the Company respectfully asks that all shareholders do not attend the Meeting in person. The Company requests that shareholders who wish to participate by listening to the Meeting, contact the Company by May 10, 2021 at (604)681-0209 or e-mail cmggary@gmail.com to be included in the telephone***

***conference for the Meeting. The Company will arrange for telephone participation for all shareholders who have requested it by May 10, 2021. However, the Company strongly recommends that shareholders vote by Proxy or VIF in advance to ease the voting tabulation at the Meeting by Olympia Trust Company. If public health guidelines regarding physical distancing in British Columbia have changed by the meeting date of May 10, 2021, the Company will issue a news release advising of permitted Meeting attendance in accordance with such updated guidelines.***

If you are a non-registered shareholder, please refer to the section in the Circular entitled “*General Proxy Information - Non-Registered Holders*” for information on how to vote your Origen Shares.

Failure to strictly comply with the requirements set forth in the Origen Interim Order may result in the loss of any right of dissent.

The CSE has neither reviewed nor approved the disclosure in this Circular. The application for listing of Spinco’s Shares on the CSE will be subject to Spinco meeting the initial listing requirements of the CSE.

DATED at Vancouver, British Columbia this 9<sup>th</sup> day of April, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
ORIGEN RESOURCES INC.**

*“Gary Schellenberg”*  
CEO and Director

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## **INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR**

The information contained in this Circular, unless otherwise indicated, is given as of April 9, 2021.

No person has been authorized to give any information or to make any representation in connection with the matters being considered herein other than those contained in this Circular and, if given or made, such information or representation should be considered or relied upon as not having been authorized. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer of proxy solicitation. Neither the delivery of this Circular nor any distribution of securities referred to herein shall, under any circumstances, create any implication that there has been no change in the information set forth herein since the date of this Circular.

Information contained in this Circular should not be construed as legal, tax or financial advice and Origen Shareholders are urged to consult their own professional advisors in connection with the matters considered in this Circular.

The Arrangement has not been approved or disapproved by any securities regulatory authority, nor has any securities regulatory authority passed upon the fairness or merits of the Arrangement or upon the accuracy or adequacy of the information contained in this Circular and any representation to the contrary is unlawful.

The CSE has neither reviewed nor approved the disclosure in this Circular. The application for listing of Spinco's Shares on the CSE will be subject to Spinco meeting the initial listing requirements of the CSE.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND RISKS**

This Circular and the documents incorporated into this Circular by reference, contain "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of the applicable Canadian securities legislation (forward-looking information and forward-looking statements being collectively herein after referred to as "forward-looking statements") that are based on expectations, estimates and projections as at the date of this Circular or the dates of the documents incorporated herein by reference, as applicable. These forward-looking statements include but are not limited to statements and information concerning the Arrangement; the timing for the implementation of the Arrangement and the potential benefits of the Arrangement; the likelihood of the Arrangement being completed; steps of the Arrangement; statements relating to the business and future activities of, and developments related to, Origen and Spinco after the date of this Circular and prior to the Effective Time and to and of Origen and Spinco after the Effective Time; receipt of approval of the Origen Shareholders and Court approval of the Arrangement; regulatory approval of the Arrangement; listing of the Spinco Shares on the CSE; market position, and future financial or operating performance of Spinco; and other events or conditions that may occur in the future.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might", or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements and are intended to identify forward-looking statements, which include statements relating to, among other things, the ability of Origen or Spinco to successfully compete in the market.

These forward-looking statements are based on the beliefs of Origen's management, as well as on assumptions, which such management believes to be reasonable based on information currently

available at the time such statements were made. However, there can be no assurance that the forward-looking statements will prove to be accurate. Such assumptions and factors include, among other things, the satisfaction of the terms and conditions of the Arrangement including the approval of the Arrangement and fairness by the Court, and the receipt of the required governmental and regulatory approvals and consents.

By their nature, forward-looking statements are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Origen or Spinco to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements are subject to a variety of risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation: the Arrangement Agreement may be terminated at the discretion of the board of directors of Origen or Spinco; general business, economic, competitive, political, regulatory and social uncertainties; uncertainty related to mineral exploration properties risks related to instability in the global economic climate; dilutive effects to Origen Shareholders; risks related to the ability to complete acquisitions; risks related to the ability of Origen and Spinco to find appropriate joint venture partners; environmental risks; and community and non-governmental actions and regulatory risks.

This list is not exhaustive of the factors that may affect any of forward-looking statements of Origen and Spinco. Forward-looking statements are statements about the future and are inherently uncertain. Actual results could differ materially from those projected in the forward-looking statements as a result of the matters set out or incorporated by reference in this Circular generally and certain economic and business factors, some of which may be beyond the control of Origen and Spinco. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the heading “*The Origen Meeting – Risks Associated with the Arrangement*” and in Appendix D to this Circular under the heading “*Spinco Information — Risk Factors*.” Origen and Spinco do not intend, and do not assume any obligation, to update any forward-looking statements, other than as required by applicable law. For all of these reasons, Origen Shareholders should not place undue reliance on forward-looking statements.

## **NOTE TO UNITED STATES SECURITYHOLDERS**

**THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE IN THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE IN THE UNITED STATES PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

The Spinco Shares to be issued by Spinco to Origen Shareholders in the United States pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act set forth in the Section 3(a)(10) thereunder on the basis of the approval of the Court, and corresponding exemptions under the securities laws of each state of the United States in which Origen Shareholders in the United States are domiciled. The exemption from registration under Section 3(a)(10) of the U.S. Securities exempts from registration the issuance of any securities issued in exchange for one or more bona fide outstanding securities where, among other things, the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing at which the fairness of the terms and conditions of such exchange are approved at which all persons to whom it is proposed to issue securities in such exchange have the right to appear and receive timely and adequate notice thereof. The Court issued the Origen Interim Order on April 8, 2021 and, subject to the approval of the Arrangement by the Origen Shareholders, a hearing for the Origen Final Order approving the Arrangement will be held at 9:45 a.m. (Pacific time)

on May 18, 2021 (or as soon thereafter as legal counsel can be heard) at 800 Smithe Street, Vancouver, British Columbia, Canada. All Origen Shareholders are entitled to appear and be heard at this hearing. Accordingly, the Origen Final Order, if granted by the Court after the Court considers the substantive and procedural fairness of the Arrangement to the Origen Shareholders, will constitute a basis for the exemption from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereunder with respect to the Spinco Shares to be issued in connection with the Arrangement. Prior to the hearing on the Origen Final Order, the Court will be informed of this effect of the Origen Final Order. See “The Arrangement – Origen Final Order”.

The Spinco Shares to be issued to Origen Shareholders in the United States under the Arrangement will be freely transferable under U.S. federal securities laws, except that the U.S. Securities Act imposes restrictions on the resale of securities received pursuant to the Arrangement by persons who: (a) are, or within the 90 days immediately before such resale were, “affiliates” (as such term is understood under U.S. securities laws) of Spinco; or (b) were “affiliates” of Spinco within 90 days prior to the Effective Date. Persons who may be deemed to be “affiliates” of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such Spinco Shares by such an affiliate (or former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. Origen Shareholders in the United States who are affiliates of Spinco solely by their status as an officer or director of Spinco may sell their Spinco Shares outside of the United States in compliance with Regulation S under the U.S. Securities Act. See “Regulatory Law Matters and Securities Law Matters – United States Securities Law Matters”.

Origen Shareholders should be aware that the acquisition by Origen Shareholders of the Spinco Shares pursuant to the Arrangement described herein may have tax consequences both in Canada and the United States. Such consequences for Origen Shareholders may not be described fully herein. Origen Shareholders who are resident in Canada are advised to review the summary contained in this Circular under the heading “*Certain Canadian Federal Income Tax Considerations*”, and all Origen Shareholders are urged to consult their own tax advisors to determine the particular tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

Origen is a company existing under the laws of British Columbia, Canada. The solicitation of Origen proxies is being made and the transactions contemplated herein is undertaken by a Canadian issuer in accordance with Canadian corporate and securities laws and is not subject to the requirements of Section 14(a) of the Exchange Act by virtue of an exemption applicable to proxy solicitations by “foreign private issuers” (as defined in Rule 3b-4 under the Exchange Act). Accordingly, this Circular has been prepared in accordance with the applicable disclosure requirements in Canada, and the solicitations and transactions contemplated in this Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities laws, which are different from the requirements applicable to proxy solicitations under the Exchange Act. Origen Shareholders should be aware that disclosure requirements under such Canadian laws are different from requirements under United States corporate and securities laws relating to issuers organized under United States laws, and this Circular has not been filed with or approved by the SEC or the securities regulatory authority of any state within the United States.

The enforcement by Origen Shareholders in the United States of civil liabilities under United States federal securities laws may be affected adversely by the fact that each of Origen and Spinco are incorporated in jurisdictions outside the United States, certain of their directors and executive officers are residents of Canada and all of their assets and the assets of such persons are located outside the United States. Origen Shareholders in the United States may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court. As a result, it may be difficult or impossible for Origen Shareholders

in the United States to effect service of process within the United States upon Origen, Spinco, their respective officers or directors or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States. In addition, Origen Shareholders resident in the United States should not assume that Canadian courts: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the securities laws of the United States or “blue sky” laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the securities laws of the United States or “blue sky” laws of any state within the United States.

The financial statements of Spinco included herein have been prepared in accordance with IFRS and are subject to Canadian auditing and auditor independence standards. As a result, such financial statements and financial information of Spinco may not be comparable to and may differ in material ways to financial statements prepared in accordance with U.S. GAAP and United States auditing and auditor independence standards. **U.S. Holders of Origen Shares should consult with their own professional advisors for an understanding of the differences between IFRS and U.S. GAAP, and of how those differences might affect the financial information presented herein.**

Information concerning the Spinco Property publicly available and filed on SEDAR by Origen, or its spinout parent company Explorex Resources Inc., uses terms that comply with reporting standards in Canada, which differ from the requirements of United States securities Laws. Mineral reserve and mineral resource estimates included or incorporated by reference in this Circular have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum definitions and classification system (the “**CIM Standards**”). NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the current requirements of the SEC, and mineral reserve and mineral resource information contained or incorporated by reference in this Circular may not be comparable to similar information disclosed by United States companies.

Information concerning descriptions of mineralization and resources publicly available and filed on SEDAR by Origen, or its spinout parent company Explorex Resources Inc., may not be comparable to information made public by U.S. companies subject to the current reporting and disclosure requirements of the SEC under the SEC’s Industry Guide 7. For example, this Circular uses the terms “measured” and “indicated” mineral resources and “inferred” mineral resources. Origen advises Origen Shareholders in the United States that while these terms are recognized and required by Canadian securities administrators, they are not recognized by SEC Industry Guide 7. The SEC has not recognized the reporting of mineral deposits which do not meet the SEC Industry Guide 7 definition of “reserve” prior to the adoption of the *Modernization of Property Disclosures for Mining Registrants*, which rules will be required to be complied with in the first fiscal year beginning on or after January 1, 2021 (subject to an issuer’s ability to early adopt those rules in their entirety). The estimation of “measured” and “inferred” mineral resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. The estimation of “inferred” resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. It cannot be assumed that all or any part of a “measured”, “inferred” or “indicated” mineral resource will ever be upgraded to a higher category or converted into a mineral “reserve”, as defined by the SEC. Under Canadian rules, estimates of “inferred” mineral resources may not form the basis of feasibility studies, pre-feasibility studies or other economic studies, except in prescribed cases, such as in a preliminary economic assessment under certain circumstances. SEC Industry Guide 7 currently only permits issuers to report mineralization that does not constitute “reserves” as in-place tonnage and grade without reference to unit measures. Under SEC Industry Guide 7, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Origen Shareholders in the United States are cautioned not to assume that any part or all of a “measured”, “indicated” or “inferred” mineral resource exists or is economically or legally mineable. Mineral resources that are not mineral reserves do not have

demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to enable them to be categorized as mineral reserves.

No broker, dealer, salesperson or other person has been authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied upon as having been authorized by Origen.

### **CURRENCY AND EXCHANGE RATES**

Unless otherwise indicated herein, references to "\$", "Cdn\$" or "Canadian dollars" are to Canadian dollars, and references to "US\$" or "U.S. dollars" are to United States dollars.

### **REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES**

The financial statements of Origen and Spinco in this Circular are reported in Canadian dollars and have been prepared in accordance with IFRS.

## GLOSSARY OF TERMS

In this Circular and accompanying Notice of Meeting, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

<b>“ACB”</b>	means “adjusted cost base”, as defined in the Tax Act.
<b>“affiliate”</b>	has the meaning ascribed to that term in the National Instrument 45-106 – <i>Prospectus Exemptions</i> .
<b>“Arrangement”</b>	means the arrangement of Origen under Section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 6.1 of the Arrangement Agreement or the Plan of Arrangement or made at the direction of the Court in the Origen Final Order (provided that any such amendment or variation is acceptable to both Spinco and Origen, each acting reasonably).
<b>“Arrangement Agreement”</b>	means the arrangement agreement dated as of April 1, 2021 between Origen and Spinco including all schedules.
<b>“Arrangement Resolution”</b>	means the special resolution of the Origen Shareholders approving the Plan of Arrangement which is to be considered at the Origen Meeting, substantially in the form and content of Appendix A attached hereto.
<b>“BCBCA”</b>	means the <i>Business Corporations Act</i> (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.
<b>“BCSC”</b>	means the British Columbia Securities Commission.
<b>“Board”</b>	means the board of directors of Origen as constituted from time to time.
<b>“Business Day”</b>	means any day that is not a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia.
<b>“Canadian Securities Administrators”</b>	means the voluntary umbrella organization of Canada’s provincial and territorial securities regulators.
<b>“Circular”</b>	means, collectively, the Notice of Special Meeting and this Management Information Circular of Origen, including all appendices hereto, sent to Origen Shareholders in connection with the Origen Meeting.
<b>“Class A Common Shares”</b>	means the shares of Origen resulting from the alteration of Origen’s authorized share capital and Articles by the renaming and redesignation of all the issued and unissued common shares of Origen.

<b>“Closing”</b>	means May 31, 2021 or such other date as the Arrangement closes.
<b>“Court”</b>	means the Supreme Court of British Columbia.
<b>“CRA”</b>	means the Canada Revenue Agency.
<b>“CSE”</b>	means the Canadian Securities Exchange.
<b>“Effective Date”</b>	means the date upon which the Arrangement becomes effective.
<b>“Effective Time”</b>	means 12:01 a.m. (Pacific time) on the Effective Date or such other time on the Effective Date as may be agreed in writing by Origen and Spinco.
<b>“Eligible Person”</b>	has the meaning given to it on page 35.
<b>“Exchange Act”</b>	means the United States Exchange Securities Act of 1934, as amended and the rules and regulations promulgated thereunder.
<b>“Fairness Opinion”</b>	means the opinion delivered by RWE Growth Partners, Inc. to the Board, a full copy of which is attached as Appendix H.
<b>“IFRS”</b>	means International Financial Reporting Standards, as adopted by the International Accounting Standards Board.
<b>“Law” or “Laws”</b>	means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any Permit of or from any Governmental Entity or self-regulatory authority (including the CSE), and the term “applicable” with respect to such Laws and in a context that refers to a Party, means such Laws as are applicable to such Party and/or its Subsidiaries or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Party and/or its Subsidiaries or its or their business, undertaking, property or securities.
<b>“MD&amp;A”</b>	means management’s discussion and analysis of financial statements.
<b>“NI 43-101”</b>	means National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> .
<b>“NI 52-110”</b>	means National Instrument 52-110 “ <i>Audit Committees</i> ” of the Canadian Securities Administrators.
<b>“Non-Registered Holder”</b>	means an Origen Shareholder who is not a Registered Origen Shareholder.

<b>“Non-Resident Shareholders”</b>	has the meaning attributed to that term in this Circular under <i>“Certain Canadian Federal Income Tax Considerations – Non-Residents of Canada”</i> .
<b>“Notice of Meeting”</b>	means the notice to the Origen Shareholders which accompanies this Circular.
<b>“Olympia”</b>	means Olympia Trust Company.
<b>“Origen”</b>	means Origen Resources Inc., a company existing under the laws of British Columbia.
<b>“Origen Final Order ”</b>	means the final order of the Court pursuant to Section 291 of the BCBCA, after being informed of the intention to rely upon the exemption from registration under the U.S. Securities Act provided by Section 3(a)(10) thereunder in connection with the issuance of the Spinco Shares to Origen Shareholders in the United States, in a form acceptable to Spinco and Origen, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with consent of both Spinco and Origen, each acting reasonably) at any time prior to the Effective Date.
<b>“Origen Interim Order”</b>	means the interim order of the Court made pursuant to Section 291 of the BCBCA, after being informed of the intention to rely upon the exemption from registration under the U.S. Securities Act provided by Section 3(a)(10) thereunder in connection with the issuance of the Spinco Shares to Origen Shareholders in the United States, in a form acceptable to Spinco and Origen, each acting reasonably, providing for, among other things, the calling and holding of the Origen Meeting, as the same may be amended by the Court with the consent of Spinco and Origen, each acting reasonably.
<b>“Origen Meeting”</b>	means the annual general special meeting of Origen Shareholders, including any adjournment or postponement thereof, held in accordance with the Origen Interim Order to consider, among other things, the Arrangement Resolution.
<b>“Origen New Shares”</b>	means the newly created common shares in the capital of Origen issued in connection with Arrangement.
<b>“Origen Shareholders”</b>	means the holders of Origen Shares and the Origen New Shares, as the case may be.
<b>“Origen Shares”</b>	means the issued and outstanding common shares of Origen and, following the renaming and redesignation of such common shares as Class A Common Shares in accordance with the Plan of Arrangement, means the Class A Common Shares. .
<b>“Origen Stock Option Plan”</b>	has the meaning given to it on page 35.
<b>“paid-up capital”</b>	has the meaning ascribed to such term for the purposes of the Tax Act.



<b>“Person”</b>	includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status.
<b>“Plan of Arrangement”</b>	means the plan of arrangement of Origen and Spinco, and any amendments or variations thereto made in accordance with the Plan of Arrangement or upon the direction of the Court in the Origen Final Order with the consent of Spinco and Origen, each acting reasonably.
<b>“Record Date”</b>	means March 24, 2021.
<b>“Registered Origen Shareholder”</b>	means a registered holder of Origen Shares.
<b>“Registered Plan”</b>	means a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered disability savings plan, a deferred profit sharing plan, a tax-free savings account or a registered education savings plan.
<b>“Registrar”</b>	means the Registrar of Companies under the BCBCA.
<b>“Regulatory Approvals”</b>	means those sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the waiver or lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Entities.
<b>“Resident Shareholders”</b>	has the meaning ascribed thereto in this Circular under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
<b>“SEC”</b>	means the United States Securities and Exchange Commission.
<b>“Securities Act”</b>	means the <i>Securities Act</i> (British Columbia) and the regulations made thereunder.
<b>“Securities Laws”</b>	means the Securities Act and the U.S. Securities Act, together with all other applicable state, federal and provincial securities Laws, rules and regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time.
<b>“SEDAR”</b>	means the System for Electronic Document Analysis and Retrieval as outlined in NI 13-101, which can be accessed online at <a href="http://www.sedar.com">www.sedar.com</a> .
<b>“Spinco”</b>	means Forty Pillars Mining Corp., a wholly-owned subsidiary of Origen existing under the BCBCA.

<b>“Spinco Financing”</b>	Means the proposed private placement by Spinco of Spinco Shares at a price of \$0.08 per Spinco Share, to be conducted concurrently with closing of the Arrangement, for proposed proceeds of \$450,000.
<b>“Spinco Option Plan”</b>	means the stock option plan of Spinco on substantially the same terms and conditions as the Origen Option Plan.
<b>“Spinco Property”</b>	Means the Silver Dollar property, which includes the Beatrice mineral property.
<b>“Spinco Shares”</b>	means the common shares in the capital of Spinco.
<b>“Spinout Assets”</b>	means: <ul style="list-style-type: none"> <li>(i) all direct and indirect right, title and interest of Origen in and to the Spinco Property (which also include the Beatrice property) and all business, corporate, legal and accounting books, records and documents used in the conduct of the foregoing properties and related undertakings; and</li> <li>(ii) cash in the amount of \$66,893.60.</li> </ul>
<b>“Spinout Liabilities”</b>	means: <ul style="list-style-type: none"> <li>(i) all liabilities or obligations (contingent or otherwise) (other than any liability or obligation for Taxes) in respect (but only in respect) of the Spinout Assets (including the operations or activities in connection therewith);</li> <li>(ii) all liabilities or obligations for Taxes payable to any Governmental Entity arising from, or in connection with the Spinout Assets; and</li> <li>(iii) all liabilities or obligations for Taxes payable but not yet paid or reflected in the contingencies or commitments in the Annual Financial Statements of Origen to any Governmental Entity and imposed on, or is in respect of, the Spinout Assets and/or any liabilities or obligations referred to in this definition net of all applicable credits, deductions, and other amounts available (including any loss carryforwards) with respect to the Spinout Assets.</li> </ul>
<b>“Tax Act”</b>	means the <i>Income Tax Act</i> (Canada), as amended from time to time, and the regulations made thereunder.
<b>“Tax Regulations”</b>	has the meaning ascribed to that term in this Circular under “ <i>Certain Canadian Federal Income Tax Considerations</i> ”.
<b>“Taxes”</b>	means all taxes, duties, fees, premiums, assessments, imposts, levies, expansion fees and other charges of any kind whatsoever imposed by any Governmental Entity, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, windfall, royalty, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development,

occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Québec and other pension plan premiums or contributions imposed by any Governmental Entity, and any transferee liability in respect of any of the foregoing.

**“United States” or “U.S.”**

means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

**“U.S. Holder”**

means a beneficial owner of a Origen Share or Spinco Share, as the case may be, who is, for U.S. federal income tax purposes:

- (i) an individual citizen or resident of the United States;
- (ii) a corporation or other entity classified as a corporation created or organized in or under the laws of the United States or any political subdivision thereof;
- (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- (iv) a trust if: (i) a court within the United States can exercise primary supervision over it, and one or more United States persons have the authority to control all substantial decisions of the trust, or (ii) the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

**“U.S. Securities Act”**

means the United States Securities Act of 1933, as amended and the rules and regulations promulgated thereunder.

**“U.S. Treaty”**

means the Canada-United States Income Tax Convention (1980), as amended.

## SUMMARY

*This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Circular, including the Appendices which are incorporated into and form part of this Circular. Terms with initial capital letters in this summary are defined in the Glossary of Terms immediately preceding this summary.*

### **The Origen Meeting**

The Origen Meeting will be held at the Company's offices, Suite 488, 625 Howe Street, Vancouver, British Columbia, V6C 2T6, on Wednesday May 12, 2021 commencing at 10:00 a.m. (Pacific time).

***Due to the COVID19 Pandemic and given the restrictions on public gatherings and in the best interest of the health of all participants in the Company's Meeting, the Company respectfully asks that all shareholders do not attend the Meeting in person. The Company requests that shareholders who wish to participate by listening to the Meeting, contact the Company by May 10, 2021 at (604)681-0209 or e-mail:cmggary@gmail.com to be included in the telephone conference for the Meeting. The Company will arrange for telephone participation for all shareholders who have requested it by May 10, 2021. However, the Company strongly recommends that shareholders vote by Proxy or VIF in advance to ease the voting tabulation at the Meeting by Olympia Trust Company. If public health guidelines regarding physical distancing in British Columbia have changed by the meeting date of May 12, 2021, the Company will issue a news release advising of permitted Meeting attendance in accordance with such updated guidelines.***

### **Record Date**

Only Origen Shareholders of record at the close of business on March 24, 2021 will be entitled to receive notice of and vote at the Origen Meeting, or any adjournment or postponement thereof.

### **Purpose of the Origen Meeting**

At the Origen Meeting, Origen Shareholders will be asked to consider and, if deemed advisable, to pass, the Arrangement Resolution approving a statutory plan of arrangement. The full text of the Arrangement Resolution is set out in Appendix A to this Circular. In order to implement the Arrangement, the Arrangement Resolution must be approved, with or without amendment, by at least two-thirds of the votes cast in respect of the Arrangement Resolution by Origen Shareholders, in person or represented by proxy at the Origen Meeting. See "*The Origen Meeting – Approval of Arrangement Resolution*".

Origen Shareholders will also be asked at the Origen Meeting to consider and, if deemed advisable, to pass an ordinary resolution approving of Origen's stock option plan and Spinco's stock option plan.

### **The Arrangement**

The Arrangement will constitute a plan of arrangement of Origen and Spinco. In order for the Arrangement to be effective, it must be approved by a special resolution passed by the Origen Shareholders holding a majority of not less than two-thirds of the Origen Shares represented in person or by proxy at the Meeting that voted on the resolution. The disclosure of the principal features of the Arrangement, as summarized below and as disclosed in more detail elsewhere in this Circular, is qualified in its entirety by reference to the full text of the Arrangement Agreement.

The principal business of Origen has been natural resource exploration with a focus on the investment in and exploration, development and advancement of exploration properties in Canada. Origen will continue this business; however, the purpose of the Arrangement is to allow Origen to spin out its exploration assets and liabilities in the Spinco Property, being the Silver Dollar property to Spinco. Pursuant to the Plan of Arrangement, there will be a reorganization of capital of Origen which includes

the exchange of Origen Shares by Origen Shareholders for Origen New Shares and Spinco Shares held by Origen.

Immediately following completion of the Plan of Arrangement, Origen Shareholders who receive Spinco Shares will continue to hold an interest in each part of the current business of Origen through the continued ownership of their Origen New Shares and the ownership of Spinco Shares distributed to them. **Origen Shareholders should refer to Appendix D for detailed information about Spinco post-Arrangement and Appendix G for pro-forma financial statements of Origen post-Arrangement.**

### **The Arrangement Agreement**

The Arrangement provides that Origen will be issued common shares of Spinco (the “**Spinco Shares**”) in consideration for the transfer to Spinco of:

- (a) the Spinco Property (as defined herein), all business, corporate, legal and accounting books, records and documents related to the Spinco Property, all equipment, hardware, software, office supplies, fixtures, and other tangible property owned, leased or held by or on behalf of Origen, and cash in the amount of \$66,893.60 (collectively, the “**Spinout Assets**”); and
- (b) all liabilities or obligations of any type whatsoever (including contingent or absolute obligations, and future obligations) of Origen, including all liabilities or obligations for Taxes payable arising from or in connection with the Spinout Assets (collectively, the “**Spinout Liabilities**”).

Pursuant to the Arrangement Agreement, at or after 12:01 AM (Vancouver time) (the “**Effective Time**”) on the date upon which the Arrangement becomes effective (the “**Effective Date**”):

- (a) Origen will transfer the Spinout Assets to Spinco in consideration for the assumption by Spinco of the Spinout Liabilities and the issuance by Spinco of that number of Spinco Shares as is equal to 0.2 of the outstanding Origen common shares; and
- (b) Origen will complete a reorganization of its share capital pursuant to which:
  - i. The Articles of Origen will be amended to rename and redesignate the Origen common shares as Class A Common Shares and to create Origen New Shares; and
  - ii. Origen Shareholders will exchange each of their Class A Common Shares for one Origen New Share and 0.12 of a Spinco Share;

Upon completion of the Arrangement and pursuant to the terms of the Arrangement Agreement, the total number of outstanding Spinco Shares will be equal to 0.2 of the total number of Origen Shares issued and outstanding immediately prior to the Effective Time, as Origen will retain a portion of the Spinco Shares.

**Origen and Spinco have agreed to implement the Arrangement in accordance with the Arrangement Agreement and the Plan of Arrangement. As at the date of this Circular, Origen has obtained the Interim Order providing for, among other things, the calling and holding of the Meeting. If the Arrangement Resolution is approved at the Meeting, Origen will on or about May 18, 2021 apply to the Court for the Final Order. If the Final Order is obtained, subject to the satisfaction or waiver of any conditions contained in the Arrangement Agreement, the Arrangement will become effective in accordance with the Final Order.**

## Reasons for the Arrangement and Recommendation of Board

**After careful consideration, the Board has unanimously determined that the Plan of Arrangement is fair and in the best interests of Origen and the Origen Shareholders. Accordingly, the Board unanimously recommends that Origen Shareholders vote FOR the Arrangement Resolution.**

In the course of its evaluation of the Plan of Arrangement, the Board considered a number of factors, including among others, the following:

- (a) *Fairness Opinion.* The Fairness Opinion to the effect that, as of April 7, 2021 subject to the assumptions, limitations and qualifications contained therein, the Arrangement (based on the Plan of Arrangement and Arrangement Agreement) is fair, from a financial point of view, to the Origen Shareholders.
- (b) *Continued Participation by Origen Shareholders in the Spinco Property Through Spinco.* Origen Shareholders, through their ownership of Spinco Shares, will also participate in the Spinco Property. The Origen Shareholders will hold 60% of the issued Spinco Shares upon completion of the Arrangement. Spinco will be transferred \$66,893.60 in cash from Origen to pursue development of the Spinco Property, along with the funds raised from the Spinco Financing. It is expected that certain of the current management of Origen will also participate as management of Spinco.
- (c) *Mineral Property Diversification.* The creation of two separate companies dedicated to the pursuit of their respective businesses will provide Origen Shareholders with diversification and increased liquidity for their investment portfolios, as they will hold a direct interest in two companies, each of which is focused on different mineral exploration assets.
- (d) *Approval of Origen Shareholders and the Court are required.* The following required approvals protect the rights of Origen Shareholders: the Arrangement must be approved by at least two-thirds of the votes cast in respect of the Arrangement Resolution by Origen Shareholders, present in person or represented by proxy at the Origen Meeting; and the Arrangement must also be sanctioned by the Court, which will consider the fairness of the Arrangement to Origen Shareholders.

The foregoing discussion summarizes the material information and factors considered by the Board in their consideration of the Plan of Arrangement. The Board collectively reached its unanimous decision with respect to the Plan of Arrangement in light of the factors described above and other factors that each member of the Board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, the Board did not find it useful or practicable to, and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the Board may have given different weight to different factors.

For further information on the reasons for the Arrangement, see “Part 5 – The Business of the Meeting – The Arrangement – Reasons for the Plan of Arrangement and Recommendation of the Board” in this Circular.

## Fairness Opinion

RwE Growth Partners, Inc. have provided the Fairness Opinion to Origen’s board of directors in respect of the fairness of the terms of the Arrangement, from a financial point of view, to the Origen Shareholders. Based upon its review and such other matters as RwE Growth Partners, Inc. have considered relevant, and subject to the limitations stated in the Fairness Opinion, it is its opinion that, as of April 7, 2021 the Arrangement (based on the Plan of Arrangement and Arrangement Agreement) is fair, from a financial point of view, to the Origen Shareholders.

For further information see the Fairness Opinion attached to this Circular as Appendix H and “Part 5 – Other Matters to be Acted Upon – The Arrangement – Fairness Opinion” in this Circular.

### **Conditions to Arrangement Becoming Effective**

In addition to the information noted immediately below under “Court Approval of the Arrangement” and “Stock Exchange Approvals”, the Arrangement is subject to a number of specified conditions, including among others:

- the Interim Order and Final Order will have been obtained from the Court on terms acceptable to each of the parties and will not have been set aside or modified in a manner unacceptable to either of the parties, on appeal or otherwise;
- Origen and Spinco will have received all required approvals, including approval by Origen Shareholders of the Arrangement at the Meeting, approval by their respective boards of directors to the Arrangement, and approval of the CSE to the Arrangement, subject only to compliance with the usual conditions of that approval, if any;
- the issuance of the Spinco Shares to the Origen Shareholders in the United States pursuant to the Arrangement will be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) of the U.S. Securities Act;
- Origen will have received confirmation from counsel that the delivery of the Spinco Shares to the Origen Shareholders pursuant to the Arrangement will be exempt from the registration and prospectus requirements in each of the provinces and territories of Canada in which Origen Shareholders are resident in Canada;
- there will not be in force any order or decree restraining or enjoining the completion of the transactions contemplated by this Arrangement Agreement or the Plan of Arrangement;
- none of the consents, orders, regulations or approvals contemplated by this Arrangement Agreement will contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by either of the parties hereto, acting reasonably;
- the Spinco Shares will have been conditionally approved for listing on the CSE;
- the Arrangement Agreement will not have been previously terminated; and
- the obligation of each party to complete the Arrangement is subject to the further condition that the covenants of the other parties will have been duly performed.

These conditions may be waived in accordance with the Arrangement Agreement.

### **Court Approval of the Arrangement**

Under the BCBCA, Origen is allowed to apply for the Interim Order and is required to apply for the Final Order to obtain the approval of the Court to the calling of the Meeting and to the Arrangement. On April 8, 2021, Origen obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached as Appendix C to the Circular.

The Court hearing to obtain the Final Order approving the Arrangement is scheduled at 9:45 a.m., Vancouver time, on May 18, 2021, subject to the approval of the Arrangement Resolution at the Meeting. A copy of the Notice of Hearing of Petition for the Final Order approving the Arrangement is attached as Appendix C to the Circular.

**Origen Shareholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements.**

### **Stock Exchange Approval**

The issued and outstanding Origen Shares are listed for trading on the CSE. Origen has not received conditional approval from the CSE for the Arrangement. There can be no guarantee that CSE conditional approval will be obtained.

Spinco has applied to list the Spinco Shares on the CSE. **The closing of the Arrangement is conditional upon the CSE approving the listing of the Spinco Shares on the CSE.**

The disclosure in this Circular has not been reviewed by the CSE. Listing will be subject to Spinco fulfilling all of the listing requirements of the CSE.

See “Part 5 – The Business of the Meeting – The Arrangement – Required Approvals” in the Circular.

### **Dissent Rights**

**Origen Shareholders will not be given the right to dissent in respect of the special resolution to approve the Arrangement** and accordingly, the dissent proceedings contained in Division 2 of Part 8 of the BCBCA **do not** apply to such special resolution or the Arrangement.

Origen acknowledges that the shareholders are offered a right to dissent in most plan of arrangement transactions. Origen Shareholders will not be provided with the right to dissent because Origen does not have the cash resources or assets that could be readily liquidated to finance such a right.

### **Income Tax Considerations**

#### ***Summary of Certain Canadian Income Tax Considerations***

Origen Shareholders will be considered to have disposed of their Origen Shares on the exchange of their Origen Shares for Origen New Shares and Spinco Shares.

Resident Shareholders will generally be deemed for purposes of the Tax Act to receive a dividend from Origen on the exchange of Origen Shares for Origen New Shares and Spinco Shares, to the extent that the fair market value of the Spinco Shares received by the Resident Shareholder exceeds the paid-up capital (as determined for the purposes of the Tax Act) of the Origen Shares attributable, on a pro rata basis, to the Origen Shares exchanged. The cost of the Origen New Shares will be deemed to be equal to the amount, if any, by which the adjusted cost base of the Origen Shares exceeds the fair market value of the Spinco Shares received.

On the exchange of Origen Shares for Origen New Shares and Spinco Shares, a capital gain (or capital loss) may also be realized by a Resident Shareholder equal to the amount by which (a) the aggregate of the cost of the Spinco Shares and of the Origen New Shares received less the amount of any dividend deemed to be received on the exchange exceeds (or is less than) (b) the aggregate of the adjusted cost base of the Origen Shares exchanged and any reasonable costs of disposition. Origen Shareholders should consult with their own tax advisors regarding the ACB of their Origen Shares since the ACB will depend on the circumstances in which their Origen Shares were issued to them.

As set out above, if the aggregate fair market value of the Spinco Shares, at the time they are distributed on the exchange of Origen Shares for Origen New Shares and Spinco Shares, exceeds the aggregate paid-up capital of the Origen Shares, a dividend will be deemed to be paid by Origen to Origen Shareholders to the extent of such excess. In the case of Non-Resident Shareholders, the deemed dividend will be subject to Canadian withholding tax under Part XIII of the Tax Act equal to



25% (subject to reduction under an applicable income tax treaty) of the deemed dividend. Origen will take such actions as may be reasonably necessary in order to meet Origen's withholding tax obligations arising as a result of any deemed dividend.

Non-Resident Shareholders will generally not be taxable in Canada with respect to any capital gains realized on the disposition of Origen Shares pursuant to the Arrangement provided such shares do not constitute "taxable Canadian property" as defined in the Tax Act.

Non-Resident Shareholders should consult with their tax advisors.

A summary of certain Canadian federal income tax considerations in respect of the proposed Arrangement is included under "*Certain Canadian Federal Income Tax Considerations*" and the foregoing is qualified in full by the information in such section.

### **Court Approval**

The Arrangement requires Court approval under the BCBCA. In addition to this approval, the Court will be asked for a declaration following a Court hearing that the Arrangement is fair to the Origen Shareholders. Prior to the mailing of this Circular, Origen submitted, along with other materials, a copy of the Circular to the Court and subsequently obtained the Origen Interim Order providing for the calling and holding of the Origen Meeting, the Dissent Rights and certain other procedural matters. Following receipt of Origen Shareholder Approval, Origen intends to make application to the Court for the Origen Final Order at 9:45 a.m. (Pacific time), or as soon thereafter as counsel may be heard, on May 18, 2021 at 800 Smithe Street, Vancouver, British Columbia, Canada, or at any other date and time as the Court may direct. Miller Thomson LLP, counsel to Origen, has advised that, in deciding whether to grant the Origen Final Order, the Court will consider, among other things, the fairness of the Arrangement to Origen Shareholders.

Any Origen Shareholder who wishes to appear or be represented and to present evidence or arguments at that hearing must file and serve a response to petition no later than 2:00 p.m (Pacific time) on May 13, 2021 along with any other documents required, all as set out in the Origen Interim Order and Notice of Petition, the text of which are set out in Appendix C to this Circular and satisfy any other requirements of the Court. Such Persons should consult with their legal advisors as to the necessary requirements.

The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, and subject to compliance with such terms and conditions, if any, as the Court sees fit.

The Court will be advised, prior to the hearing, that the Court's approval of the Arrangement (including the fairness thereof) will form a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the Spinco Shares to be received by Origen Shareholders pursuant to the Arrangement. See "*The Origen Meeting – Court Approval of the Arrangement*".

### **Regulatory Law Matters and Securities Law Matters**

#### ***Canadian Securities Law Matters***

The issuance pursuant to the Arrangement of the Origen New Shares and the Spinco Shares, as well as all other issuances, trades and exchanges of securities under the Arrangement, will be made pursuant to exemptions from the registration and prospectus requirements contained in applicable Canadian provincial securities legislation or, where required, exemption orders or rulings from various securities regulatory authorities in the provinces and territories of Canada where Origen Shareholders are resident. Origen is currently a "reporting issuer" under the applicable securities legislation in the provinces of British Columbia, Alberta, Ontario and Yukon. Under National Instrument 45-102 – *Resale of Securities* (and if required, orders and rulings from various securities regulatory authorities in the provinces and territories of Canada where Origen Shareholders are resident), the Origen New

Shares and Spinco Shares received by Origen Shareholders pursuant to the Arrangement may be resold through registered dealers in Canadian provinces or territories without any “hold period” restriction (provided that no unusual effort is made to prepare the market or create a demand for these securities, no extraordinary commission or consideration is paid in respect of the sale and, if the seller is an insider or officer of the issuer, the seller has no reasonable grounds to believe that the issuer is in default of securities legislation). Resales of Origen New Shares and Spinco Shares will, however, be subject to resale restrictions where the sale is made from the holdings of any Person or combination of Persons holding a sufficient number of Origen New Shares or Spinco Shares, as the case may be, to affect materially the control of Origen or Spinco, respectively.

See “*The Origen Meeting – Regulatory Law Matters and Securities Law Matters*”.

### ***United States Tax Law Matters***

Each U.S. Holder of Origen Shares should consult its own tax advisor as to the particular tax consequences to it of the receipt of Spinco Shares and Origen New Shares pursuant to the Arrangement and the ownership and disposition of the Spinco Shares and Origen New Shares received, including the effects of applicable U.S. federal, state and local tax laws and non-U.S. tax laws and possible changes in tax laws.

### **Risk Factors**

Origen Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (i) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a material adverse effect on the business of either Origen or Spinco; (ii) there can be no certainty that all conditions precedent to the Arrangement will be satisfied; (iii) Origen will incur costs even if the Arrangement is not completed; (iv) directors and executive officers of Origen have interests in the Arrangement that are similar to those of the Origen Shareholders; (v) the market price for Origen New Shares and Spinco Shares (if Spinco Shares are listed) may decline; (vi) Origen and any relevant intermediary may sell Spinco Shares on behalf of an Origen Shareholder to meet Origen’s withholding tax obligations (including any applicable interest and penalties) arising as a result of any deemed dividend and any such sales may negatively impact the trading price of the Spinco Shares (if listed); (vii) there is no guarantee that the Spinco Shares will be listed on the CSE or that a market for such shares will develop; (viii) Spinco Shares may not be qualified investments under the Tax Act for a Registered Plan; and (ix) the issue of Origen New Shares under the Arrangement and their subsequent sale may cause the market price of Origen New Shares to decline from current or anticipated levels.

For more information see “*The Origen Meeting - Risks Associated with the Arrangement*”. Additional risks and uncertainties, including those currently unknown or considered immaterial by Origen, may also adversely affect the Origen Shares, the Spinco Shares, and/or the businesses of Origen and Spinco following the Arrangement. Origen Shareholders should also carefully consider the risk factors associated with the businesses of Origen and Spinco included in this Circular, including the documents incorporated by reference therein. See Appendix D - “*Spinco Information - Risk Factors*”, for a description of these risks.

## GENERAL PROXY INFORMATION

### **Solicitation of Proxies**

This Circular is furnished in connection with the solicitation of proxies by the management of Origen for use at the Origen Meeting, to be held on May 12, 2021, at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors and regular employees of Origen at nominal cost paid by Origen.

### **How a Vote is Passed**

At the Origen Meeting, Origen Shareholders will be asked, among other things, to consider and to vote to approve the Arrangement Resolution approving the Arrangement. To be effective, the Arrangement must be approved by a resolution passed by not less than two-thirds of the votes cast by Origen Shareholders, voting in person or by proxy at the Origen Meeting.

Origen Shareholders will also be asked at the Origen Meeting to consider and, if deemed advisable, to pass an ordinary resolution approving Origen's stock option plan and Spinco's stock option plan.

### **Who can Vote?**

If you are a Registered Origen Shareholder as at March 24, 2021, you are entitled to attend at the Origen Meeting and cast a vote for each Origen Share registered in your name on the Arrangement Resolution. If the Origen Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer's authority should be presented at the Origen Meeting. If you are a Registered Origen Shareholder but do not wish to, or cannot, attend the Origen Meeting in person you can appoint someone who will attend the Origen Meeting and act as your proxyholder to vote in accordance with your instructions. If your Origen Shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled "*Non-Registered Holders*" set out below.

It is important that your Origen Shares be represented at the Origen Meeting regardless of the number of Origen Shares you hold. If you will not be attending the Origen Meeting in person, we encourage you to complete, date, sign and return your form of proxy as soon as possible so that your Origen Shares will be represented.

### **How do I Vote?**

Registered Origen Shareholders can vote in a number of ways:

- **Mail:** To the offices of Olympia Trust Company, PO Box 128, STN M, Calgary, AB T2P 2H6 Attention Proxy Dept; or
- **Fax:** Olympia Trust Company: Fax: 1(403) 668-8307 ; or
- **Online:** Go to the website indicated on the proxy form and follow the instructions on the form; or
- **Phone:** Call the toll-free number indicated on the proxy form (in Canada and United States) and follow the voice instructions; or
- **In Person:** Present yourself to a representative of Olympia Trust Company at the Origen Meeting, subject to compliance with COVID protocols.

### **Appointment of Proxies**

If you do not come to the Origen Meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder at the Origen Meeting. You can appoint the Persons named in the enclosed form of proxy, who are each a director and an officer of Origen. Alternatively, you can appoint any other Person to attend the Origen Meeting as your proxyholder. Regardless of who you appoint as your proxyholder, you can either instruct that appointee how you want to vote or you can let your appointee decide for you. You can do this by completing a form of proxy. In order to be valid, you must return the completed form of proxy 48 hours, excluding Saturdays, Sundays and holidays, prior to the time of the Origen Meeting to our transfer agent, Olympia Trust Company, PO Box 128, STN M, Calgary, Alberta T2P 2H6 Attention Proxy Dept by mail or fax to 1(403) 668-8307 or call the toll-free number indicated on the proxy form (in Canada and United States) and follow the voice instructions or go to the website indicated on the proxy form and follow the instructions on the form and follow the voice instructions. The Chair of the Origen Meeting may waive the proxy cut-off time at his discretion without notice.

### **What is a Proxy?**

A form of proxy is a document that authorizes someone to attend the Origen Meeting and cast your votes for you. We have enclosed a form of proxy with this Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

### **Appointing a Proxyholder**

The persons named in the enclosed form of proxy are each either a director or an officer of Origen. **An Origen Shareholder who wishes to appoint some other person to represent such Origen Shareholder at the Origen Meeting may do so by crossing out the name on the form of proxy and inserting the name of the person proposed in the blank space provided in the enclosed form of proxy. Such other person need not be an Origen Shareholder.** To vote your Origen Shares, your proxyholder must attend the Origen Meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder.

### **Instructing your Proxy and Exercise of Discretion by your Proxy**

You may indicate on your form of proxy how you wish your proxyholder to vote your Origen Shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your Origen Shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Origen Meeting, your proxyholder can vote your shares or options as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote **FOR** the Arrangement Resolution.

Further details about these matters are set out in this Circular. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting. At the time of printing this Circular, the management of Origen is not aware of any other matter to be presented for action at the Origen Meeting. If, however, other matters do properly come before the Origen Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

### **Changing your mind**

If you want to change your vote you can by (a) attending the Origen Meeting and voting in person if you were a Registered Origen Shareholder at the Record Date of March 24, 2021; (b) voting again

online; (c) signing and returning a proxy bearing a later date; (d) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Registered Office of Origen located at 400-725 Granville Street, Vancouver, British Columbia, V7Y 1G5, Attention: Kathy Tang, or (e) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 4:00 p.m. (Pacific time) on the last Business Day before the day of the Origen Meeting, or delivered to the person presiding at the Origen Meeting before it commences. Registered Origen Shareholders who revoke their proxy and do not replace it with another that is deposited with us before the deadline, may still vote their shares and options, but to do so they must attend the Origen Meeting in person.

### **Non-Registered Holders**

If your Origen Shares are not registered in your own name, they will be held in the name of a “nominee”, usually a bank, trust company, securities dealer or other financial institution and, as such, your nominee will be the entity legally entitled to vote your Origen Shares and must seek your instructions as to how to vote your Origen Shares. The Notice of Meeting, the Circular and the proxy-related materials (collectively, the “**Meeting Materials**”) are being sent to both registered and non-registered holders of Origen Shares.

Non-registered shareholders are either “objecting beneficial owners” or “**OBOs**”, who object to intermediaries disclosing information about their identity and ownership in the Corporation or “non-objecting beneficial owners” or “**NOBOs**”, who do not object to such disclosure.

### **Canadian Non-Objecting Beneficial Owners**

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, Origen has elected to send the Meeting Materials directly to Canadian NOBOs. If you are a NOBO and we have sent these materials to you directly, your name and address and information about your holdings of Origen Shares have been obtained in accordance with applicable securities regulatory requirements from the nominee holding the securities on your behalf. By choosing to send these materials to you directly, Origen (and not your nominee) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. NOBOs may vote in the following ways:

- **Mail:** To the offices of Olympia Trust Company, PO Box 128, STN M, Calgary, AB T2P 2H6 Attention Proxy Dept; or
- **Fax:** Olympia Trust Company: Fax: 1(403) 668-8307 ; or
- **Online:** Go to the website indicated on the proxy form and follow the instructions on the form; or
- **Phone:** Call the toll-free number indicated on the proxy form (in Canada and United States) and follow the voice instructions.

### ***Voting in Person***

If you are a Canadian NOBO and wish to vote in person at the Origen Meeting or appoint a nominee to vote on your behalf, insert your own name (or that of your nominee) in the space provided on the Proxy to appoint yourself (or your nominee) as proxy holder and follow the instructions to return the form. NOBOs who appoint themselves as proxy holders should present themselves at the Meeting (or their nominee should present themselves) to a representative of Olympia. Do not otherwise complete the request for voting instructions sent to you as you (or your nominee) will be voting at the Meeting, subject to compliance with COVID protocols.

## **U.S. Non-Objecting Beneficial Owners and U.S. and Canadian Objecting Beneficial Owners**

Unless you have previously informed your nominee that you do not wish to receive material relating to shareholders' meetings, you will have received this Circular from your nominee, together with a form of proxy or a request for voting instruction form ("VIF"). If that is the case, it is most important that you comply strictly with the instructions that have been given to you by your nominee on the VIF. Origen intends to pay for intermediaries to deliver the Meeting Materials to OBOs. If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your Origen Shares are not registered in your own name, Origen's transfer agent will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. If you wish to vote in person at the Origen Meeting, therefore, please insert your own name in the space provided on the form of proxy or VIF that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. It is not necessary to complete the form in any other respect, since you will be voting at the Origen Meeting in person. Please register with the transfer agent, Olympia Trust Company (Canada), upon arrival at the Origen Meeting.

## **Voting Securities and Principal Holders**

The authorized voting share capital of Origen consists of an unlimited number of Origen Shares. Each holder of Origen Shares is entitled to one vote for each Origen Share registered in his or her name at the close of business on March 24, 2021, the date fixed by the directors as the record date for determining who is entitled to receive notice of and to vote at the Origen Meeting.

At the close of business on March 24, 2021, there were 32,248,657 Origen Shares. To the knowledge of Origen's directors and officers, no persons or companies beneficially own, directly or indirectly, or exercise control or direction over shares carrying more than 10% of the voting rights attached to all Origen Shares.

## **ORIGEN ANNUAL GENERAL AND SPECIAL MEETING ITEMS, OTHER THAN THE ARRANGEMENT**

### **Election of Directors**

Directors of Origen are elected at each annual general meeting and hold office until the next annual general meeting or until that person sooner ceases to be a director. The Origen Shareholders will be asked to pass an ordinary resolution to set the number of directors of Origen at four for the next year, subject to any increases permitted by Origen's Articles.

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the Origen Shares represented by the proxy for the election of any other person or persons as directors.

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them:

<b>Name, Province or State and Country of Residence and Present Office Held</b>	<b>Periods Served as Director</b>	<b>Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised<sup>(1)</sup></b>	<b>Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years</b>
<b>Gary Schellenberg<sup>(2)</sup></b> CEO and Director BC, Canada	Since Sept. 12, 2019	2,112,333 Shares <sup>(3)</sup>	Executive Officer and a Director of Origen; President of Coast Mountain Geological Ltd. since April 1987.
<b>Geoff Schellenberg<sup>(2)</sup></b> Director BC, Canada	Since May 6, 2020	443,000 Shares <sup>(4)</sup>	President and Director of Troubadour Resources Inc., and a managing director of Coast Mountain Geological Ltd.
<b>Blake Morgan</b> President and Director BC, Canada	Since May 14, 2020	577,500 Shares	Executive Officer and Director of Opawica Explorations Inc.
<b>Michael Collins<sup>(2)</sup></b> Director BC, Canada	Since June 1, 2020	200,000 Shares	President, CEO and Director of Crest Resources Inc., President, CEO, Director of Exploits Discovery Corp., President, CEO and Director of Volatus Capital Corp. Previously President, CEO and Director of Prime Mining.

**Notes:**

- (1) As at March 24, 2021.  
(2) Denotes a member of the Audit Committee.  
(3) 107,833 of these shares are held directly by Mr. Schellenberg, 1,629,750 are held indirectly through 404198 BC Ltd., and 374,750 are held indirectly through Coast Mountain Geological Ltd., both companies controlled by Mr. Schellenberg.  
(4) 143,000 of these shares are held directly by Mr. Geoff Schellenberg, 300,000 are held indirectly through 1175991 BC Ltd., companies controlled by Mr. Geoff Schellenberg.

Other than the disclosure set out below, no proposed director of Origen is or has been, within the past 10 years, a director, chief executive officer or chief financial officer of any company that, while the person was acting in that capacity:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the above, “order” means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Mr. Gary Schellenberg is a former director of Golden Coast Energy Corp. (“GCE”). While a director of GCE, on December 11, 2015, GCE was subject to a cease trade order of the British Columbia Securities Commission for failure to file its audited financial statements and related MD&A for the financial year ended July 31, 2015. The cease trade order remains in effect. Mr. Schellenberg resigned as a director of GCE on March 24, 2016.

No proposed director of Origen has, within the past 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of Origen, no nominee for director of Origen has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

No proposed director of Origen is or has been, within the past 10 years, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

### **Amendment to Articles**

As described above, the Board is moving to a proposed size of four members – an even number which could result in a tie vote. Therefore, the Company proposes to amend its Articles to help facilitate board decisions by achieving a consensus in the event of a voting deadlock at board meetings by giving the Chair a casting vote. Where the Chair has a casting vote on a tie, he or she may not be compelled to cast it, but a vote would be based on acting in good faith and in the best interests of the Company in this regard.

The change proposed to the Company's existing articles is to grant the Chair a casting vote in the case of an equality of votes. Section 17.2 of the Company's existing Articles presently reads as follows:

**"17.2 Voting at Meetings** Questions arising at a meeting of directors are to be decided by a majority of votes and in the case of an equality of votes, the chair of the meeting does not have a second or casting vote."

This section 17.2 is proposed to be deleted and replaced as follows:

**"17.2 Voting at Meetings** Questions arising at a meeting of directors are to be decided by a majority of votes and in the case of an equality of votes, the chair of the meeting has a second and casting vote."

A copy of the proposed amendment to the Articles will be available for inspection at the Meeting and at the Company's registered office, located at Suite 400 – 725 Granville Street, Vancouver, British Columbia, V7Y 1G5 during regular business hours up to the day before the Meeting.

As contemplated by the Company's current Articles and in accordance with the BCBCA, shareholders will be asked to consider and if thought fit, approve the adoption of the amendments to the current articles by ordinary resolution as set forth below:

"IT IS RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. The existing Articles of the Company be amended with a revised section 17.2 as described in the Company's information circular dated April 9, 2021.
2. Any one director of the Company, signing alone, is authorized to execute and deliver all such documents and instruments, and to do such further acts, as may be necessary to give full effect to these resolutions or as may be required to carry out the full intent and meaning thereof.



3. Despite that this ordinary resolution has been duly passed by the shareholders of the Company, the Board is authorized and empowered to revoke this resolution at any time before giving effect to the amendments to the Articles and to determine not to proceed with the resolution without further approval of the shareholders.
4. It is a condition of this resolution that the alteration to the Articles of the Company referred to in paragraph 1 does not take effect until this resolution is deposited with the records of the Company as prescribed by the *Business Corporations Act* (British Columbia)."

**It is the intention of the persons named in the accompanying Proxy, if not expressly directed to the contrary in such Proxy, to vote such proxies FOR the ordinary resolution authorizing the amendment to the Company's Articles.**

### **Executive Compensation**

Origen is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V.

The following persons are considered the "Named Executive Officers" or "NEOs" for the purposes of this disclosure:

- a. Origen's chief executive officer;
- b. Origen's chief financial officer;
- c. each of Origen's most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the period of Incorporation to the year ended March 31, 2020 year end; and
- d. each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was neither an executive officer, nor acting in a similar capacity at period of Incorporation to the year ended March 31, 2020.

### **Director and Named Executive Officer Compensation, excluding Compensation Securities**

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by Origen or a subsidiary of Origen to each Named Executive Officer and director of Origen from Origen's Incorporation on September 12, 2019 to the year ended March 31, 2020. Origen's current directors James Mustard, Geoff Schellenberg, Blake Morgan and Michael Collins, and Origen's Chief Financial Officer, Elizabeth Richards, all joined the Board after Origen's financial year ended March 31, 2020 and therefore disclosure is not required in the table below.

Table of compensation excluding compensation securities							
Name and position	Year ended March 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites <sup>(1)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Gary Schellenberg</b> CEO and Director	2020 <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A	N/A

Table of compensation excluding compensation securities							
Name and position	Year ended March 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites <sup>(1)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Mike Sieb</b> President and Director BC, Canada	2020 <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A	N/A

(1) The value of perquisites and benefits, if any, was less than \$15,000.

(2) Origen was incorporated on September 12, 2019.

### Stock Options and Other Compensation Securities

There were no compensation securities granted or issued from Incorporation to the year ended March 31, 2020.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Gary Schellenberg</b> CEO and Director	Stock Options	N/A	N/A	N/A	N/A	N/A	N/A
<b>Mike Sieb</b> Director	Stock Options	N/A	N/A	N/A	N/A	N/A	N/A

### Exercise of Compensation Securities by Directors and NEOs

During the period of Incorporation to the financial year ending March 31, 2020, none of the Named Executive Officers or directors held any stock options and therefore none could be exercised.

For information about the material terms of Origen's stock option plan, please refer to the heading "Approval of 10% Rolling Stock Option Plan".

### Employment, Consulting and Management agreements

At the financial year ended March 31, 2020, the Company had a CEO but no CFO. No compensation had been paid to the Company to the CEO as at March 31, 2020.

## Oversight and Description of Director and Named Executive Officer Compensation

### *Director compensation*

The Board determines director compensation from time to time. Directors are not generally compensated in their capacities as such but Origen may, from time to time, grant to its directors incentive stock options to purchase common shares in the capital of Origen pursuant to the terms of the Stock Option Plan and in accordance with the policies of the CSE.

### *Named Executive Officer Compensation*

The Board determines executive compensation from time to time. Origen does not have a formal compensation policy, but the Board is responsible for reviewing the adequacy and form of compensation paid to Origen's executives and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling its responsibilities, the Board evaluates the performance of the chief executive officer and other senior management in light of corporate goals and objectives, and makes recommendations with respect to compensation levels based on such evaluations. The main objectives Origen hopes to achieve through its compensation are to attract and retain executives critical to Origen's success, who will be key in helping Origen achieve its corporate objectives and increase shareholder value. Origen looks at industry standards when compensating its executive officers.

During the period from Incorporation to the financial year ending March 31, 2020, Mr. Schellenberg's compensation as CEO amounted to \$Nil.

## **Securities Authorized for Issuance under Equity Compensation Plans**

Origen has an incentive stock option plan under which stock options are granted. Stock options have been determined by Origen's directors and are only granted in compliance with applicable laws and regulatory policy. The policies of the CSE limit the granting of stock options to employees, officers, directors and consultants of Origen and provide limits on the length of term, number and exercise price of such options. Origen received shareholder approval of its stock option plan from its spinout parent company, Explorex Resources Inc., at the Annual General Meeting of Explorex Resources Inc. (now Raffles Financial Group Limited) held on March 9, 2020.

The following table sets out equity compensation plan information from the period of Incorporation to the financial year ending March 31, 2020.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options<sup>(1)</sup></b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<sup>(2)</sup></b> <b>(c)</b>
Equity compensation plans <b>approved</b> by securityholders	N/A	N/A	N/A
Equity compensation plans <b>not approved</b> by securityholders	N/A	N/A	N/A
<b>Total</b>	N/A	N/A	N/A

(1) Assuming outstanding options are fully vested.

(2) Excluding the number of shares issuable on exercise of the outstanding options shown in the second column.

### **Indebtedness of Directors and Executive Officers**

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to Origen or our subsidiaries at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Circular.

### **Interest of Informed Persons in Material Fundamental Changes**

No informed person of Origen, no proposed nominee for election as a director of Origen, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect Origen or any of our subsidiaries.

An “informed person” means:

- a. a director or executive officer of Origen;
- b. a director or executive officer of a person or company that is itself an informed person or subsidiary of Origen;
- c. any person or company who beneficially owns, directly or indirectly, voting securities of Origen or who exercises control or direction over voting securities of Origen or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of Origen other than voting securities held by the person or company as underwriter in the course of a distribution; and
- d. Origen if it has purchased, redeemed or otherwise acquired any of its securities, so long as it holds any of its securities.

### **Audit Committee**

Under this heading, Origen is including the disclosure required by Form 52-110F2 of National Instrument 52-110 Audit Committees (“**NI 52-110**”).

#### **Audit Committee Charter**

The Audit Committee Charter was adopted by Origen’s Audit Committee and the Board of Directors. The full text of Origen’s Audit Committee Charter is set out below.

The Audit Committee is governed by the following charter:

#### **1. PURPOSE OF THE COMMITTEE**

- 1.1 The purpose of the Audit Committee is to assist the Board of Directors in its oversight of the integrity of the Company’s financial statements and other relevant public disclosures, the Company’s compliance with legal and regulatory requirements relating to financial reporting, the external auditors’ qualifications and independence and the performance of the internal audit function and the external auditors.

#### **2. MEMBERS OF THE AUDIT COMMITTEE**

- 2.1 At least one member must be “financially literate” as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

- 2.2 The Audit Committee shall consist of no less than three Directors.
- 2.3 At least one member of the Audit Committee shall be “independent” as defined under NI 52-110, while the Company is in the developmental stage of its business.

### **3.0 RELATIONSHIP WITH EXTERNAL AUDITORS**

- 3.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.
- 3.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.
- 3.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.
- 3.4 The Audit Committee will have direct communications access at all times with the external auditors.

### **4.0 NON-AUDIT SERVICES**

- 4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.
- 4.2 Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:
- (a) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
  - (b) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

### **5.0 APPOINTMENT OF AUDITORS**

- 5.1 The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.
- 5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

### **6.0 EVALUATION OF AUDITORS**

- 6.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

### **7.0 REMUNERATION OF THE AUDITORS**

7.1 The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.

7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

## **8.0 TERMINATION OF THE AUDITORS**

8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

## **9.0 FUNDING OF AUDITING AND CONSULTING SERVICES**

9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

## **10.0 ROLE AND RESPONSIBILITIES OF THE INTERNAL AUDITOR**

10.1 At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company shall be responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

## **11.0 OVERSIGHT OF INTERNAL CONTROLS**

11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

## **12.0 CONTINUOUS DISCLOSURE REQUIREMENTS**

12.1 At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company is responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

## **13.0 OTHER AUDITING MATTERS**

13.1 The Audit Committee may meet with the external auditors independently of the management of the Company at any time, acting reasonably.

13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

## **14.0 ANNUAL REVIEW**

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

## **15.0 INDEPENDENT ADVISERS**

15.1 The Audit Committee shall have the power to retain legal, accounting or other or other advisors at the expense of the Company without approval of management.

15.2 The external auditor will report directly to the Audit Committee.

## Composition of the Audit Committee

As of the date of this Circular, the following are the members of the Audit Committee:

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
Mike Sieb	Independent <sup>(2)</sup>	Financially Literate
Mike Collins	Independent	Financially Literate
Geoff Schellenberg	Independent	Financially Literate

(1) As that term is defined in NI 52-110.

(2) Mike Sieb is the former President of the Company but is no longer a member of management.

## Relevant Education and Experience of Audit Committee Members

The education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- (a) an understanding of the accounting principles used by Origen to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by Origen's financial statements, or experience actively supervising one or more persons engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting, are as follows:

Mr. Sieb is a senior executive with over 30 years of corporate and project management experience in international mining and exploration across multiple commodities and jurisdictions. He is currently the president and a director of Getchell Gold Corp., and a director of Troubadour Resources Inc. and Cross River Ventures. Mr. Sieb holds an MBA and a Bachelor of Science degree in Geology. Mr. Sieb is familiar with the financial statements of mineral exploration companies and the key accounting principles that apply.

Mr. Collins has worked as a geologist and run a mining engineering office in Vancouver he has developed an understanding of numerous mineral camps and deposit types around the world. His experience steps beyond mineral deposits with a breath of experience in the feasibility process and the pitfalls of project construction and optimization. With over 15 years as an officer and director of public companies, Mr. Collins understands intricacies of building corporate structure, marketing and value accretion, in addition to accounting principles and procedures for financial reporting. Mr. Collins graduated with a BSc. Honours from Dalhousie University in 1996 and is an accredited P.Geo. with EGBC.

Mr. Geoff Schellenberg has over 10 years of experience in the mineral exploration industry. He is currently the President and a director of Troubadour Resources Inc. (TSX.V:TR), and a managing director of Coast Mountain Geological Ltd. where he provides oversight and management on exploration and development projects for a variety of clients ranging from junior exploration to large international mining companies. Mr. Schellenberg holds a Bachelor of Commerce degree from the University of British Columbia. He is financially literate and is familiar with the accounting principles used by Origen to prepare its financial statements.

## Audit Committee Oversight

Since the commencement of Origen's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

## Reliance on Exemptions in NI 52-110 regarding De Minimis Non-audit Services or on a Regulatory Order Generally

Since the commencement of Origen's most recently completed financial year, Origen has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by Origen's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to Origen, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit), the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside of Control of Member*), the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

## Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

## External Auditor Service Fees (By Category)

The following table discloses the fees billed to Origen by its external auditor during the period of incorporation to March 31, 2020:

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit-Related Fees	Tax Fees <sup>(2)</sup>	All Other Fees
Incorporation to March 31, 2020	\$14,000	Nil	\$2,100	Nil

(1) "Audit Fees" include fees necessary to perform the annual audit and if applicable, quarterly reviews of Origen's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. These fees relate to preparing and filing Origen's Canadian tax returns and related schedules.

## Reliance on Exemptions in NI 52-110 regarding Audit Committee Composition & Reporting Obligations

Since Origen is a venture issuer, it relies on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 Composition of the Audit Committee (as described in 'Composition of the Audit Committee' above) and Part 5 Reporting Obligations of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in this Circular).

## Corporate Governance

National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian securities administrators requires Origen to annually disclose certain information regarding its corporate governance practices. Under this heading, Origen is providing the disclosure required by Form 58-101F2.



## Board of Directors

The Board has responsibility for the stewardship of Origen including responsibility for strategic planning, identification of the principal risks of Origen's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of Origen's internal control and management information systems.

The Board sets long term goals and objectives for Origen and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board delegates the responsibility for managing the day-to-day affairs of Origen to senior management but retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to Origen and its business. The Board is responsible for protecting shareholders' interests and ensuring that the incentives of the shareholders and of management are aligned.

As part of its ongoing review of business operations, the Board reviews, as frequently as required, the principal risks inherent in Origen's business including financial risks, through periodic reports from management of such risks, and assesses the systems established to manage those risks. Directly and through the Audit Committee, the Board also assesses the integrity of internal control over financial reporting and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve any material dispositions, acquisitions and investments outside the ordinary course of business, long-term strategy, and organizational development plans. Management of Origen is authorized to act without board approval, on all ordinary course matters relating to Origen's business.

The Board also monitors Origen's compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board is responsible for selecting the President and appointing senior management and for monitoring their performance.

The Board considers that the following directors are "independent" in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of Origen, other than interests and relationships arising from shareholding: Mike Sieb, Jim Mustard, Geoff Schellenberg and Michael Collins. The Board considers that Gary Schellenberg, the CEO of Origen, and Blake Morgan, President of Origen not independent because each is a member of management.

## Directorships

Certain of the directors are presently a director of one or more other reporting issuers (or equivalent) in a Canadian or foreign jurisdiction, as follows:

Name of Director	Other reporting issuer (or equivalent in a foreign jurisdiction)
Gary Schellenberg	Dunedin Ventures Inc.
	Troubadour Resources Inc.
	New World Resource Corp.
James Mustard	Goldblock Capital Inc.
	Four Nines Gold Inc.
	Getchell Gold Corp.
Mike Sieb	Troubadour Resources Inc.
	Getchell Gold Corp.
	Cross River Ventures Corp.
Geoff Schellenberg	Troubadour Resources Inc.

Name of Director	Other reporting issuer (or equivalent in a foreign jurisdiction)
Blake Morgan	Opawica Explorations Inc
Michael Collins	Crest Resources Inc. Exploits Discovery Corp. Voalatus Capital Corp ArcPacific Resources Corp.

### **Orientation and Continuing Education**

The Board is responsible for providing orientation for all new recruits to the Board. Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of Origen's business will be necessary and relevant to each new director. Origen provides continuing education for its directors as the need arises and encourages open discussion at all meetings, which format encourages learning by the directors.

### **Ethical Business Conduct**

The Board relies on the fiduciary duties placed on individual directors by Origen's governing corporate legislation and the common law to ensure the Board operates independently of management and in the best interests of Origen. The Board has found that these, combined with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **Nomination of Directors**

The Board performs the functions of a nominating committee with respect to appointment of directors. The Board believes that this is a practical approach at this stage of Origen's development. While there are not specific criteria for board membership, Origen attempts to attract and maintain directors with business knowledge, which assists in guiding management of Origen.

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders. The Board takes into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

### **Compensation**

The Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO, the CFO and the directors, and for reviewing the CEO's recommendations respecting compensation of the other officers of Origen, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: (i) recruiting and retaining executives critical to the success of Origen and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations in general; and (v) permitted compensation under CSE rules.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee described in this Circular under the heading "Audit Committee".

## **Assessments**

The Board annually reviews its own performance and effectiveness as well as reviews the Audit Committee Charter and recommends revisions as necessary. Neither Origen nor the Board has adopted formal procedures to regularly assess the Board, the Audit Committee or the individual directors as to their effectiveness and contribution. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by the other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for Origen, given its size and operations. Origen's corporate governance practice allows Origen to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

## **Approval of 10% Rolling Stock Option Plan**

### **Background Information**

Origen's Stock Option Plan (the "**Origen Stock Option Plan**") was last approved by the shareholders of its spinout parent company at the Annual General Meeting of Explorex Resources Inc. (now Raffles Financial Group Limited) held on March 9, 2020.

The purpose of the Origen Stock Option Plan is to allow Origen to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of Origen. The granting of such options is intended to align the interests of such persons with that of the shareholders. The Origen Stock Option Plan reserves for issuance a maximum of 10% of the Origen Shares at the time of a grant of options under the Origen Stock Option Plan. The Origen Stock Option Plan will be administered by the Board and provide for grants of non-transferable options under the Origen Stock Option Plan at the discretion of the management company employees of, or consultants to, Origen and its subsidiaries, or their permitted assigns (each an "**Eligible Person**").

The exercise price of Stock Options granted under the Origen Stock Option Plan will be determined by the Board. The exercise price must not be lower than the greater of the last closing market price for the Spinco Shares as quoted on the CSE on (a) the market trading day immediately prior to the date of grant of the option, and (b) the date of grant of the option.

Stock Options to acquire more than 5% of the issued and outstanding Origen Shares may not be granted to any one person in any 12-month period.

The term of any Stock Options granted under the Origen Stock Option Plan will be fixed by the Board and may not exceed ten years. Should an Eligible Person cease to qualify as an Eligible Person under the Origen Stock Option Plan prior to expiry of the term of their respective Stock Options, those Stock Options will terminate at the earlier of (i) the end of the period of time permitted for exercise of the Stock Option or, (ii) one year after the option holder ceases to be an Eligible Person for any reason other than death, disability or just cause. If such cessation as an Eligible Person is on account of disability or death, the Stock Options terminate on the first anniversary of such cessation, and if it is on account of termination of employment for just cause, the Stock Options terminate immediately.

The Origen Stock Option Plan also provides for adjustments to outstanding options in the event of alteration in the capital structure of Origen, merger or amalgamation involving Origen or Origen's entering into a plan of arrangement. Moreover, upon a change of control, all Stock Options outstanding under the Origen Stock Option Plan shall become immediately exercisable.

The directors of Origen may, at their discretion at the time of any grant, impose a schedule over which period of time Stock Options will vest and become exercisable by the optionee. If a Stock Option is cancelled before its expiry date, Origen may not grant new Stock Options to the same holder until 30 days have elapsed from the date of cancellation.

Subject to any required approval of the CSE, the Board may terminate, suspend or amend the terms of the Origen Stock Option Plan, provided that for certain amendments, the Board must obtain shareholder approval.

### **Shareholder Approval Being Sought**

A copy of the Origen Stock Option Plan is available, upon request, to any shareholder of Origen at no charge, or may be inspected at the registered office of Origen during normal business hours until the date of the Meeting.

The Board and management consider the approval of the Origen Stock Option Plan to be appropriate and in the best interests of Origen. Accordingly, unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Origen Shares represented by such form of proxy, properly executed, for the approval of the Origen Stock Option Plan.

Origen Shareholders will be asked to pass the following, ordinary resolution, approving the Origen Stock Option Plan: The text of the ordinary resolution is set forth below, subject to such amendments, variations or additions as may be approved at the Meeting:

“IT IS RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. Origen adopt a Stock Option Plan (the “**Plan**”), including the reserving for issuance under the Plan at any time of a maximum of 10% of the issued common shares of Origen;
2. The Board of Directors be authorized on behalf of Origen to make any further amendments to the Plan as may be required by regulatory authorities, without further approval of the shareholders of Origen, in order to ensure adoption of the Plan; and
3. Any one director or officer of Origen is authorized and directed to do all such acts and things and to execute and deliver all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution.”

### **Appointment of Auditor**

Origen Shareholders will be requested to appoint Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia (“**Davidson**”) as auditors of Origen to hold office until the next annual meeting of shareholders and to authorize the directors of Origen to fix their remuneration and the terms of their engagement. Davidson have been auditors of Origen since its incorporation.

Origen’s Audit Committee recommends the appointment of Davidson as Origen’s auditor to hold office until Origen’s next annual general meeting. The Audit Committee proposes that the Board of Directors be authorized to fix the remuneration to be paid to the auditor.

**Unless otherwise instructed, the proxies solicited by management will be voted for the appointment of Davidson & Company LLP, Chartered Professional Accountants, as Origen’s auditor.**

### **Management Contracts**

The management functions of Origen are not to any substantial degree performed by any person other than the executive officers and directors of Origen.

## **THE ARRANGEMENT**

### **Background to the Arrangement**

The provisions of the Arrangement Agreement are the result of negotiations between Origen and Spinco. Under the Arrangement, Origen will transfer the Spinout Property and Spinout Liabilities to Spinco and provide approximately \$66,893.60 in cash to Spinco. Spinco will conduct a financing concurrent with closing of the Arrangement, for additional funds.

RwE Growth Partners, Inc. was retained by Origen to provide the Fairness Opinion, regarding the fairness, from a financial point of view of the Arrangement to the Origen Shareholders.

After careful consideration, including a thorough review of the information and the Fairness Opinion delivered by RwE Growth Partners, Inc., a thorough review of the terms of the Arrangement Agreement, and taking into account the best interests of Origen and the impact on Origen's stakeholders, and consultation with its professional advisors, the Board unanimously resolved: (i) to accept the advice of its professional advisors; (ii) that the Arrangement is fair, from a financial point of view, to the Origen Shareholders and is in the best interests of Origen; and (iii) to approve the Arrangement and to recommend that Origen Shareholders vote in favour of the Arrangement Resolution. Origen issued a press release announcing the proposed Arrangement on April 6, 2021.

Origen has chosen to deal with its outstanding holders of share purchase warrants outside of the Arrangement and under contractual adjustment provisions in the warrant certificates. Holders of Origen options under the Origen Stock Option Plan have all consented and agreed to no adjustment resulting from the Arrangement. Accordingly, the Arrangement only includes Origen Shareholders.

### **Fairness Opinion**

Based upon and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, RwE Growth Partners, Inc. is of the opinion that, as of April 7, 2021 the Arrangement is fair, from a financial point of view, to the Origen Shareholders.

The Fairness Opinion summary is attached as Appendix H to this Circular. The summary of the Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Fairness Opinion.

### **The Arrangement**

At the Origen Meeting, Origen Shareholders will be asked to consider and, if thought advisable, to pass, the Arrangement Resolution to approve the Arrangement under the BCBCA pursuant to the terms of the Arrangement Agreement and the Plan of Arrangement. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed by Origen under its profile on SEDAR at [www.sedar.com](http://www.sedar.com), and the Plan of Arrangement, which is attached to this Circular as Appendix B.

In order to implement the Arrangement, the Arrangement Resolution must be approved by at least two-thirds of the votes cast by the Origen Shareholders. A copy of the Arrangement Resolution is set out in Appendix A of this Circular.

If the Arrangement is approved at the Origen Meeting and the Origen Final Order approving the Arrangement is issued by the Court and the applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement will take effect commencing at the Effective Time (which will be at 12:01 a.m. (Pacific time)) on the Effective Date (which is expected to be on or about May 31, 2021 or shortly thereafter).

### **Principal Steps of the Arrangement**

Under the Plan of Arrangement, commencing at the Effective Time, the following principal steps shall occur and shall be deemed to occur without any further act or formality, in the order and timing set out in the Plan of Arrangement:

- (a) at the Effective Time, pursuant to an asset purchase agreement between Origen and Spinco, Origen will transfer all of the Spinout Assets and Spinout Liabilities to Spinco in consideration for the issuance by Spinco of such number of fully-paid and non-assessable Spinco Shares to Origen such that immediately after the foregoing issuance Origen shall hold in the aggregate (together with the Spinco Share held immediately prior to the foregoing issuance) that number of Spinco Shares that is equal to 0.2 of the total number of Origen Shares issued and outstanding immediately prior to the Effective Time;
- (b) Origen shall undertake a reorganization of capital within the meaning of Section 86 of the Tax Act as follows, with the following steps occurring in the following order:
  - (i) Origen's authorized share capital and its Articles will be altered by:
    - A. renaming and redesignating all of the issued and unissued Origen Shares as Class A Common Shares;
    - B. providing that the rights, privileges, restrictions and conditions attached to the Class A Common Shares are as follows:
      - (1) to two votes at all meetings of shareholders of Origen except meetings at which only holders of a specified class of shares are entitled to vote and shall be entitled to two votes for each Class A Common Share held;
      - (2) to receive, subject to the rights of the holders of another class of shares, any dividend declared by Origen; and
      - (3) to receive, *pari passu* with the Origen New Shares (as defined below), and subject to the rights of the holders of another class of shares, the remaining property of Origen on the liquidation, dissolution or winding up of Origen, whether voluntary or involuntary;
    - C. creating a new class consisting of an unlimited number of common shares without par value (the "**Origen New Shares**");
    - D. providing that the rights, privileges, restrictions and conditions attached to the Origen New Shares are as follows:
      - (1) to vote at all meetings of shareholders of Origen except meetings at which only holders of a specified class of shares are entitled to vote and shall be entitled to one vote for each Origen New Share share held;
      - (2) to receive, subject to the rights of the holders of another class of shares, any dividend declared by Origen; and
      - (3) to receive, *pari passu* with the Class A Common Shares, and subject to the rights of the holders of another class of shares,

the remaining property of Origen on the liquidation, dissolution or winding up of Origen, whether voluntary or involuntary.

- (ii) each Origen Shareholder will exchange each Origen Class A Common Share held immediately following (b)(i) above for (A) one Origen New Share, and (B) 0.12 of a Spinco Share, and such Origen Shareholders shall cease to be the holders of the Class A Common Shares so exchanged;
- (iii) the aggregate amount added to the stated capital of the Origen New Shares issued pursuant to (b)(ii) above shall be equal to the amount if any, by which (A) the aggregate paid-up capital (as that term is defined for the purposes of the Tax Act) of the Class A Common Shares immediately prior to (b)(ii) above, exceeds (B) the fair market value of the Spinco Shares distributed to the Origen Shareholders; and
- (iv) the authorized share capital of Origen is amended to delete the Class A Common Shares, none of which are issued and outstanding, and to delete the rights, privileges, restrictions and conditions attached to the Class A Common Shares.

No fractional shares will be issued and Origen Shareholders will not receive any compensation in lieu thereof. The name of each Origen Shareholder who exchanged his, her or its Origen Class A Common Shares, shall be removed from the securities register of Origen Class A Common Shares with respect to the Origen Class A Common Shares so exchanged and shall be added to the securities registers of Origen New Shares and Spinco Shares as the holder of the number of Origen New Shares and Spinco Shares received on the exchange; and

- (c) Origen will surrender to Spinco for cancellation, the one Spinco Share issued to Origen on incorporation of Spinco.

### **Recommendation of the Board**

After taking into consideration, among other things, the Court approval and the Fairness Opinion of RWE Growth Partners, Inc. regarding the fairness, from a financial point of view, of the Arrangement (based on the Plan of Arrangement and Arrangement Agreement) to the Origen Shareholders, the directors have concluded that the Arrangement is in the best interests of Origen and is fair to the Origen Shareholders. **Accordingly, the Board recommends that Origen Shareholders vote FOR the Arrangement Resolution.**

All directors of Origen and the senior officers of Origen intend to vote all of their Origen Shares in favour of the Arrangement Resolution, subject to the terms of the Arrangement Agreement and the Origen Voting Agreements.

### **Reasons for the Arrangement**

The Board has reviewed and considered an amount of information and considered a number of factors relating to the Arrangement with the benefit of advice from Origen's senior management and its financial and legal advisors. The following is a summary of the principal reasons for the recommendation of the Board that Origen Shareholders vote FOR the Arrangement Resolution:

- (a) *Fairness Opinion.* The Fairness Opinion to the effect that, as of April 7, 2021 subject to the assumptions, limitations and qualifications contained therein, the Arrangement (based on the Plan of Arrangement and Arrangement Agreement) is fair, from a financial point of view, to the Origen Shareholders.

- (b) *Continued Participation by Origen Shareholders in the Spinco Property Through Spinco.* Origen Shareholders, through their ownership of Spinco Shares, will also participate in the Spinco Property. The Origen Shareholders will hold 60% of the issued Spinco Shares upon completion of the Arrangement. Spinco will be transferred \$66,893.60 in cash from Origen to pursue development of the Spinco Property, along with the funds raised from the Spinco Financing. It is expected that certain of the current management of Origen will also participate as management of Spinco.
- (c) *Mineral Property Diversification.* The creation of two separate companies dedicated to the pursuit of their respective businesses will provide Origen Shareholders with diversification and increased liquidity for their investment portfolios, as they will hold a direct interest in two companies, each of which is focused on different mineral exploration assets.
- (d) *Approval of Origen Shareholders and the Court are required.* The following required approvals protect the rights of Origen Shareholders: the Arrangement must be approved by at least two-thirds of the votes cast in respect of the Arrangement Resolution by Origen Shareholders voting as a single class, present in person or represented by proxy at the Origen Meeting; and the Arrangement must also be sanctioned by the Court, which will consider the fairness of the Arrangement to Origen Shareholders.

In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations. In addition, individual members of the Board may have given different weights to different factors or items of information.

#### **Approval of Arrangement Resolution**

At the Origen Meeting, the Origen Shareholders will be asked to approve the Arrangement Resolution, the full text of which is set out in Appendix A to this Circular. In order for the Arrangement to become effective, as provided in the Origen Interim Order and by the BCBCA, the Arrangement Resolution must be approved by at least two-thirds of the votes cast on the Arrangement Resolution by Origen Shareholders. Should Origen Shareholders fail to approve the Arrangement Resolution by the requisite majority, the Arrangement will not be completed.

**The Board has approved the terms of the Arrangement Agreement and the Plan of Arrangement and recommends that the Origen Shareholders vote FOR the Arrangement Resolution. See “The Origen Meeting - Recommendation of the Board” above.**

#### **The Arrangement Agreement**

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Arrangement Agreement, which is incorporated by reference herein and may be found under Origen’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

#### ***Effective Date and Conditions of the Arrangement***

If the Arrangement Resolution is passed, the Origen Final Order of the Court is obtained approving the Arrangement, every requirement of the BCBCA relating to the Arrangement has been complied with and all other conditions disclosed under “The Origen Meeting – The Arrangement Agreement” are met or waived, the Arrangement will become effective at 12:01 a.m. (Pacific time) on the Effective Date. It is currently expected that the effective date of the Arrangement will be on or about May 31, 2021 or shortly thereafter.



### ***Conditions to the Arrangement Becoming Effective***

In order for the Arrangement to become effective, certain conditions must have been satisfied or waived which conditions are summarized below.

#### ***Mutual Conditions***

The obligations of the Parties to complete the Arrangement are subject to the fulfillment of each of the following conditions precedent on or before the Effective Time, each of which may only be waived with the mutual consent of the Parties:

- (a) the Interim Order and Final Order will have been obtained from the Court on terms acceptable to each of the parties;
- (b) Origen and Spinco will have received all required approvals, including approval by Origen Shareholders of the Arrangement at the Meeting and approval by their respective boards of directors, subject only to compliance with the usual conditions of that approval, if any;
- (c) the Spinco Shares to be issued pursuant to the Arrangement to Origen Shareholders in the United States shall either be: (i) exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof; (ii) be registered pursuant to an effective registration statement under the U.S. Securities Act; or (iii) issued pursuant to an exemption from the registration requirements of the U.S. Securities Act; provided, however, that Origen shall not be entitled to the benefit of the conditions in this Section 5.1(c) and shall be deemed to have waived such condition in the event that Origen fails to advise the Court prior to the hearing in respect of the Interim Order that Origen intends to rely on the Section 3(a)(10) Exemption based on the Court's approval of the Arrangement and comply with the requirements set forth in Section 2.2 and the Final Order shall reflect such reliance;
- (d) Origen will have received confirmation from counsel that the delivery of the Spinco Shares to the Origen Shareholders, will be exempt from the registration and prospectus requirements in each of the provinces and territories of Canada in which Origen Shareholders are resident in Canada;
- (e) there will not be in force any order or decree restraining or enjoining the completion of the transactions contemplated by this Arrangement Agreement or the Plan of Arrangement;
- (f) none of the consents, orders, regulations or approvals contemplated by this Arrangement Agreement will contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by either of the parties hereto, acting reasonably;
- (g) the Spinco Shares will have been conditionally approved for listing on the CSE;
- (h) this Arrangement Agreement will not have been previously terminated; and
- (i) the obligation of each party to complete the Arrangement is subject to the further condition that the covenants of the other parties will have been duly performed.

#### ***Conditions in favour of Origen***

The obligation of Origen to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent on or before the Effective Time (each of which is for the exclusive benefit of Origen and may be waived by Origen):

- (a) no adverse material change will have occurred in the business, affairs, financial condition or operations of Spinco;

- (b) Origen will have received a satisfactory fairness opinion for Origen and tax advice satisfactory to Origen, in its sole discretion, respecting the tax consequences of the Arrangement to the Origen Shareholders (which fairness opinion and tax advice have been received); and
- (c) the representations and warranties of Spinco as set out in this Arrangement Agreement will be true and correct on and as of the Effective Date as if they were made on and as of such date, except as affected by transactions contemplated or permitted by this Arrangement Agreement and except for any failures or breaches of representations or warranties which would not have a material adverse effect on the business, assets, financial condition or results of operations of Spinco, taken as a whole.

The foregoing conditions will be for the sole benefit of Origen and may be waived by it in whole or in part at any time.

#### *Conditions in favour of Spinco*

The obligation of Spinco to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent on or before the Effective Time (each of which is for the exclusive benefit of Spinco and may be waived by Spinco):

- (a) no adverse material change will have occurred in the business, affairs, financial condition or operations of Origen; and
- (b) the representations and warranties of Origen as set out in this Arrangement Agreement will be true and correct on and as of the Effective Date as if they were made on and as of such date, except as affected by transactions contemplated or permitted by this Arrangement Agreement and except for any failures or breaches of representations or warranties which would not have a material adverse effect on the business, assets, financial condition or results of operations of Origen, taken as a whole.

The foregoing conditions will be for the sole benefit of Spinco and may be waived by it in whole or in part at any time.

#### **Termination**

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

#### **Completion of the Arrangement**

The Arrangement will become effective at 12:01 a.m. (Pacific time) on the date upon which all of the conditions to completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement, all documents agreed to be delivered thereunder have been delivered to the satisfaction of the recipient, acting reasonably, and the filings required under the BCBCA have been filed with the Registrar. Completion of the Arrangement is expected to occur on or about May 31, 2021; however, it is possible that completion may be delayed beyond this date if the conditions to completion of the Arrangement cannot be met on a timely basis.

## **Procedure for Distribution of Certificates**

### **Share Certificates**

Assuming completion of the Arrangement, if you hold your Origen common shares through an intermediary, then you are not required to take any action and Spinco Shares and Origen New Shares will be delivered to your intermediary through the procedures in place for such purposes between CDS & Co. or similar entities and such intermediaries. If you hold your Origen common shares through an intermediary, you should contact your intermediary if you have questions regarding this process.

In the case of Registered Origen Shareholders, as soon as practicable following the Effective Date, such Registered Origen Shareholder must submit his/her/its Origen Shares to Olympia with a duly completed Letter of Transmittal. Thereafter, Olympia and Spinco's transfer agent will cause to be delivered to Origen Shareholders as of the Effective Date in accordance with the terms hereof and as described in the Letter of Transmittal, share certificates or DRS advices representing the aggregate Origen New Shares and Spinco Shares to which such Origen Shareholders are entitled following the Arrangement.

### **Fractional Shares**

No fractional shares will be issued and Origen Shareholders will not receive any compensation in lieu thereof.

## **Effects of the Arrangement on Origen Shareholders' Rights**

Origen Shareholders receiving Origen New Shares and Spinco Shares under the Arrangement will remain shareholders of Origen and will also become shareholders of Spinco. Spinco, like Origen, is a company governed by the BCBCA.

## **Court Approval of the Arrangement**

An arrangement under the BCBCA requires Court approval.

### ***Origen Interim Order***

On April 8, 2021 Origen obtained the Origen Interim Order providing for the calling and holding of the Origen Meeting and certain other procedural matters. The text of the Origen Interim Order is set out in Appendix C to this Circular.

### ***Origen Final Order***

Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is approved by Origen Shareholders at the Origen Meeting in the manner required by the Origen Interim Order, Origen intends to make an application to the Court for the Origen Final Order.

The application for the Origen Final Order approving the Arrangement is currently scheduled for May 18, 2021 at 9:45 a.m. (Pacific time), or as soon thereafter as counsel may be heard, at 800 Smithe Street, Vancouver, British Columbia, Canada, or at any other date and time as the Court may direct. Any Origen Shareholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Origen Final Order must file and serve a response to petition no later than 2:00 p.m. (Pacific time) on May 13, 2021 along with any other documents required, all as set out in the Origen Interim Order and the Notice of Petition, the text of which are set out in Appendix C to this Circular, and satisfy any other requirements of the Court. Such Persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned, then, subject to further order of the Court, only those Persons having previously filed and served a response to petition will be given notice of the adjournment.

The Court has broad discretion under the BCBCA when making orders with respect to the Arrangement. The Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, Origen or Spinco may determine not to proceed with the Arrangement.

The Spinco Shares to be issued to Origen Shareholders in exchange for their Origen Shares pursuant to the Arrangement, have not been and will not be registered under the U.S. Securities Act or the Securities Laws of any state of the United States and will be issued and exchanged in reliance upon the exemption from registration under the U.S. Securities Act provided by Section 3(a)(10) thereof and exemptions provided under the Securities Laws of each state of the United States in which Origen Shareholders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration under the U.S. Securities Act where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the terms and conditions of such issuance and exchange to those to whom the securities will be issued, at which all Persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court will be advised prior to the hearing of the application for the Origen Final Order that if the terms and conditions of the Arrangement, and the fairness thereof, are approved by the Court, the Spinco Shares to be received by Origen Shareholders pursuant to the Arrangement will not require registration under the U.S. Securities Act pursuant to Section 3(a)(10) thereunder. Accordingly, the Origen Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the issuance of the Spinco Shares in exchange for the Origen Shares pursuant to the Arrangement. See *"The Origen Meeting – Regulatory Law Matters"* below.

For further information regarding the Court hearing and your rights in connection with the Court hearing, see the form of Notice of Hearing of Petition attached at Appendix C to this Circular. The Notice of Hearing of Petition constitutes notice of the Court hearing of the application for the Origen Final Order and is your only notice of the Court hearing.

### **Regulatory Approvals**

The Origen Shares are listed and posted for trading on the CSE. It is a condition of the Arrangement that the CSE conditional approval is obtained for the Arrangement.

Application will be made for the listing of the Spinco Shares on the CSE. Any listing will be subject to meeting initial listing requirements of the CSE. There can be no assurance as to if, or when, the Spinco Shares will be listed or traded on the CSE or any other stock exchange. It is a condition of the Arrangement that the CSE shall have approved the listing of the Spinco Shares on the CSE. As the Spinco Shares are not listed on a stock exchange, unless and until such a listing is obtained, holders of Spinco Shares may not have a market for their shares.

### **Regulatory Law Matters and Securities Law Matters**

Other than the Origen Final Order and the approvals of the CSE, Origen is not aware of any material approval, consent or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Arrangement. In the event that any such approvals or consents are determined to be required, such approvals or consents will be sought. Any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, Origen currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date. Subject to receipt of the Origen Shareholder Approval at the

Origen Meeting, receipt of the Origen Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, the Effective Date is expected to be on or about May 31, 2021 or shortly thereafter.

### ***Canadian Securities Law Matters***

Each Origen Shareholder is urged to consult such Origen Shareholder's professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Origen New Shares or Spinco Shares.

#### ***Status under Canadian Securities Laws***

Origen is a reporting issuer in British Columbia, Alberta, Ontario and Yukon and its shares currently trade on the CSE.

Upon completion of the Arrangement, Spinco expects that it will be a reporting issuer in British Columbia, Alberta, Ontario and Yukon. Application will be made for the listing of the Spinco Shares on the CSE. Any listing will be subject to meeting the initial listing requirements of the CSE. There can be no assurance as to if, or when, the Spinco Shares will be listed or traded on the CSE or any other stock exchange. It is a condition of the Arrangement that the CSE shall have approved the listing of the Spinco Shares on the CSE. As the Spinco Shares are not listed on a stock exchange, unless and until such a listing is obtained, holders of Spinco Shares may not have a market for their shares.

#### ***Distribution and Resale of Origen New Shares and Spinco Shares under Canadian Securities Laws***

The distribution of the Origen New Shares and Spinco Shares pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The Origen New Shares and Spinco Shares (if listed) received pursuant to the Arrangement will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a "control distribution" as defined National Instrument 45-102 - *Resale of Securities* of the Canadian Securities Administrators, (ii) no unusual effort is made to prepare the market or to create a demand for the Origen New Shares or the Spinco Shares, as the case may be, (iii) no extraordinary commission or consideration is paid to a Person or company in respect of such sale, and (iv) if the selling security holder is an insider or officer of Origen or Spinco, as the case may be, the selling security holder has no reasonable grounds to believe that Origen or Spinco, as the case may be, is in default of applicable Canadian Securities Laws.

The issuance pursuant to the Arrangement of the Origen New Shares and the Spinco Shares, as well as all other issuances, trades and exchanges of securities under the Arrangement, will be made pursuant to exemptions from the registration and prospectus requirements contained in applicable Canadian provincial securities legislation or, where required, exemption orders or rulings from various securities regulatory authorities in the provinces and territories of Canada where Origen Shareholders are resident. Origen is currently a "reporting issuer" under the applicable securities legislation in the provinces of British Columbia, Alberta, Ontario and Yukon. Under National Instrument 45-102 – *Resale of Securities* (and if required, orders and rulings from various securities regulatory authorities in the provinces and territories of Canada where Origen Shareholders are resident), the Origen New Shares and Spinco Shares received by Origen Shareholders pursuant to the Arrangement may be resold through registered dealers in Canadian provinces or territories without any "hold period" restriction (provided that no unusual effort is made to prepare the market or create a demand for these securities, no extraordinary commission or consideration is paid in respect of the sale and, if the seller is an insider or officer of the issuer, the seller has no reasonable grounds to believe that the issuer is in default of securities legislation). Resales of Origen New Shares and Spinco Shares will, however, be subject to resale restrictions where the sale is made from the holdings of any Person or combination

of Persons holding a sufficient number of Origen New Shares or Spinco Shares, as the case may be, to affect materially the control of Origen or Spinco, respectively.

### ***United States Securities Law Matters***

#### ***Resales of Spinco Shares within the United States after the Effective Time***

The resale rules under the U.S. Securities Act applicable to Origen Shareholders in the United States are summarized below. The following summary is a general overview of certain requirements of U.S. federal securities laws that may be applicable to Origen Shareholders in the United States with respect to securities of Spinco that they may receive pursuant to or following the Arrangement. All Origen Shareholders in the United States are urged to consult with their own legal counsel to ensure that any proposed resale or exercise of such Spinco Shares complies with applicable Securities Laws.

#### ***Non-Affiliates of Spinco***

Origen Shareholders in the United States who are not “affiliates” of Spinco at the time of, or within 90 days before, their resale of Spinco Shares and who were not “affiliates” of Spinco within 90 days prior to the Effective Date, may generally resell Spinco Shares without restriction under the U.S. Securities Act. An “affiliate” of an issuer is a person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. “Control” means the possession, direct or indirect, of the power to direct or cause direction of the management and policies of an issuer, whether through the ownership of voting securities, by contract or otherwise. Typically, persons who are executive officers, directors or 10% or greater shareholders of an issuer are considered to be its “affiliates”.

#### ***Affiliates of Spinco***

Origen Shareholders in the United States who are affiliates of Spinco at the time of, or within 90 days before, their resale of Spinco Shares or who were affiliates of Spinco within 90 days prior to the Effective Date, will be subject to restrictions on resale imposed by the U.S. Securities Act with respect to the Spinco Shares. These Origen Shareholders may not resell their Spinco Shares unless such securities are registered under the U.S. Securities Act or an exemption from registration is available, such as pursuant to Regulation S or Rule 144, if available, as follows:

- ***Resale of Spinco Shares Pursuant to Regulation S.*** In general, under Regulation S, persons who are affiliates of Spinco at the time of their resale of Spinco Shares solely by virtue of their status as an officer or director of Spinco may sell Spinco Shares outside of the United States in an “offshore transaction” (which would include a sale through the TSX, TSXV or CSE, if applicable) if neither the seller nor any person acting on its behalf engages in “directed selling efforts” in the United States and no selling commission, fee or other remuneration is paid in connection with such sale other than a usual and customary broker’s commission. For purposes of Regulation S, “directed selling efforts” means “any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered” in the sale transaction. Certain additional restrictions are applicable to a holder of Spinco Shares who is an affiliate of Spinco at the time of their resale of Spinco Shares other than by virtue of his or her status as an officer or director of Spinco.
- ***Resale of Spinco Shares Pursuant to Rule 144.*** In general, under Rule 144 under the U.S. Securities Act, if available, persons who are affiliates of Spinco at the time of, or within 90 days before, their resale of Spinco Shares, or who were affiliates of Spinco within 90 days prior to the Effective Date, will be entitled to sell Spinco Shares in the United States, provided that during any three-month period, the number of such Spinco Shares sold does not exceed the greater of one percent of the then outstanding securities of such class or, if such securities are listed on a United States securities exchange, the average weekly trading volume of such

securities during the four-week period preceding the date of sale, subject to specified restrictions on manner of sale, notice requirements, aggregation rules and the availability of current public information about Spinco.

Each U.S. Holder of Origen Shares should consult its own tax advisor as to the particular tax consequences to it of the receipt of Spinco Shares pursuant to the Origen spinout and the ownership and disposition of the Spinco Shares received, including the effects of applicable U.S. federal, state and local tax laws and non-U.S. tax laws and possible changes in tax laws.

### **Fees and Expenses**

All expenses incurred in connection with the Arrangement and the Arrangement shall be paid by the Party incurring such expense.

### **Interests of Certain Persons in the Arrangement**

In considering the recommendation of the Board with respect to the Arrangement, Origen Shareholders should be aware that Origen's senior management and the Board will participate in the Arrangement, to the extent they are Origen Shareholders, in the same manner as Origen Shareholders. There are no collateral benefits to be received by the directors or executive officers of Origen as a result of the Arrangement. Additionally, all outstanding stock options in Origen, the majority of which are held by Origen directors and executive officers are being retained and all holders of outstanding Origen stock options have agreed to forego any interest or right to receive a Forty Pillars stock option as part of the Arrangement.

### ***Directors***

The directors (other than directors who are also executive officers) hold, in the aggregate, 3,577,095 Shares, representing approximately 11.1% of the Origen Shares outstanding on the Record Date. All of the Origen Shares held by the directors will be treated in the same fashion under the Arrangement as Origen Shares held by every other Origen Shareholder.

### ***Executive Officers***

The current responsibility for the general management of Origen is held and discharged by a group of executive officers. The executive officers of Origen are as follows:

<b>Name</b>	<b>Position</b>	<b>Origen Shares</b>
Blake Morgan	President	577,500
Gary Schellenberg	CEO	2,112,333 <sup>(1)</sup>
Elizabeth Richards	CFO	123,854 <sup>(2)</sup>
Monita Faris	Corporate Secretary	25,162 <sup>(3)</sup>

#### **Notes:**

- (1) 107,833 of these shares are held directly by Mr. Schellenberg, 1,629,750 are held indirectly through 404198 BC Ltd., and 374,750 are held indirectly through Coast Mountain Geological Ltd., both companies controlled by Mr. Schellenberg.
- (2) 123,854 held indirectly through 0962321 BC Ltd. controlled by Mrs. Richards.
- (3) 25,162 held indirectly through Pacific Blue Holdings Ltd controlled by Ms. Faris.

The executive officers of Origen hold, in the aggregate, 2,838,849 Origen Shares representing approximately 8.8% of the Origen Shares as of the Record Date. All of the Origen Shares held by the executive officers of Origen will be treated in the same fashion under the Arrangement as Origen Shares held by every other Origen Shareholder.

### **Risks Associated with the Arrangement**

In evaluating the Arrangement, Origen Shareholders should carefully consider the following risk factors relating to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently

unknown or considered immaterial by Origen, may also adversely affect trading price of the Origen New Shares, the Spinco Shares and/or the businesses of Origen and Spinco following the Arrangement. In addition to the risk factors relating to the Arrangement set out below, Origen Shareholders should also carefully consider the risk factors associated with the businesses of Origen and Spinco included in this Circular, the Appendices to this Circular and in the documents incorporated by reference herein. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated. The risks associated with the Arrangement include:

***The Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having an adverse material effect on Origen.***

Each of Origen and Spinco has the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can Origen provide any assurance, that the Arrangement Agreement will not be terminated by either Origen or Spinco before the completion of the Arrangement. For example, Spinco has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that, in the aggregate, have an adverse material effect on Origen. Although an adverse material effect excludes certain events that are beyond the control of Origen (such as general changes in the global economy or changes that affect the mining industry generally and which do not have a materially disproportionate effect on Origen), there is no assurance that a change having an adverse material effect on Origen will not occur before the Effective Date, in which case Spinco could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

***There can be no certainty that all conditions precedent to the Arrangement will be satisfied.***

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Origen, including satisfaction of the conditions precedent to the Arrangement and receipt of the Origen Final Order. There can be no certainty, nor can Origen provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Arrangement is not completed, the market price of the Origen Shares may decline to the extent that the current market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the Board decides to seek another merger or arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total consideration to be paid pursuant to the Arrangement.

***Origen will incur costs even if the Arrangement is not completed.***

Certain costs related to the Arrangement, such as legal, accounting and Fairness Opinion fees, must be paid by Origen even if the Arrangement is not completed. Origen is liable for its costs incurred in connection with the Arrangement. See “*The Origen Meeting – The Arrangement Agreement - Termination*”.

***The market price for the Origen Shares may decline.***

If the Arrangement is not approved by the Origen Shareholders, the market price of the Origen Shares may decline to the extent that the current market price of the Origen Shares reflects a market assumption that the Arrangement will be completed. If the Arrangement Resolution is not approved and the Board decides to seek another merger or arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total consideration to be paid pursuant to the Arrangement.

***Origen may sell Spinco Shares on behalf of Origen Shareholders to meet Origen’s withholding tax obligations (including any applicable interest and penalties) arising as a result of any deemed dividend under the Arrangement. Any such sales may negatively impact the trading price of the Spinco Shares (if listed).***



If Origen determines that a deemed dividend arose as a consequence of the Arrangement, Origen will be entitled to deduct and withhold from any consideration payable or otherwise deliverable to an Origen Shareholder (including the Spinco Shares) such amounts as Origen is required or permitted to deduct and withhold under the Tax Act. To the extent that Origen is required to deduct and withhold from consideration, including the Spinco Shares, Origen is entitled to liquidate such consideration to the extent necessary in order to fund its deduction, withholding and remittance obligations (including any applicable interest and penalties). Any such sales may negatively impact the trading price of the Spinco Shares (if listed). See "*Certain Canadian Federal Income Tax Considerations*".

***Spinco Shares may not be qualified investments under the Tax Act for a Registered Plan.***

Although an application will be made to the CSE for listing of the Spinco Shares on the CSE, there is no assurance when, or if, the Spinco Shares will be listed on the CSE or on any other stock exchange. If the Spinco Shares are not listed on a "designated stock exchange", as defined in the Tax Act, or if Spinco does not otherwise satisfy the conditions in the Tax Act to be a "public corporation" before the due date for Spinco's first income tax return and/or does not make the election in its first income tax return to be deemed to be a public corporation from the beginning of such year, the Spinco Shares will not be considered to be a "qualified investment" under the Tax Act for a Registered Plan from their date of issue. Where a Registered Plan acquires a Spinco Share in circumstances where the Spinco Share is not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant under the Registered Plan, including that the Registered Plan may become subject to penalty Taxes, the annuitant of such Registered Plan may be deemed to have received income therefrom or be subject to a penalty tax or, in the case of a registered education savings plan, such plan may have its tax exempt status revoked. See "*Certain Canadian Federal Income Tax Considerations – Residents of Canada - Eligibility for Investment*".

**Dissent Rights**

**Origen Shareholders will not be given the right to dissent in respect of the special resolution to approve the Arrangement** and accordingly, the dissent proceedings contained in Division 2 of Part 8 of the BCBCA **do not** apply to such special resolution or the Arrangement.

Origen acknowledges that the shareholders are offered a right to dissent in most plan of arrangement transactions. Origen Shareholders will not be provided with the right to dissent because Origen does not have the cash resources or assets that could be readily liquidated to finance such a right.

**CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to an Origen Shareholder who, for purposes of the Tax Act, holds Origen Shares, and will hold Origen New Shares and Spinco Shares acquired pursuant to the Arrangement, as capital property, deals at arm's length with each of Origen and Spinco and is not affiliated with Origen or Spinco.

Origen Shares, Origen New Shares and Spinco Shares generally will be considered capital property to an Origen Shareholder for purposes of the Tax Act unless the Origen Shareholder holds such Origen Shares in the course of carrying on a business of buying and selling securities or the Origen Shareholder has acquired or holds them in a transaction or transactions considered to be an adventure or concern in the nature of trade. In circumstances where Origen Shares, Origen New Shares and Spinco Shares may not otherwise constitute capital property to a particular holder who is resident in Canada for purposes of the Tax Act, such holder may be entitled to elect that such securities be deemed to be capital property by making an irrevocable election under subsection 39(4) of the Tax Act to deem every "Canadian security" (as defined in the Tax Act) owned by such holder in the taxation year of the election and in each subsequent taxation year to be capital property. Origen Shareholders contemplating such an election should first consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the “**Tax Regulations**”) in force on the date hereof, and counsel’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (“**CRA**”). The summary takes into account all specific proposals to amend the Tax Act and the Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”), and assumes that all Tax Proposals will be enacted in the form proposed. However, there is no certainty that the Tax Proposals will be enacted in the form currently proposed, if at all. The summary does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action, or other changes in administrative policies or assessing practices of the CRA, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may materially differ from Canadian federal income tax legislation or considerations.

This summary does not apply to Origen Shareholders which are “financial institutions” for the purposes of the market-to-market rules in the Tax Act, “specified financial institutions” or an interest in which would be a “tax shelter” or a “tax shelter investment” or has entered or will enter into a “derivative forward agreement”, a “synthetic disposition arrangement”, a “synthetic equity arrangement” or a “dividend rental arrangement”, each as defined in the Tax Act. This summary also does not apply to an Origen Shareholder that has made a functional currency reporting election pursuant to the Tax Act. In addition, this summary does not address the tax considerations relevant to Origen Shareholders who acquired their Origen Shares on the exercise of an employee stock option. Such Origen Shareholders should consult their own tax advisors.

Further, this summary is not applicable to a person that (i) is a corporation resident in Canada and (ii) is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of Origen Shares, Origen New Shares or Spinco Shares, controlled by a non-resident corporation for the purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act. Any such shareholder should consult its own tax advisor.

**This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal, business or tax advice or representations to any particular Origen Shareholder. Accordingly, Origen Shareholders should consult their own tax advisors with respect to their particular circumstances, including the application and effect of the income and other tax laws of any country, province, state or local tax authority.**

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Origen Shares, Origen New Shares or Spinco Shares, including interest, dividends, adjusted cost base and proceeds of disposition must be converted into Canadian dollars based on the relevant exchange rate applicable on the effective date (as determined in accordance with the Tax Act) of the related acquisition, disposition or recognition of income.

### **Residents of Canada**

This part of the summary is applicable only to Origen Shareholders, who, for the purposes of the Tax Act and at all relevant times, are resident, or deemed to be resident, in Canada (“**Resident Holders**”).

### **Exchange of Origen Shares for Origen New Shares and Spinco Shares**

Resident Holders will be considered to have disposed of their Origen Shares on the exchange of their Origen Shares for Origen New Shares and Spinco Shares.

The cost to a Resident Holder of Spinco Shares acquired on the exchange of Origen Shares for Origen New Shares and Spinco Shares will be equal to the fair market value of the Spinco Shares at the time of the exchange. The cost to a Resident Holder of Origen New Shares acquired on the exchange will be equal to the amount, if any, by which the adjusted cost base (“**ACB**”) of the Resident Holder’s

Origen Shares immediately before the exchange exceeds the fair market value of the Spinco Shares received on the exchange. If the aggregate fair market value of the Spinco Shares received by a Resident Holder on the exchange exceeds the paid-up capital as determined for purposes of the Tax Act of the Origen Shares exchanged then the excess will generally be deemed to be a dividend received by the Resident Holder from Origen. See “Dividends on Origen Shares” below for a general description of the treatment of dividends under the Tax Act including amounts deemed under the Tax Act to be received as dividends. A determination of whether a Resident Holder will be deemed to receive a dividend and the amount of any such dividend cannot be made at this time because it will be dependent on the fair market value, on the Effective Date, of the Spinco Shares distributed by Origen pursuant to the Arrangement and the paid-up capital of the Origen Shares on the Effective Date.

On the exchange of Origen Shares for Origen New Shares and Spinco Shares, a capital gain (or capital loss) may be realized by a Resident Holder equal to the amount, if any, by which (a) the aggregate of the cost of the Spinco Shares and of the Origen New Shares received, determined as described above, less the amount of any dividend deemed to be received on the exchange, exceeds (or is less than) (b) the aggregate of the ACB of the Origen Shares exchanged and any reasonable costs of disposition. Resident Holders should consult with their own tax advisors regarding the ACB of their Origen Shares since the ACB will depend on the circumstances in which their Origen Shares were issued to them.

See “Taxation of Capital Gains and Losses” below.

### **Dividends on Shares**

A Resident Holder who is an individual will be required to include in income any dividends received or deemed to be received on the Resident Holder’s Origen Shares, Origen New Shares or Spinco Shares, and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by Origen or Spinco, as the case may be, as “eligible dividends”, as defined in the Tax Act.

A Resident Holder that is a corporation will be required to include in income any dividend received or deemed to be received on the Resident Holder’s Origen Shares, Origen New Shares or Spinco Shares, but generally will be entitled to deduct an equivalent amount in computing its taxable income. In the event that a dividend is deemed to have been received on the exchange of Origen Shares for Origen New Shares and Spinco Shares under the Arrangement, Resident Holders that are corporations may wish to consult their tax advisors on the tax consequences of the deemed receipt of such a dividend, including the potential application of subsection 55(2) of the Tax Act that may result in a portion or all of such deemed dividend being treated as a capital gain, depending on the circumstances.

A “private corporation” or a “subject corporation” (as defined in the Tax Act) may be liable under Part IV of the Tax Act to pay a refundable tax of 38½% on any dividend that it receives or is deemed to receive on Origen Shares, Origen New Shares or Spinco Shares to the extent that the dividend is deductible in computing the corporation’s taxable income.

Taxable dividends received by a Resident Holder that is an individual or trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act.

### **Disposition of Origen New Shares and Spinco Shares**

A Resident Holder that disposes or is deemed to dispose of an Origen New Share or a Spinco Share in a taxation year generally will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of the Origen New Share or Spinco Share, as the case may be, exceed (or are less than) the sum of the Resident Holder’s ACB of such Origen New Share or Spinco Share, as

the case may be, determined immediately before the disposition and any reasonable costs of disposition. See “Taxation of Capital Gains and Losses” below.

### **Taxation of Capital Gains and Losses**

Generally, a Resident Holder will be required to include in computing the Resident Holder’s income for a taxation year one-half of the amount of any capital gain (a “**taxable capital gain**”) realized by the Resident Holder in that year. A Resident Holder will generally be entitled to deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realized in such years to the extent and under the circumstances specified in the Tax Act.

Where a Resident Holder is a corporation, the amount of any capital loss arising on a disposition or deemed disposition of any Origen New Share or Spinco Share, as the case may be, may be reduced by the amount of dividends received or deemed to have been received by it on such Origen New Share or Spinco Share, as the case may be, to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Origen New Shares or Spinco Shares, as the case may be, or where a trust or partnership of which a corporation is a beneficiary or a member is a member of a partnership or a beneficiary of a trust that owns such securities.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) may be required to pay an additional 10 $\frac{2}{3}$ % refundable tax on certain investment income, which includes taxable capital gains.

Capital gains realized by a Resident Holder that is an individual or trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act.

### **Minimum Tax**

A Resident Holder who is an individual (including certain trusts) is subject to minimum tax under the Tax Act. This tax is computed by reference to adjusted taxable income. Eighty percent (80%) of capital gains (net of capital losses) and the actual amount of taxable dividends (not including any gross-up) are included in determining the adjusted taxable income of an individual. Any additional tax payable by an individual under the minimum tax provisions may be carried forward and applied against certain tax otherwise payable in any of the seven immediately following taxation years, to the extent specified by the Tax Act.

### **Eligibility for Investment**

The Origen New Shares and the Spinco Shares to be issued pursuant to the Arrangement would, if issued on the date of this Circular, be “qualified investments” under the Tax Act for trusts governed by a registered retirement savings plan (“**RRSP**”), a registered retirement income fund (“**RRIF**”), a deferred profit sharing plan, a registered education savings plan (“**RESP**”), a registered disability savings plan (“**RDSP**”) and a tax-free savings account (“**TFSA**”) (collectively, “**Registered Plans**”), provided such Origen New Shares and Spinco Shares are listed on a “designated stock exchange” as defined in the Tax Act, which includes the CSE, or Origen or Spinco, as the case may be, is a “public corporation” as defined in the Tax Act. If the Spinco Shares are not listed on a designated stock exchange at the time they are issued pursuant to the Arrangement, but such Spinco Shares become listed on a designated stock exchange in Canada before the due date for Spinco’s first income tax return and Spinco makes the appropriate election under the Tax Act in that return, such Shares will be considered qualified investments for Registered Plans from the date of issuance.

If the Spinco Shares are not listed on a designated stock exchange before the due date for Spinco’s first income tax return or if Spinco does not otherwise satisfy the conditions in the Tax Act to be a

“public corporation”, the Spinco Shares will not be considered to be a qualified investment for a Registered Plan from their date of issue. Where a Registered Plan acquires a Spinco Share in circumstances where the Spinco Share is not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant under or the subscriber or holder of the Registered Plan, including that the Registered Plan may become subject to penalty taxes, the annuitant of such Registered Plan may be deemed to have received income therefrom or be subject to a penalty tax or, in the case of a RESP, such plan may have its tax exempt status revoked.

Notwithstanding that the Origen New Shares and the Spinco Shares may be a qualified investment for a Registered Plan, the annuitant under a RRSP or RRIF, the subscriber of a RESP, or the holder of a RDSP or TFSA, as the case may be, will be subject to a penalty tax if such securities are “prohibited investments” for purposes of the Tax Act for the RRSP, RRIF, RESP, RDSP or TFSA, as the case may be. The Origen New Shares and/or Spinco Shares, as the case may be, will not generally be prohibited investments for a RRSP, RRIF, RESP, RDSP or TFSA if the annuitant under a RRSP or RRIF, the subscriber of a RESP, or the holder of a RDSP or TFSA, as the case may be, deals at arm’s length with Origen and/or Spinco, as the case may be, for the purposes of the Tax Act, and does not have a “significant interest” (as defined in the Tax Act) in Origen and/or Spinco, as the case may be. In addition, Origen New Shares and/or Spinco Shares, as the case may be, will generally not be prohibited investments if such securities are “excluded property” as defined in the Tax Act. Origen Shareholders should consult their own tax advisors as to whether Origen New Shares and/or Spinco Shares will be prohibited investments in their particular circumstances, including with respect to whether the Origen New Shares and/or the Spinco Shares, as the case may be, would be “excluded property”, as defined in the Tax Act.

### **Non-Residents of Canada**

This part of the summary is applicable to Origen Shareholders, who, for purposes of the Tax Act, have not been and will not be resident or deemed to be resident in Canada at any time while they have held or will hold Origen Shares, Origen New Shares or Spinco Shares, and who do not use or hold, will not use or hold and are not and will not be, deemed to use or hold such Origen Shares, Origen New Shares or Spinco Shares, in carrying on a business in Canada (a “**Non-Resident Holder**”). Special rules, which are not discussed in this summary, may apply to a non-resident that is an insurer carrying on business in Canada and elsewhere or that is an “authorized foreign bank” (as defined in the Tax Act).

### **Exchange of Shares for Origen New Shares and Spinco Shares**

The cost to a Non-Resident Holder of Spinco Shares acquired on the exchange of Origen Shares for Origen New Shares and Spinco Shares will be equal to the fair market value of the Spinco Shares at the time of the exchange. The cost to a Non-Resident Holder of Origen New Shares acquired on the exchange will be equal to the amount, if any, by which the ACB of the Non-Resident Holder’s Origen Shares immediately before the exchange exceeds the fair market value of the Spinco Shares received on the exchange. If the aggregate fair market value of the Spinco Shares received by a Non-Resident Holder on the exchange exceeds the paid-up capital as determined for purposes of the Tax Act of the Origen Shares exchanged then the excess will generally be deemed to be a dividend received by the Non-Resident Holder from Origen and subject to withholding tax. See “Dividends on Shares” below for a general description of the treatment of dividends received by a Non-Resident Holder under the Tax Act including amounts deemed under the Tax Act to be received as dividends. A determination of whether a Non-Resident Holder will be deemed to receive a dividend and the amount of any such dividend cannot be made at this time because it will be dependent on the fair market value, on the Effective Date, of the Spinco Shares distributed by Origen pursuant to the Arrangement and the paid-up capital of the Origen Shares on the Effective Date.

If Origen determines that a deemed dividend arose as a consequence of the Arrangement, Origen will be entitled to deduct and withhold from any consideration payable or otherwise deliverable to a Holder

(including the Spinco Shares) such amounts as Origen is required or permitted to deduct and withhold under the Tax Act. To the extent that Origen is required to deduct and withhold an amount from the consideration, including the Spinco Shares, Origen will take such actions as may be reasonably necessary in order to meet Origen's withholding tax obligations arising as a result of any deemed dividend to Non-Resident Shareholders. Non-Resident Holders may be subject to additional tax consequences in Canada as a result of any such actions taken by Origen to meet its withholding obligations under the Tax Act.

On the exchange of Origen Shares for Origen New Shares and Spinco Shares, a capital gain (or capital loss) may be realized by a Non-Resident Holder equal to the amount by which (a) the aggregate of the cost of the Spinco Shares and of the Origen New Shares received, determined as described above, less the amount of any dividend deemed to be received on the exchange exceeds (or is less than) (b) the aggregate of the ACB of the Origen Shares exchanged and any reasonable costs of disposition.

A Non-Resident Holder who participates in the Arrangement will not be subject to tax under the Tax Act on any capital gain realized on the exchange of Origen Shares for Origen New Shares and Spinco Shares, provided that the Origen Shares are not "taxable Canadian property" (as defined in the Tax Act), as discussed below, to the Non-Resident Holder at the time of the exchange or an applicable income tax treaty or convention exempts the capital gain from tax under the Tax Act.

Origen Shares will generally not constitute taxable Canadian property of a Non-Resident Holder at the time of disposition, if the Origen Shares are listed on a designated stock exchange, as defined in the Tax Act, which includes the CSE, at the time of disposition unless at any time during the 60-month period immediately preceding the disposition (i) (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm's length, (c) partnerships in which the Non-Resident Holder or a person with whom the Non-Resident Holder did not deal at arm's length holds a membership interest, directly or indirectly, through one or more partnerships, or (d) any combination of the persons and partnerships described in (a) through (c), owned or was considered to own 25% or more of the issued Origen Shares or of any class of the capital stock of Origen, and (ii) more than 50% of the fair market value of the Origen Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties", "timber resource properties" (each as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such properties (whether or not such property exists). Origen Shares may also be deemed to be "taxable Canadian property" pursuant to the Tax Act.

Even if the Origen Shares are taxable Canadian property of a Non-Resident Holder, such Non-Resident Holder may be exempt from tax under the Tax Act on the disposition of such Origen Shares by virtue of an applicable income tax treaty or convention. In cases where a Non-Resident Holder disposes, or is deemed to dispose, of a Origen Share that is taxable Canadian property of that Non-Resident Holder, and the Non-Resident Holder is not entitled to an exemption from tax under the Tax Act or pursuant to the terms of an applicable income tax treaty or convention, the consequences under the heading "Resident Holders – Taxation of Capital Gains and Capital Losses" will generally be applicable to such disposition. Non-Resident Holders who may hold Origen Shares as taxable Canadian property should consult their own tax advisors.

### **Dividends on Origen Shares**

Dividends paid or credited, or deemed to be paid or credited, on a Non-Resident Holder's Origen Shares, Origen New Shares or Spinco Shares will be subject to withholding tax under Part XIII of the Tax Act at a rate of 25%, unless the rate is reduced under the provisions of an applicable income tax treaty or convention. In the case of a Non-Resident Holder who is the beneficial owner of dividends and is a resident of the United States for purposes of the *Convention Between Canada and the United States of America with Respect to Taxes on Income and on Capital* (the "**Canada-US Treaty**") and who is entitled to the benefits of the Canada-US Treaty, the rate of withholding will generally be reduced to 15%.

If Origen determines that a deemed dividend arose as a consequence of the Arrangement, Origen will be entitled to deduct and withhold from any consideration payable or otherwise deliverable to a Non-Resident Holder (including the Spinco Shares) 25%, subject to reduction under the provisions of an applicable income tax treaty or convention, of the deemed dividend under Part XIII of the Tax Act. To the extent that Origen is required to deduct and withhold from consideration that is not cash, including the Spinco Shares, Origen will take such actions as may be reasonably necessary in order to meet Origen's withholding tax obligations arising as a result of any deemed dividend to Non-Resident Shareholders. Non-Resident Holders may be subject to additional tax consequences in Canada as a result of any such actions taken by Origen to meet its withholding obligations under the Tax Act.

## **UNITED STATES TAX CONSIDERATIONS**

Each U.S. Holder of Origen Shares should consult its own tax advisor as to the particular tax consequences to it of the receipt of Spinco Shares pursuant to the Origen spinout and the ownership and disposition of the Spinco Shares received, including the effects of applicable U.S. federal, state and local tax laws and non-U.S. tax laws and possible changes in tax laws.

## **INFORMATION CONCERNING SPINCO**

Spinco is currently a wholly-owned subsidiary of Origen that has been formed to acquire and hold the Spinco Property. The registered and records office of Spinco is located at 400-725 Granville Street, Vancouver, British Columbia, V7Y 1G5. Upon completion of the Arrangement and the Arrangement, Spinco expects that it will be a reporting issuer in British Columbia, Alberta, Ontario and Yukon and will hold the Spinco Property and approximately \$66,893.60 in cash. An application will be made for listing of the Spinco Shares on the CSE. Any listing will be subject to meeting CSE original listing requirements and there is no assurance such a listing will be obtained.

Upon completion of the Arrangement, each Origen Shareholder will become a shareholder of Spinco. Information relating to Spinco after the Arrangement is contained in Appendices "D", "E" and "F" to this Circular.

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

### **Approval of Spinco Stock Option Plan**

As the Origen Option Plan will not carry forward to Spinco, and in contemplation of the Arrangement becoming effective, the directors of Spinco have adopted the Spinco Option Plan. At the Origen Meeting, Origen Shareholders will be asked to approve and ratify the Spinco Option Plan. The Spinco Option Plan was approved by the board of directors of Spinco on April 1, 2021.

### ***Summary of Spinco Option Plan***

Spinco has adopted the Spinco Option Plan in order to provide incentive compensation to directors, officers, employees and consultants of Spinco as well as to assist Spinco in attracting, motivating and retaining qualified directors, management personnel and consultants. The purpose of the Spinco Option Plan is to provide additional incentive for participants' efforts to promote the growth and success of the business of Spinco. The Spinco Option Plan will be administered by Spinco's directors, or committee thereof, which will designate, from time to time, the recipients of grants and the terms and conditions of each grant, in each case in accordance with applicable Securities Laws and stock exchange requirements.

The terms of Spinco Option Plan are substantially the same as those of the Origen Option Plan. For a full description of the Spinco Option Plan, see Appendix D – *Information Concerning Spinco*. The description is qualified in its entirety by reference to the full text of the Spinco Option Plan which is available for review at the Origen Meeting and prior thereto at Origen's offices.

Upon completion of the Arrangement, no Spinco stock options will have been granted under the Spinco Option Plan. If the Spinco Option Plan is approved by Origen Shareholders, it is expected that approximately 1,207,473 Spinco stock options will be available for grant, which will represent 10% of the issued and outstanding Spinco Shares at the time of completion of the Arrangement, including Spinco Shares assumed to be issued under the Spinco Financing.

At the Origen Meeting, Origen Shareholders will be asked to pass a resolution in substantially the following form:

“IT IS RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Spinco adopt a Stock Option Plan (the “**Spinco Option Plan**”), including the reserving for issuance under the Plan at any time of a maximum of 10% of the issued common shares of Spinco;
2. The Board of Directors be authorized on behalf of Spinco to make any further amendments to the Plan as may be required by regulatory authorities, without further approval of the shareholders of Spinco, in order to ensure adoption of the Spinco Option Plan;
3. Any one director or officer of Spinco is authorized and directed to do all such acts and things and to execute and deliver all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution.”

### ***Recommendation of the Directors***

The board of directors of Spinco has reviewed the Spinco Option Plan and concluded that the Spinco Option Plan is fair and reasonable to the Origen Shareholders and in the best interests of Origen and Spinco. Management of Origen recommends that Origen Shareholders vote **in favour** of the foregoing resolutions to approve the Spinco Option Plan. Unless such authority is withheld, the Persons named in the enclosed Proxy intend to vote in favour of the approval of the foregoing resolutions.

### **OTHER MATTERS**

Management of Origen is not aware of any matters to come before the Origen Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Origen Meeting, it is the intention of the Persons named in the enclosed Form of Proxy to vote the Origen Shares represented thereby in accordance with their best judgment on such matter.

### **INTEREST OF EXPERTS**

To the best of Origen’s knowledge, as at the date hereof RWE Growth Partners, Inc., who have prepared the Fairness Opinion, the summary of which is included in this Circular, nor any director, officer, employee or partner thereof, have not received a direct or indirect interest in a property of Origen or Spinco or any associate or affiliate thereof except as disclosed herein.

None of the aforementioned Persons nor any directors, officers, employees and partners, as applicable, of each of the aforementioned companies and partnerships, is currently expected to be elected, appointed or employed as a director, officer or employee of Origen or Spinco or any associate or affiliate of Origen or Spinco.

Davidson & Company LLP are the auditors for Origen and Spinco. Davidson & Company LLP has confirmed that they are independent with respect to Origen within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.



## **ADDITIONAL INFORMATION**

Additional information relating to Origen is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact Origen to request copies of financial statements and MD&A at the following address:

Origen Resources Inc.  
625 Howe Street, Suite 488  
Vancouver, BC V6C 2T6

Financial information is provided in Origen's financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

## **APPROVAL OF DIRECTORS**

The contents and sending of this Circular, including the Notice of Meeting, have been approved and authorized by the Board.

April 9, 2021

## **BY ORDER OF THE BOARD OF DIRECTORS**

*(Signed) Gary Schellenberg*  
CEO and Director

## APPENDIX A ARRANGEMENT RESOLUTION

### BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under Section 288 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) involving Origen Resources Inc. (“**Origen**”) and Forty Pillars Mining Corp. (“**Forty Pillars**”), all as more particularly described and set forth in the Management Information Circular (the “**Circular**”) of Origen dated April 9, 2021 accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is authorized, approved and adopted.
2. The plan of arrangement (the “**Plan of Arrangement**”), involving Origen and implementing the Arrangement, the full text of which is set out in Appendix “B” to the Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.
3. The arrangement agreement (the “**Arrangement Agreement**”) between Origen and Forty Pillars dated April 1, 2021, and all the transactions contemplated therein, the actions of the directors of Origen in approving the Arrangement and the actions of the directors and officers of Origen in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved.
4. Notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of Origen or that the Arrangement has been approved by the Supreme Court of British Columbia (the “**Court**”), the directors of Origen are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Origen:
  - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
  - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.
5. Any director or officer of Origen is hereby authorized and directed for and on behalf of Origen to make application to the Court for an order approving the Arrangement and to execute, whether under corporate seal of Origen or otherwise, and to deliver such other documents as are necessary or desirable to the Director under the BCBCA in accordance with the Arrangement Agreement for filing.
6. Any one or more directors or officers of Origen is hereby authorized, for and on behalf and in the name of Origen, to execute and deliver, whether under corporate seal of Origen or otherwise, all such agreements, forms waivers, notices, certificate, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

- (a) all actions required to be taken by or on behalf of Origen, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
- (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Origen;
- (c) such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

**APPENDIX B**  
**PLAN OF ARRANGEMENT UNDER**  
**SECTION 288 OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)**

TO THE ARRANGEMENT AGREEMENT DATED AS OF APRIL 1, 2021  
BETWEEN ORIGEN RESOURCES INC. AND FORTY Pillars MINING CORP.

PLAN OF ARRANGEMENT UNDER SECTION 288 OF  
THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

**ARTICLE 1**  
**INTERPRETATION**

1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms will have the respective meanings set forth below:

**“Arrangement Agreement”** means the arrangement agreement dated April 1, 2021 between Origen and Spinco, to which this Plan of Arrangement is attached as Exhibit A, as they may be supplemented or amended from time to time;

**“Arrangement Resolution”** means the special resolution of Origen Shareholders authorizing and approving the Plan of Arrangement;

**“Asset Purchase Agreement”** means the agreement to be entered into between Origen and Spinco pursuant to which Spinco Acquires the Spinout Assets and assumes the Spinout Liabilities;

**“Business Corporations Act”** means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended;

**“Business Day”** means a day which is not a Saturday, Sunday or a day when commercial banks are not open for business in Vancouver, British Columbia;

**“Closing”** has the meaning given in Section 6.3 of the Arrangement Agreement;

**“Court”** means the Supreme Court of British Columbia;

**“CSE”** means the Canadian Securities Exchange;

**“Effective Date”** means the date on which the last of all necessary documents to effect the Plan of Arrangement have been filed with the Registrar;

**“Effective Time”** means 12:01 a.m. (local Vancouver time) on the Effective Date;

**“Final Order”** means the final order of the Court pursuant to section 291 of the Business Corporations Act approving the Plan of Arrangement, after being informed of the intention to rely upon the Section 3(a)(10) Exemption from registration under the U.S. Securities Act in connection with the issuance of the Spinco Shares to Origen Shareholders in the United States, as such order may be amended by the Court (with the consent of the Parties, acting reasonably) at any time prior to the Effective Date, or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (with the consent of the Parties, acting reasonably) on appeal, which order shall include a statement to the following effect: “This Order will serve as a basis of a claim to an exemption, pursuant to section 3(a)(10) of the United States Securities Act of 1933, as amended, from the registration requirements otherwise imposed by that act, regarding the distribution of securities of Origen Resources Inc. pursuant to the Plan of Arrangement”;

**“Information Circular”** means the information circular to be sent to Origen Shareholders in connection with the Meeting, including any other documents incorporated by reference therein;

“**ITA**” means the *Income Tax Act* (Canada) and the regulations made thereunder, as amended from time to time;

“**Interim Order**” means the order made after application to the Court, and being informed of the intention to rely upon the Section 3(a)(10) Exemption from registration under the U.S. Securities Act in connection with the issuance of the Spinco Shares to Origen Shareholders in the United States, pursuant to section 291 of the Business Corporations Act, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, supplemented or varied by the Court (with the consent of the Parties, acting reasonably);

“**Law**” or “**Laws**” means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity or self-regulatory authority (including the CSE), and the term “applicable” with respect to such Laws and in a context that refers to one or more Parties, means such Laws as are applicable to such Party or its business, undertaking, property or securities and emanate from a Person having jurisdiction over the Party or Parties or its or their business, undertaking, property or securities;

“**Meeting**” means the special meeting of Origen Shareholders to be held at 10 a.m. (Pacific time) on May 12, 2021 and any adjournment or postponement thereof;

“**Origen**” means Origen Resources Inc., a company incorporated under the laws of British Columbia;

“**Origen Common Share**” means a common share without par value in the authorized share structure of Origen outstanding immediately prior to the Effective Time;

“**Origen Class A Common Share**” has the meaning set out in subsection 2.2(b);

“**Origen New Shares**” has the meaning set out in subsection 2.2(b);

“**Origen Shareholder**” means a holder of Origen Common Shares, Origen Class A Common Shares or Origen New Shares as the context requires;

“**Parties**” means Origen and Spinco;

“**Plan of Arrangement**” means, and similar expressions mean, this plan of arrangement, including the appendices hereto, and any amendments, variations or supplements hereto made in accordance with the terms hereof, the Arrangement Agreement or made at the direction of the Court in the Final Order;

“**Section 3(a)(10) Exemption**” means the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof;

“**Spinco**” means Forty Pillars Mining Corp., a company incorporated under the laws of British Columbia;

“**Spinco Shareholder**” means a holder of Spinco Shares;

“**Spinco Shares**” means common shares without par value of Spinco;

“**Spinout Assets**” means:

- (a) all direct and indirect right, title and interest of Origen in and to the Silver Dollar mineral exploration project (which also includes the Beatrice property) and all business,

corporate, legal and accounting books, records and documents used in the conduct of the foregoing property and related undertakings; and

- (b) cash in the amount of \$66,893.60;

**“Spinout Liabilities”** means:

- (a) all liabilities or obligations (contingent or otherwise) (other than any liability or obligation for Taxes) in respect (but only in respect) of the Spinout Assets (including the operations or activities in connection therewith);
- (b) all liabilities or obligations for Taxes payable to any Governmental Entity arising from, or in connection with the Spinout Assets; and
- (c) all liabilities or obligations for Taxes payable but not yet paid or reflected in the contingencies or commitments in the Annual Financial Statements of Origin to any Governmental Entity and imposed on, or is in respect of, the Spinout Assets and/or any liabilities or obligations referred to in this definition net of all applicable credits, deductions, and other amounts available (including any loss carryforwards) with respect to the Spinout Assets;

**“Taxes”** means any taxes, duties, fees, premiums, assessments, imposts, levies, expansion fees and other charges of any kind whatsoever imposed by any Governmental Entity, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, windfall, royalty, capital, transfer, land transfer, sales, GST/HST, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada Pension Plan premiums or contributions imposed by any Governmental Entity, and any transferee liability in respect of any of the foregoing;

**“Transfer Agent”** means Olympia Trust Company; and

**“U.S. Securities Act”** means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated from time to time thereunder.

## 1.2 Headings and References

The division of this Plan of Arrangement into Articles and sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specified, references to sections are to sections of this Plan of Arrangement.

## 1.3 Number, etc.

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

## 1.4 Date of Any Action

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

## 1.5 Meaning

Words and phrases not otherwise defined herein and defined in the Business Corporations Act will have the same meaning herein as in the Business Corporations Act, unless the context otherwise requires.

# ARTICLE 2 THE ARRANGEMENT

## 2.1 Effectiveness

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

## 2.2 The Arrangement

At the Effective Time, the events and transactions set out in Subsections (a) to (c), inclusive, will occur and be deemed to occur, unless otherwise provided, in the order set out below, without any further act or formality, and with each event or transaction occurring and being deemed to occur immediately after the occurrence of the immediately preceding event or transaction:

- (a) Pursuant to the Asset Purchase Agreement, Origen will transfer all of the Spinout Assets and Spinout Liabilities to Spinco in consideration for the issuance by Spinco of such number of fully-paid and non-assessable SpinCo Shares to Origen such that immediately after the foregoing issuance Origen shall hold in the aggregate (together with the Spinco Share held immediately prior to the foregoing issuance) that number of Spinco Shares that is equal to 0.2 of the total number of Origen Common Shares issued and outstanding immediately prior to the Effective Time;
- (b) Origen shall undertake a reorganization of capital within the meaning of Section 86 of the ITA as follows, with the following steps occurring in the following order:
  - (i) Origen's authorized share capital and its Articles will be altered by:
    - A. renaming and redesignating all of the issued and unissued Origen Common Shares as Origen Class A Common Shares;
    - B. providing that the rights, privileges, restrictions and conditions attached to the Origen Class A Common Shares are as follows:
      - (1) to two votes at all meetings of shareholders of Origen except meetings at which only holders of a specified class of shares are entitled to vote and shall be entitled to two votes for each Class A common share held;
      - (2) to receive, subject to the rights of the holders of another class of shares, any dividend declared by Origen; and



- (3) to receive, pari passu with the Origen New Shares (as defined below), and subject to the rights of the holders of another class of shares, the remaining property of Origen on the liquidation, dissolution or winding up of Origen, whether voluntary or involuntary;
- C. creating a new class consisting of an unlimited number of common shares without par value (the “**Origen New Shares**”);
- D. providing that the rights, privileges, restrictions and conditions attached to the Origen New Shares are as follows:
  - (1) to vote at all meetings of shareholders of Origen except meetings at which only holders of a specified class of shares are entitled to vote and shall be entitled to one vote for each Origen New Share held;
  - (2) to receive, subject to the rights of the holders of another class of shares, any dividend declared by Origen; and
  - (3) to receive, pari passu with the Origen Class A Common Shares, and subject to the rights of the holders of another class of shares, the remaining property of Origen on the liquidation, dissolution or winding up of Origen, whether voluntary or involuntary;
- (ii) each Origen Shareholder will exchange each Origen Class A Common Share held immediately following step 2.2(b)(i) above for (A) one Origen New Share, and (B) 0.12 of a Spinco Share, and such Origen Shareholders shall cease to be the holders of the Origen Class A Common Shares so exchanged;
- (iii) the aggregate amount added to the stated capital of the Origen New Shares issued pursuant to Section 2.2(b)(ii) above shall be equal to the amount if any, by which (A) the aggregate paid-up capital (as that term is defined for the purposes of the ITA) of the Origen Class A Common Shares immediately prior to step 2.2(b)(ii), exceeds (B) the fair market value of the Spinco Shares distributed to the Origen Shareholders; and
- (iv) the authorized share capital of Origen is amended to delete the Origen Class A Common Shares, none of which are issued and outstanding, and to delete the rights, privileges, restrictions and conditions attached to the Origen Class A Common Shares.

No fractional shares will be issued and Origen Shareholders will not receive any compensation in lieu thereof. The name of each Origen Shareholder who is so deemed to exchange his, her or its Origen Class A Common Shares, shall be removed from the securities register of Origen Class A Common Shares with respect to the Origen Class A Common Shares so exchanged and shall be added to the securities registers of Origen New Shares and Spinco Shares as the holder of the number of Origen New Shares and Spinco Shares deemed to have been received on the exchange; and

- (c) Origen will surrender to Spinco for cancellation, the one Spinco Share issued to Origen on incorporation of Spinco,

the exchanges, cancellations and steps provided for in this Section 2.2 shall be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Time.

### 2.3 Deemed Fully Paid and Non-Assessable Shares

All Origen New Shares and Spinco Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes.

### 2.4 Arrangement Effectiveness

The Arrangement shall become final and conclusively binding on the Origen Shareholders and the Spinco Shareholders and each of Origen and Spinco on the Effective Date.

### 2.5 Supplementary Actions

Notwithstanding that the transactions and events set out in Section 2.2 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Origen and Spinco shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in Section 2.2, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, and any necessary additions to or deletions from share registers.

### 2.6 Withholding Rights

Origen shall be entitled to deduct or withhold from the consideration or other amount payable to any Origen Shareholder and from all dividends, other distributions or other amounts otherwise payable to any Origen Shareholder under the Arrangement such Taxes or other amounts as Origen is required, entitled or permitted to deduct and withhold with respect to such payment under the ITA, the United States Internal Revenue Code of 1986, or any other provisions of any applicable Laws. For greater certainty, to the extent that the exchange in subsection 2.2(b)(ii) hereof gives rise to a deemed dividend under the ITA, Origen shall be entitled to retain and sell that number of Spinco Shares as required to satisfy any withholding requirement under the ITA or any other applicable Laws. To the extent that Taxes or other amounts are so deducted or withheld, such deducted or withheld Taxes or other amounts shall be treated for all purposes under this Plan of Arrangement as having been paid to the Origen Shareholder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority and for greater certainty the number of Spinco shares retained and sold by Origen, if any, shall be deemed to have been issued to the applicable Origen Shareholders.

### 2.7 U.S. Securities Law Exemption

Notwithstanding any provision herein to the contrary, the Parties agree that the Plan of Arrangement will be carried out with the intention that all Spinco Shares issued on completion of the Plan of Arrangement to the Origen Shareholders in the United States will be issued by Spinco in reliance on the Section 3(a)(10) Exemption from the registration requirements of the U.S. Securities Act.

### **ARTICLE 3 DISSENT RIGHTS**

#### **3.1 No Dissent Rights**

Origen Shareholders will not be given the right to dissent in respect of the special resolution to approve the Arrangement and accordingly, the dissent proceedings contained in Division 2 of Part 8 of the *Business Corporations Act* do not apply to such special resolution or the Arrangement.

### **ARTICLE 4 DELIVERY OF SECURITIES**

#### **4.1 Right to Receive Spinco Shares**

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

### **ARTICLE 5 AMENDMENTS**

#### **5.1 Amendments**

- (a) The Arrangement Agreement and the Plan of Arrangement may be amended at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time; provided that any such amendment (i) is in writing and is agreed to in writing by the Parties; (ii) if required, is filed with the Court; and (iii) if made following the Meeting, is approved by the Court and, if and as required by the Court, is communicated to Origen Shareholders and/or consented to by Origen Shareholders.
- (b) Any such amendment may, subject to the Interim Order and the Final Order and applicable Law, without limitation:
  - (i) change the time for performance of any of the obligations or acts of the Parties;
  - (ii) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant to the Arrangement Agreement;
  - (iii) waive compliance with or modify any of the covenants contained in the Arrangement Agreement or waive or modify performance of any of the obligations of the Parties; and/or
  - (iv) waive compliance with or modify any mutual conditions precedent contained in the Arrangement Agreement.
- (c) Any amendment made before the Meeting in accordance with this Section 5.1 may be made with or without any other prior notice or communication and, if accepted by the

persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Agreement and the Plan of Arrangement for all purposes.

5.2 Further Assurances.

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur at the time and in the manner set out in this Plan of Arrangement without any further act or formality, Origen and Spinco shall make, do and execute, or cause to be made, done or executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein. Origen, in its sole discretion, reserves the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Time provided that any such amendment, modification or supplement must be contained in a written document that is filed with the Court and, if made following the Meeting, approved by the Court.

**APPENDIX C  
COURT MATERIALS**

INTERIM ORDER



S-21339

No.

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA  
BUSINESS CORPORATIONS ACT, S.B.C. 2002, C. 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING  
ORIGEN RESOURCES INC. AND FORTY Pillars MINING CORP.

ORIGEN RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION  
(INTERIM ORDER)

BEFORE ) MASTER MUIR ) 08/APR/2021  
) )

ON THE APPLICATION of the Petitioner, Origen Resources Inc. ("**Origen**"), without notice, filed on April 6, 2021 for an Interim Order under Section 291 of the British Columbia *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the "**BCBCA**") in connection with an arrangement under Section 288 of the BCBCA, coming on for hearing (by Teams) at 800 Smithe Street, Vancouver, British Columbia on April 8, 2021, and on hearing Bryan Hicks, counsel for Origen, and upon reading the Affidavit #1 of Gary Schellenberg made on April 6, 2021 (the "**Schellenberg Affidavit**");

THIS COURT ORDERS that:

**DEFINITIONS**

1. Unless otherwise specified, capitalized terms in this Order will have the same meaning as set out in the Notice of Special Meeting (the "**Notice**") and the accompanying management information circular of Origen (the "**Information Circular**"), which are attached as **Exhibit "A"** to the Schellenberg Affidavit.

**SPECIAL MEETING**

2. Pursuant to Section 291(2)(b)(i) and Section 289(1)(a)(i) and (e) of the BCBCA, Origen is authorized and directed to call, hold and conduct an annual general and special meeting (the "**Meeting**") of the holders (the "**Origen Shareholders**") of common shares of Origen (the "**Origen Shares**") to be held on May 12, 2021 commencing at



10:00am (Pacific Standard Time) at 488 – 625 Howe Street, Vancouver, British Columbia, V6C 2T6, to:

- (a) consider and, if deemed advisable, to pass, with or without variation, a special resolution (the “**Arrangement Resolution**”), a draft of which is attached as **Appendix “A”** to the Information Circular, approving and adopting in accordance with Section 289(1)(a)(i) and (e) of the BCBCA an arrangement under Section 288 of the BCBCA (the “**Arrangement**”) substantially as contemplated in the plan of arrangement attached as **Appendix “B”** to the Information Circular (the “**Plan of Arrangement**”); and
  - (b) to act upon such other matters as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.
- 3. For greater certainty, attendance at the Meeting by phone in accordance with any arrangements or directions by Origen for that purpose shall constitute attendance “in person”.
  - 4. The Meeting shall be called, held and conducted in accordance with the BCBCA, the Notice, the Information Circular, the articles of Origen and applicable securities laws, subject to the terms of this Interim Order and any further order of this Court, and the rulings and directions of the chairman of the Meeting (the “**Chair**”), such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency, this Interim Order shall govern.

#### **AMENDMENTS**

- 5. Origen is authorized to make, in the manner contemplated by and subject to the Arrangement Agreement (the “**Arrangement Agreement**”) dated April 1, 2021 between Origen and Forty Pillars Mining Corp. (“**SpinCo**”), such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice as it may determine without any additional notice to or authorization of the Origen Shareholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice to be submitted to Origen Shareholders at the Meeting, as applicable, and the subject of the Arrangement Resolution.

#### **ADJOURNMENTS AND POSTPONEMENTS**

- 6. Notwithstanding the provisions of the BCBCA and the articles of Origen, and subject to the terms of the Arrangement Agreement, the board of directors of Origen (the “**Origen Board**”) by resolution shall be entitled to adjourn or postpone the Meeting on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Origen Shareholders respecting the adjournment or postponement, and without the need for approval of this Court. Origen shall provide notice of any such adjournment or postponement by press release, newspaper advertisement or notice sent to the Origen Shareholders by one of the methods specified in Paragraph 10 of this

Interim Order, as determined to be the most appropriate method of communication by the Origen Board.

#### **RECORD DATE**

7. The record date for determining the Origen Shareholders entitled to receive the Notice, the Information Circular and the form of proxy for use at the Meeting (collectively, the **"Meeting Materials"**) is 5:00 p.m. (Pacific Standard Time) on March 24, 2021 (the **"Record Date"**).
8. The Record Date will not change in respect of any adjournments or postponements of the Meeting.

#### **NOTICE OF SPECIAL MEETING**

9. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of Section 290(1)(a) of the BCBCA, and Origen shall not be required to send to the Origen Shareholders any other or additional statement pursuant to Section 290(1)(a) of the BCBCA.
10. The Meeting Materials, with such amendments or additional documents as counsel for Origen may advise are necessary or desirable, and as are not inconsistent with the terms of this Interim Order, shall be sent:
  - (a) to registered Origen Shareholders, determined as at the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or delivery, by prepaid ordinary mail or by delivery in person or by recognized courier service, addressed to the registered Origen Shareholder at its address as it appears in Origen's central securities register as at the Record Date;
  - (b) to beneficial Origen Shareholders (those whose names do not appear in the securities register of Origen) as of the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or delivery, by providing the requisite number of copies of the Meeting Materials to intermediaries and registered nominees to facilitate the distribution of the Meeting Materials to beneficial Origen Shareholders;
  - (c) at any time by email or facsimile transmission to any Origen Shareholder, determined as of the Record Date, who identifies himself or herself to the satisfaction of Origen (acting through its representative), who requests such email or facsimile transmission; and
  - (d) to the directors and auditor of Origen by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmission



and substantial compliance with this Paragraph shall constitute good and sufficient notice of the Meeting.

11. The Meeting Materials need not be sent to any registered Origen Shareholder where mail previously sent to such Origen Shareholder by Origen or its registrar and transfer agent has been returned to Origen or its registrar and transfer agent on at least two previous consecutive occasions.
12. Accidental failure of or omission by Origen to give notice to any one or more Origen Shareholder, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Origen (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Origen, then it shall use commercially reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

#### **DEEMED RECEIPT OF NOTICE**

13. The Meeting Materials and any amendments, modifications, updates or supplements to the Meeting Materials and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received,
  - (a) in the case of mailing, at the time specified at Section 6 of the BCBCA;
  - (b) in the case of delivery in person, upon receipt thereof at the intended recipient's address or, in the case of delivery by courier, one (1) business day after receipt by the courier;
  - (c) in the case of transmission by email or facsimile, upon the transmission thereof;
  - (d) in the case of advertisement, at the time of publication of the advertisement;
  - (e) in the case of electronic filing on SEDAR, upon receipt by Origen from SEDAR of confirmation of filing; and
  - (f) in the case of beneficial Origen Shareholders, three (3) business days after delivery thereof to intermediaries and registered nominees.

## **UPDATING MEETING MATERIALS**

14. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the Meeting, to the Origen Shareholders by press release, news release, newspaper advertisement or by notice sent to the Origen Shareholders by any of the means set forth in Paragraph 10 of this Interim Order, as determined to be the most appropriate method of communication by the Origen Board.

## **PERMITTED ATTENDEES**

15. The only persons entitled to attend the Meeting shall be:
  - (a) the registered Origen Shareholders, as of the Record Date, or their respective proxyholders;
  - (b) directors, officers, auditors and advisors of Origen;
  - (c) directors, officers, auditors and advisors of SpinCo; and
  - (d) other persons with the permission of the Chair of the Meeting;

and the only persons entitled to vote at the Meeting shall be the Origen Shareholders as of the Record Date.

## **SOLICITATION OF PROXIES**

16. Origen is authorized to use the forms of proxy in substantially the same form as is attached as **Exhibit "C"** to the Schellenberg Affidavit, subject to Origen's ability to insert dates and other relevant information in the final form thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate.
17. Origen is authorized, at its sole expense, to solicit proxies directly and through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose and by mail, telephone or such other form of personal or electronic communication as it may determine.
18. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Notice and the Information Circular.
19. Origen may in its discretion generally waive the time limits for the deposit of proxies by Origen Shareholders if Origen deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

## **QUORUM AND VOTING**

20. At the Meeting, the votes shall be taken on the following bases:

- (a) each registered Origen Shareholder whose name is entered on the central securities register of Origen as of the Record Date is entitled to one vote for each Origen Share held as at the Record Date;
  - (b) the requisite and sole approval required to pass the Arrangement Resolution shall be the affirmative vote of at least two-thirds of the votes cast by Origen Shareholders at the Meeting present in person or represented by proxy, entitled to vote on the Arrangement Resolution, voting as a single class (excluding from the count of total votes cast any spoiled, illegible and/or defective ballots and abstentions).
21. A quorum at the Meeting shall be two persons who are Origen Shareholders, or two persons present in person who each represent at least one Origen Shareholder by proxy, or one Origen Shareholder present in person and representing one Origen Shareholder present in person and representing one Origen Shareholder by proxy entitled to vote at the Meeting.

#### **SCRUTINEER**

22. The scrutineer for the Meeting shall be a representative of Olympia Trust Company or such other person as may be appointed at the Meeting. The duties of the scrutineer shall include:
- (a) reviewing and reporting to the Chair on the deposit and validity of proxies;
  - (b) reporting to the Chair on the quorum of the Meeting;
  - (c) reporting to the Chair on the polls taken or ballots cast, if any, at the Meeting; and
  - (d) providing to Origen and to the Chair written reports on matters related to their duties.

#### **APPLICATION FOR FINAL ORDER**

23. Origen shall include in the Meeting Materials, when sent in accordance with Paragraph 10 of this Interim Order, a copy of the Notice of Petition in substantially the form attached as **Exhibit "B"** to the Schellenberg Affidavit, and the text of this Interim Order (collectively, the **"Court Materials"**), and such Court Materials shall be deemed to have been served at the times specified in accordance with Paragraphs 10 and/or 13 of this Interim Order, whether such persons reside within British Columbia or within another jurisdiction.
24. The form of Notice of Petition attached as **Exhibit "B"** to the Schellenberg Affidavit is hereby approved as the form of notice for the hearing of the application for the Final Order.
25. Subject to any ruling of the Court hearing the application for the Final Order, the persons entitled to appear and be heard at any hearing to sanction and approve the Arrangement, shall be only:



- (a) Origen;
  - (b) SpinCo; and
  - (c) Origen Shareholders and other persons who have served and filed a Response to Petition and have otherwise complied with the Supreme Court Civil Rules and Paragraph 26 of this Interim Order.
26. The sending of the Meeting Materials in the manner contemplated by Paragraph 10 of this Interim Order shall constitute good and sufficient service and no other form of service need be effected and no other material need be served on such persons in respect of these proceedings, except with respect to any person who shall:
- (a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and
  - (b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to Origen's counsel at:  
  
Miller Thomson LLP  
# 400 – 725 Granville Street  
Vancouver, BC V7Y 1G5  
Attention: Bryan Hicks  
  
by or before 2:00 p.m. (Pacific Standard Time) on May 13, 2021.
27. Upon the approval by the Origen Shareholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Origen may apply to this Court (the "**Application**") for an Order:
- (a) pursuant to Section 291(4)(a) of the BCBCA approving the Arrangement; and
  - (b) pursuant to Section 291(4)(c) of the BCBCA declaring that the Arrangement is fair and reasonable to the Origen Shareholders
- (collectively the "**Final Order**"),
- and the hearing of the Application will be held on May 18, 2021 at 9:45 a.m. (Pacific Standard Time) or as soon thereafter as the Application can be heard or at such other date and time as this Court may direct, at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as the Court may direct.
28. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with Paragraph 26 of this Interim Order, need be served and provided with notice of the adjourned hearing date.

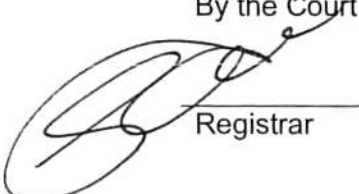
#### **VARIANCE**

29. Origen shall be entitled, at any time, to apply to vary this Interim Order.

30. Rules 8-1 and 16-1 (3), (8) – (12) of the Supreme Court Civil Rules will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

  
\_\_\_\_\_  
Signature of Lawyer for Petitioner  
Bryan Hicks

By the Court  
  
\_\_\_\_\_  
Registrar



NOTICE OF PETITION

No. S213339  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA  
*BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING  
ORIGEN RESOURCES INC. AND FORTY Pillars MINING CORP.

ORIGEN RESOURCES INC.

PETITIONER

**NOTICE OF PETITION**

TO: The holders (the "**Origen Shareholders**") of common shares of Origen  
Resources Inc. ("**Origen**")

AND TO: Forty Pillars Mining Corp.

NOTICE IS HEREBY GIVEN that a Petition to the Court has been filed by Origen in the Supreme Court of British Columbia for approval, pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002 c. 57 and amendments thereto, of an arrangement contemplated in an Arrangement Agreement dated April 1, 2021 involving Origen and Forty Pillars Mining Corp. (the "**Arrangement**").

NOTICE IS FURTHER GIVEN that by Order of Master Muir, a Master of the Supreme Court of British Columbia, dated April 8, 2021, the Court has given directions by means of an Interim Order (the "**Interim Order**") on the calling of a meeting (the "**Meeting**") of the Origen Shareholders for the purpose of, among other things, considering and voting upon the special resolution to approve the Arrangement.

NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the Meeting, Origen intends to apply to the Supreme Court of British Columbia for a final order (the "**Final Order**") approving the Arrangement and declaring it to be fair and reasonable to the Origen Shareholders, which application will be heard by telephone at the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia, or as the Court



may direct, on May 18, 2021 at 9:45 a.m. (Pacific Time) or so soon thereafter as counsel may be heard or at such other date and time as the Court may direct.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE APPLICATION FOR THE FINAL ORDER OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled "Response to Petition" together with any evidence or materials which you intend to present to the Court at the Vancouver Registry of the Supreme Court of British Columbia and YOU MUST ALSO DELIVER a copy of the Response to Petition and any other evidence or materials to Origen's address for delivery, which is set out below, on or before 2:00pm (Pacific Time) on May 13, 2021.

YOU OR YOUR SOLICITOR may file the Response to Petition. You may obtain a form of Response to Petition at the Registry. The address of the Registry is 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.


IF YOU DO NOT FILE A RESPONSE TO PETITION AND ATTEND EITHER IN PERSON OR BY COUNSEL at the time of the hearing of the application for the Final Order, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will affect the rights of the Origen Shareholders.

A copy of the Petition to the Court and the other documents that were filed in support of the Interim Order and will be filed in support of the Final Order will be provided to any Origen Shareholder upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out below.

The Petitioner's address for delivery is:

Miller Thomson LLP  
# 400 – 725 Granville Street  
Vancouver, BC V7Y 1G5  
Attention: Bryan Hicks

DATED this 8<sup>th</sup> day of April, 2021

  
\_\_\_\_\_  
Solicitor for the Petitioner,  
Origen Resources Inc.  
Bryan Hicks



## APPENDIX D

### INFORMATION CONCERNING SPINCO

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## 1. INTRODUCTION

The following describes the proposed business of Spinco following the completion of the Arrangement (as defined herein) and should be read together with the Spinco Financial Statements (as defined herein) attached hereto as Appendix “F” and the Carve-Out Financial Statements (as defined herein) in respect of the Silver Dollar Project attached hereto as Appendix “E”. Except where the context otherwise requires, all of the information contained in this Appendix “D” is made on the basis that the Arrangement described in the management information circular of Origen Resources Inc. (“**Origen**”) dated April 9, 2021 (the “**Circular**”).

Unless the context otherwise requires, all references in this Appendix “D” to “Spinco” means “Forty Pillars Mining Corp.”. Certain other terms used in this Appendix that are not otherwise defined herein are defined in the Circular to which this Appendix is attached.

The disclosure in this Circular has not been reviewed by the Canadian Securities Exchange (“**CSE**”). Spinco will be applying to list Spinco Shares on the CSE. Listing will be subject to Spinco fulfilling all of the listing requirements of the CSE and obtaining the conditional approval of the CSE, which has not yet been granted. As a condition to listing, Spinco must file a standalone listing statement in the form of CSE Form 2A, which will be filed after completion of the Arrangement.

### 1.1 Structure of Transaction

On April 1, 2021, Origen and Spinco entered into an arrangement agreement (the “**Arrangement Agreement**”) pursuant to which they are proposing to complete a transaction (the “**Arrangement**”).

whereby Origen shareholders ("**Origen Shareholders**") will be issued common shares of Spinco (the "**Spinco Shares**") in consideration for the transfer to Spinco of:

- (a) the Silver Dollar Project, all business, corporate, legal and accounting books, records and documents related to the Silver Dollar Project, and cash in the amount of \$66,893.60 (collectively, the "**Spinout Assets**"); and
- (b) all liabilities or obligations of any type whatsoever (including contingent or absolute obligations, and future obligations) of Origen, including all liabilities or obligations for Taxes payable arising from or in connection with the Spinout Assets (collectively, the "**Spinout Liabilities**").

Pursuant to the Arrangement Agreement, at or after 12:01 AM (Vancouver time) (the "**Effective Time**") on the date upon which the Arrangement becomes effective (the "**Effective Date**"):

- Origen will transfer the Spinout Assets to Spinco and Spinco will assume the Spinout Liabilities in accordance with the Arrangement Agreement in exchange for common shares of Spinco representing that number of common shares as is equal to 0.2 of the outstanding common share of Origen (each, an "**Origen Share**") held at the Effective Date;
- Origen will undertake a reorganization of its share capital;
- Origen will distribute common shares of Spinco (each, a "**Spinco Share**") to shareholders of Origen such that each Origen Shareholder will receive 0.12 of one Spinco Share in exchange for each Origen Share held by the Origen Shareholder at the Effective Time. Origen will retain Spinco Shares as part of the Arrangement, which are not transferred to Origen Shareholders; and
- Upon completion of the Arrangement and pursuant to the terms of the Arrangement Agreement, the total number of outstanding Spinco Shares will be equal to 0.2 of the total number of Origen Shares issued and outstanding immediately prior to the Effective Time.

Prior to the closing of the Arrangement, Spinco intends to complete a financing (the "**Convertible Note Financing**") of convertible notes (the "**Note**" or the "**Notes**") having an aggregate principal amount of up to CDN\$150,000. The Note is being offered on a non-brokered private placement basis. The Note has a term of 12 months, bears simple interest of 6% and is convertible into Spinco Shares at the election of the holder following the occurrence of certain events at a conversion price of CDN\$0.08 per Spinco Share. The Note is not convertible until the earlier of (i) the closing of the plan of arrangement set forth in the Arrangement Agreement (the "**Plan of Arrangement**"); or (ii) Origen and Spinco having agreed in writing that they will not proceed with the Plan of Arrangement.

After completion of the Arrangement, Spinco intends to complete a non-brokered financing (the "**Post-Arrangement Financing**") of Spinco Shares at a price of \$0.08 per Spinco Share, resulting in aggregate gross proceeds of up to \$450,000.

At the annual general and special meeting of Origen Shareholders to be held on May 12, 2021 (and any adjournment or postponement thereof) (the "**Origen Meeting**"), the Origen Shareholders will be asked to vote on the Arrangement pursuant to terms of the Arrangement Agreement and the Plan of Arrangement and to approve the stock option plan of Spinco, which is based substantially on the stock option incentive plan of Origen (the "**Spinco Option Plan**").

The provisions of the Arrangement Agreement are the result of negotiations between representatives of Origen and Spinco.

## 1.2 Forward-Looking Statements

This document contains information and projections based on current expectations. Certain statements herein may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or

achievements of Spinco, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used herein, such statements use such words as “will”, “may”, “could”, “intends”, “potential”, “plans”, “believes”, “expects”, “projects”, “estimates”, “anticipates”, “continue”, “potential”, “predicts” or “should” and other similar terminology. These statements reflect expectations regarding future events and performance but speak only as of the date hereof. Forward-looking statements include, among others, statements with respect to planned acquisitions, strategic partnerships or other transactions not yet concluded; plans to undertake Phase 1 of the recommended exploration program on the Silver Dollar Project; market competition; plans to retain and recruit personnel; the ability to secure funding; and the ability to obtain regulatory and other approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets such as Canadian dollar, fluctuations in the prices of commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, or other countries in which the Company carries or may carry on business in the future, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves. Many of these uncertainties and contingencies can affect the Company’s actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements.

Spinco assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

Although Spinco believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Spinco can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The forward-looking statements herein speak only as of the date hereof. Actual results could differ materially from those anticipated due to a number of factors and risks including those described under “Risk Factors” in section 17 hereof.

## **2. CORPORATE STRUCTURE**

### **2.1 Corporate Name and Office**

The full corporate name of Spinco is “Forty Pillars Mining Corp.”

The head office of Spinco is located at Suite 488 - 625 Howe Street, Vancouver, BC, V6C 2T6.

The registered and records office of Spinco is located at Suite 400-725 Granville Street, Vancouver, BC, V7Y 1G5.

### **2.2 Jurisdiction of Incorporation**

Spinco was incorporated as “Forty Pillars Mining Corp.” under the *Business Corporations Act* (British Columbia) on February 4, 2021.

## 2.3 Intercorporate Relationships

Spinco has no subsidiaries. Upon completion of the Arrangement, it is anticipated that Origen will be the legal and beneficial owner of 40% of the issued and outstanding Spinco Shares.

## 2.4 Requalification following a Fundamental Change

Not applicable.

## 2.5 Incorporation outside of Canada

Not applicable.

# 3. GENERAL DEVELOPMENT OF SPINCO'S BUSINESS

Currently, Spinco has no assets or operations. Prior to the Effective Date of the Arrangement, Spinco will not carry on any business except as contemplated by the Arrangement. After the Effective Date, Spinco will be engaged in the business of exploration of the Silver Dollar Project, a mineral property located in the Greenwood Mining Division, British Columbia, Canada. Spinco will be an exploration stage company, will own no developing or producing properties and, consequently, will have no operating income or cash flow from the property it holds. Spinco will also have commitments pursuant to the agreements relating to the Silver Dollar Project which are described in more detail in this Appendix "D", *"Management's Discussion & Analysis – Result of Operations – Commitments, Events, Risks or Uncertainties"*.

Spinco is not currently a reporting issuer and the Spinco Shares are not listed on any stock exchange. If the Arrangement is completed, Spinco expects that it will be a reporting issuer in British Columbia, Alberta, Ontario and Yukon. As set forth above, Spinco will make an application for the listing of the Spinco Shares on the CSE after completion of the Arrangement. Any listing of the Spinco Shares will be subject to meeting CSE listing requirements and there is no assurance such a listing will be obtained.

# 4. NARRATIVE DESCRIPTION OF SPINCO'S BUSINESS

## 4.1 General

### 4.1.1 Business of Exploration

#### (a) Mineral Properties

The mineral property to be acquired by Spinco pursuant to the Arrangement is Origen's direct and indirect right, title and 100% interest in and title to the Silver Dollar project located southeast of Revelstoke, British Columbia (the "**Silver Dollar Project**"), which will be transferred from Origen to Spinco pursuant to the Arrangement Agreement in exchange for Spinco Shares.

Pursuant to the Arrangement Agreement and an asset purchase agreement, Spinco will also be transferred all business, corporate, legal and accounting books, records and documents used in the conduct of and related to the undertakings of the Silver Dollar Project and \$66,893.60 in cash. Spinco will also assume the Spinco Liabilities.

Pursuant to the Arrangement Agreement, Origen Shareholders will be issued such number of Spinco Shares such that each Origen Shareholder will receive 0.12 Spinco Shares in exchange for each Origen Share held at the Effective Date.

(b) *Business Objectives and Milestones*

With the funds available to it as described below under the sub-heading “*Total Available Funds*” and “*Principal Purposes of Funds Available*”, Spinco intends to, during the 12 months following completion of the Arrangement:

- complete its application for listing of the Spinco Shares on the CSE. This is anticipated to occur around June 2021;
- continue exploration of other Silver Dollar Project, and
- as opportunities arise, expand its portfolio of exploration properties.

Spinco plans to stay in the mineral exploration business. Due to the nature of the business of mineral exploration, budgets are regularly reviewed with respect to both the success of the exploration program and other opportunities which may become available to Spinco. Spinco may abandon in whole or in part, its interest in the Silver Dollar Project, or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining the other Silver Dollar Project or other properties acquired by Spinco, although Spinco has no present plans in this respect.

(c) *Total Funds Available*

Pursuant to the terms of the Arrangement Agreement, assuming completion of the Arrangement, payment by Orogen to Spinco of cash on the Effective Date of \$66,893.60, proceeds of \$150,000 from the Convertible Note Financing and proceeds of \$450,000 from the Post-Arrangement Financing, it is anticipated that Spinco will have available cash of approximately \$666,893.60.

(d) *Principal Purposes of Funds Available*

The following table summarizes expenditures anticipated by Spinco required to achieve its business objectives during the 12 months following completion of the Arrangement and the proposed listing of the Spinco Shares on the CSE (see in this Appendix “D” - “*Narrative Description of Spinco’s Business – General – Business of Exploration - Business Objectives and Milestones*”, which follows).

Principal purpose	Amount (assuming completion of Convertible Note Financing and Post-Arrangement Financing)
Obtain CSE listing <sup>(1)</sup>	\$150,000
Phase 1 program on the Silver Dollar Project as recommended by the Technical Report <sup>(2)</sup>	\$153,239
General & administrative expenses for 12 months <sup>(3)</sup>	\$250,000
Unallocated working capital	\$113,654.60
<b>TOTAL:</b>	<b>\$666,893.60</b>
Notes:	
<sup>(1)</sup> Consists of transfer agent fees, legal fees, audit costs and miscellaneous fees.	
<sup>(2)</sup> Refer to the Technical Report – Recommendations.	
<sup>(3)</sup> Includes estimated management and consulting fees, insurance expenses and office administration expenses.	

Spinco intends to spend the funds available to it as stated in the table above. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for Spinco to achieve its objectives or to pursue other exploration and development opportunities. See “*Risk Factors*”.

4.1.2 Principal Products or Services

Not applicable.

4.1.3 Production and Sales

Upon completion of the Arrangement, Spinco will have no direct employees. Spinco expects to rely on and engage consultants on a contract basis, as is usual in the mineral exploration business in Canada.

4.1.4 Competitive Conditions

The mining industry is intensely competitive in all its phases. Spinco will compete for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than Spinco. The competition in the mineral exploration and development business could have an adverse effect on Spinco's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

4.1.5 Lending and Investment Policies and Restrictions

Not applicable.

4.1.6 Bankruptcy or Receivership Proceedings

There have been no results of any bankruptcy, or any receivership or similar proceedings against Spinco or any voluntary bankruptcy, receivership or similar proceedings by Spinco.

4.1.7 Material Restructuring Transactions

Not applicable.

4.1.8 Social or Environmental Policies

Not applicable.

**4.2 Companies with Asset-backed Securities Outstanding**

Not applicable.

**4.3 The Silver Dollar Project**

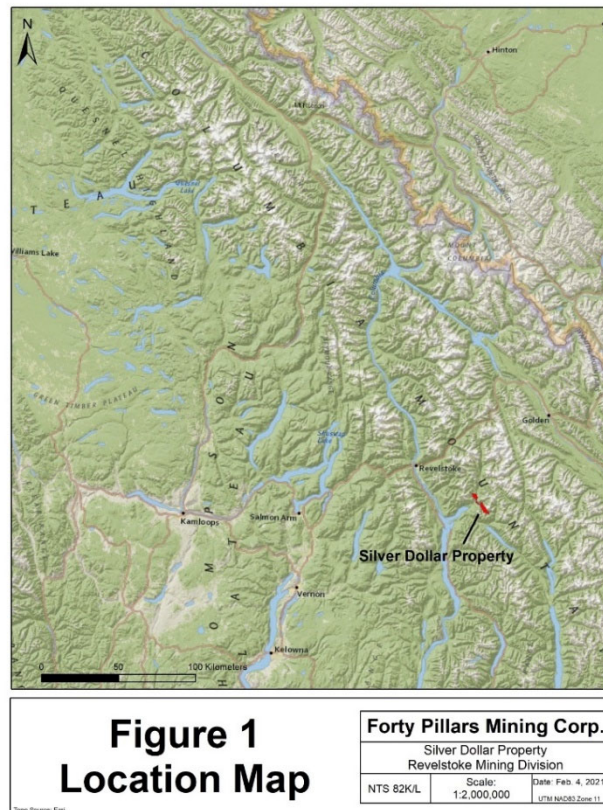
Upon completion of the Arrangement, Spinco's material property will be the Silver Dollar Project. Information of a scientific or technical nature in respect of the Silver Dollar Project in this Appendix "D" is derived from portions of the independent NI 43-101 technical report dated effective February 25, 2021, entitled "National Instrument 43-101 Technical Report on the Silver Dollar Project" (the "**Technical Report**") prepared by James Chapman, P. Geo (the "**Author**"). The Author is a qualified person and is independent of Spinco.

Investors should consult the Technical Report once filed on Spinco's SEDAR profile at [www.sedar.com](http://www.sedar.com) in due course to obtain further particulars regarding the Silver Dollar Project. Readers are cautioned that the summary of technical information in this Appendix "D" should be read in the context of the qualifying statements, procedures and accompanying discussion within the complete Technical Report and the summary provided herein is qualified in its entirety by Technical Report. Capitalized and abbreviated terms appearing in this section and not otherwise defined herein have the meaning ascribed to such terms in the Technical Report.



#### 4.3.1 Property Description and Location

The Silver Dollar Project is located on NTS map sheet 82K/13E and is centered at 50°46'53"N Latitude and 117°36'32"W Longitude, 45 kilometers southeast of the city of Revelstoke and 15 kilometers north-northeast of the community of Trout Lake, British Columbia (Figure 1). The Silver Dollar Project lies within the historical Camborne gold-silver mining camp and includes several past producing mines and developed prospects and showings of silver, gold, lead and zinc. The Silver Dollar Project consists of 28 contiguous mineral claims covering 3,344.68 hectares of land. There are 11 Minfile Occurrences located on the property consisting of (5) Five showings and (2) two prospects. There are (4) four past producers with limited historical production from the Beatrice (082KNW040), Silver Dollar (082KNW101), Gillman (082KNW127) and Mohawk (082KNW041) Minfile Occurrences (Figure 9). Minfile Occurrences contain geological, location and economic information on more than 14,750 metallic, industrial mineral and coal mines, deposits and occurrences in British Columbia. The database is used by government, industry and academia for resource management, land use planning, exploration and research. The Author is not aware of any environmental liabilities that have potentially accumulated from any of the historical activities. There are no other known significant factors or risks that affect title or the right or ability to perform work on the Silver Dollar Project.



Access to the Silver Dollar Project is currently controlled by Jazz Resources Inc who maintain a section of road located at the Incomappleux River Canyon, located to the west of the Silver Dollar Project. Access across this narrow portion of the road along the edge of the Incomappleux River is controlled by a locked gate. Access can be gained by contacting Jazz Resources Inc.

#### *Mineral Tenure*

The Silver Dollar Project consists of 28 contiguous Mineral Title Online (MTO) mineral claims covering 3,344.68 hectares of land and two (2) crown grants ie the Beatrice (DL4586) and the Folsom (DL4587)

crown grants located within the Revelstoke Mining Division. The mineral claims are held 100% by Origen and were originally in good standing until November 1, 2020.

On March 27, 2020, the Chief Gold Commissioner of British Columbia released a statement extending the time limit for registering statements of work for exploration and development, registering payment instead of exploration and development, registering a revised expiry date, or registering a rental payment, until December 31, 2021 for all mineral and placer mineral titles due to the restrictions imposed by the Covid-19 Pandemic. For Mineral and Placer Claims,

- The time extension order has been applied automatically to all claims with good to/expiry dates before December 31, 2021 to provide extra time to register work or payment instead of work.
- Enough work or payment in lieu of work MUST be registered on or before December 31, 2021 to bring the good to/expiry date of the claim into good standing.
- Any claim that has not been brought into good standing by December 31, 2021 will be forfeited.

In order to maintain the Silver Dollar Project claims in good standing, assessment must be filed on the Silver Dollar Project at \$20/hectare totalling \$66,893.60 for the 2020 assessment year and \$66,893.60 for the 2021 assessment year. As a result of the granted extension the claims are currently in good standing until December 31, 2021. (Figure 2, Table 1).

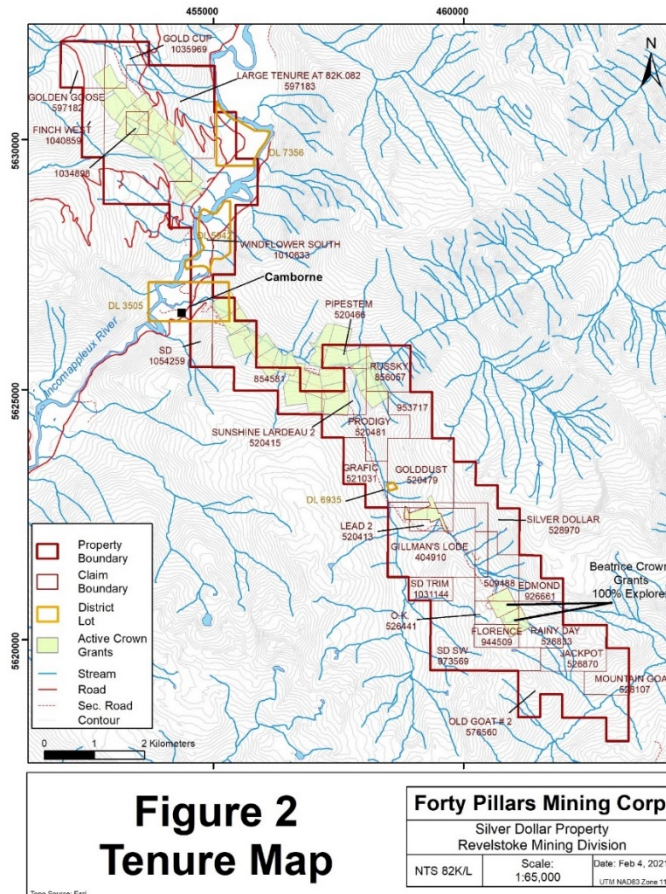
On July 11, 2018, Explorex Resources Inc. (now Raffles Financial Group Limited.) ("**Explorex**") fulfilled all of its obligations under the May 15, 2016 option agreement with Happy Creek Minerals Ltd to purchase 100% interest in Happy Creek's Silver Dollar Project. Happy Creek Minerals Ltd retains a 1% NSR on the Silver Dollar Project.

On August 14, 2018, Explorex signed an Option Agreement with Mariner Resources Corp (the "Option Agreement") where Mariner Resources Corp has the option to acquire a 75% interest in the Silver Dollar Project by completing staged cash payments and work requirements over a three-year term. From October 28 to October 30, 2019, Mariner Resources contracted Precision Geosurveys to complete 624-line km of a high-resolution helicopter-borne aeromagnetic and radiometric survey data.

On December 20, 2019, Explorex entered into a definitive share exchange agreement to acquire all of the outstanding shares of Raffles Financial Private Ltd, a diversified financial services company incorporated under the laws of Singapore and operating in Singapore. The proposed transaction was a "fundamental change" for Explorex under CSE Policy 8, and upon completion of the share exchange transaction, around April 29, 2020, the business of Explorex became the same business of Raffles. Explorex as the resulting Issuer, changed its name to Raffles Financial Group Ltd. Concurrently, Explorex completed a plan of arrangement under the *Business Corporations Act* (British Columbia) with its wholly owned subsidiary Origen Resources Inc whereby Explorex' s current mineral exploration assets (including the Silver Dollar Project) and \$500,000 was spun out to Origen in accordance with the POA and Origen was listed on the CSE, with all of the exploration assets formerly held by Explorex, including the Silver Dollar Project.

Mariner Resources Corp. did not earn its 75% interest, and the Silver Dollar Project reverted to Origen

The Silver Dollar Project is expected to be transferred to Spinco, a wholly owned subsidiary of Origen, through the Plan of Arrangement.



The claims forming the Silver Dollar Project have not been legally surveyed. Although most crown grants have reverted, several small lots or fractions may still exist within the claims and the current status of these crown grants are unknown.

At the southern end of the Silver Dollar Project are two contiguous patented claims ie the Beatrice (DL4586) and Folsom (DL4587) crown grants. The Beatrice crown grant covers the past producing Beatrice Mine. On August 27, 2017, Explorex entered into a purchase and sale agreement with arm's length vendors to acquire 100% of the Beatrice and Folsom crown grants from private owners. Pursuant to the agreement, the vendors agreed to sell and Explorex agreed to purchase the crown grants for a cash payment of \$12,000 (paid). The Beatrice and Folsom crown grants form a part of the Silver Dollar Project and are included in the Option Agreement.

The Silver Dollar Project is located on Crown Land. Origen holds the mineral rights only. There are four separate District Lots with surface rights which overlap the Silver Dollar Project (Figure 2). District Lot 3505 (129.5ha) is held by Jazz Resources Inc located along the Incomappleux River and overlaps portions of mineral claims 1010633 and 854581. The district lot covers Jazz Resources mill and tailings site facility as well as the old Camborne town site and the start of the south mine access trail which leads to the Beatrice Minfile Occurrence. District Lot 5942 (76.1ha) is located along the southeast side of the Incomappleux River immediately north of DL3505 and overlies mineral claim 1010633 and Forest Service Roads 3397 sections 01 and 02. The Forest Service Roads provide access to logging roads leading to the northern portions of the claim group. To the North of DL5942 is District Lot 7356 (85.6ha). District Lot 7356 overlaps the northern portion of mineral claim 1010633 and Forest Service Road 3397 Sec 01 which provides access to logging roads and the northern portions of the claim group. To the south is District Lot 6935 (2.0ha) which overlies the Golddust mineral claim 520479. District Lot 6935 is located along the east side of Mohawk Creek approximately half way between the

Del Ray and Homestead Minfile Occurrences. To the best of the Author's knowledge there are no factors limiting access, title or the ability to perform appropriate work.

A District Lot is a type of primary land division or description, which defines a parcel of land that has been surveyed. Unless otherwise excluded in the property title, the District Lot owner is entitled to the soil and the sand and gravel on the property.

A free miner who is exercising a right under the Mineral Tenure Act, is entitled to enter private lands, provided those lands are mineral lands. The Mining Right of Way Act provides for the right of a recorded holder to use access roads owned by a person or to use existing roads on Crown Land or private land for the purpose of gaining access to a mineral title. As stated above, a major Forest Service Road 3397 sections 01 and 02 follows the Incomappleux River up stream to the east which crosses both Crown Lands and District Lots providing access to mineral claims and other stakeholders.

Mineral claims within the province of British Columbia require assessment work (such as geological mapping, geochemical or geophysical surveys, trenching or diamond drilling) be completed each year to maintain title to the claim. New regulations regarding work obligations to maintain tenure came into effect on July 1, 2012. As of that date, annual work requirements are determined as follows:

- \$5.00 per hectare for anniversary years 1 and 2.
- \$10.00 per hectare for anniversary years 3 and 4.
- \$15.00 per hectare for anniversary years 5 and 6.
- \$20.00 per hectare for subsequent anniversary years

All claims in the province were set back to the year 1 requirement in 2012, regardless of the number of years which had lapsed since the claim acquisition, so that the next time a filing of assessment is made after July 1, 2012, the claim is treated as if it is year one. Thereafter the work commitment increases according to the above schedule. Work in excess of the annual requirement may be credited to future years. In lieu of assessment work, cash payments can be made to maintain title. To encourage exploration work, cash in lieu of requirements have been established at two times the requirement for assessment work.

A Notice of Work permit from the Ministry of Forests, Lands and Natural Resource Operations is required for any surface or underground exploration involving mechanized disturbance. Reclamation bonds are generally required before final permit approval is granted. A separate permit is required for timber disturbance necessary to carry out the work program. A Notice of Work permit has not been required for the past exploration programs described in this report.

Southeast of the Incomappleux River, the Silver Dollar Project overlies Ungulate Winter Range (UWR) #U-4-014 (Central Kootenay) for the Mountain Caribou. As part of the Mountain Caribou Recovery Implementation Plan, the Ministry of Environment has implemented Government Actions Regulation orders for wildlife habitat areas, ungulate winter ranges and associated general wildlife measures. These measures are designed to reduce the impact from timber harvest and road construction on mountain caribou and their habitat, minimize predator and human access to identified mountain caribou habitat and to minimize disturbance and displacement of mountain caribou from occupied habitat. The Ministry of Energy, Mines and Petroleum Resources have developed permit conditions and operational guidance when considering Notice of Work permit applications that will provide direction and guidance to mineral tenure holders operating in identified mountain caribou habitat. General Wildlife Measures within UWR U-4-014 include:

**Table 1: Mineral Claim Tenure**

Tenure Number	Claim Name	Map Number	Issue Date	Good To Date	Area (ha)
404910	Gillman's Lode	82K/13E	Sept 9, 2003	Dec 31, 2021	300.0

509488		"	Mar 23, 2005	Dec 31, 2021	102.24
520413	Lead 2	"	Sept 25, 2005	Dec 31, 2021	40.89
520415	Sunshine Lardeau 2	"	Sept 25, 2005	Dec 31, 2021	61.30
520466	Pipestem	"	Sept 27, 2005	Dec 31, 2021	40.86
520479	Golddust	"	Sept 27, 2005	Dec 31, 2021	183.97
520481	Prodigy	"	Sept 27, 2005	Dec 31, 2021	122.62
521031	Grafic	"	Oct 12, 2005	Dec 31, 2021	81.76
526441	O.K.	"	Jan 26, 2006	Dec 31, 2021	40.90
526833	Rainy Day	"	Jan 31, 2006	Dec 31, 2021	81.81
526870	Jackpot	"	Feb 01, 2006	Dec 31, 2021	102.27
528107	Mountain Goat	"	Feb 12, 2006	Dec 31, 2021	61.37
528970	Silver Dollar	"	Feb 25, 2006	Dec 31, 2021	122.66
576560	Old Goat #2	"	Feb 18, 2008	Dec 31, 2021	163.67
597182	Golden Goose	"	Jan 9, 2009	Dec 31, 2021	81.64
597183	Large Tenure At 82K.082	"	Jan 9, 2009	Dec 31, 2021	510.35
854581		"	May 16, 2011	Dec 31, 2021	204.32
856057	Rusky	"	Jun 01, 2011	Dec 31, 2021	81.73
926661	Edmond	"	Oct 31, 2011	Dec 31, 2021	61.35
944509	Florence	"	Jan 31, 2012	Dec 31, 2021	40.91
953717		"	Mar 01, 2012	Dec 31, 2021	61.31
973569	SD SW	"	Mar 28, 2012	Dec 31, 2021	204.54
1010633	Windflower South	"	Jul 03, 2012	Dec 31, 2021	367.57
1031144	SD Trim	"	Sept 24, 2014	Dec 31, 2021	40.90
1034898		"	Mar 22, 2015	Dec 31, 2021	20.41
1035969	Gold Cup	"	May 07, 2015	Dec 31, 2021	61.23
1040859	Finch West	"	Jan 01, 2016	Dec 31, 2021	61.24
1054259	SD	"	Aug 25, 2017	Dec 31, 2021	40.86
DL 4586*	Beatrice Crown Grant	"		July 2, 2021	20.93
DL 4587*	Folsom Crown Grant	"		July 2, 2021	20.92
				Total Hectares	3344.68

\*The Folsom and Beatrice Crown Grants are covered by Mineral Claim Titles 509488, 526441, 944509 and 526833 and as such the area covered by the two crown grants are not included in the Property's total hectares.

- a) Exploration activities occur outside of the peak calving period of May 15 to June 15.
- b) Exploration activities shall use existing clearings, trails and roads unless impractical to do so.
- c) New roads and trails are not built in areas closed to snowmobiles.
- d) Any necessary tree harvesting avoids mature stands >80 years old and avoids removal of lichen-bearing trees.
- e) An individual forest opening is not greater than 1ha.
- f) The total of individual forest openings including those created for road and trail construction do not exceed 10% of the mineral cell or 10% of any defined aggregate of mineral cells up to a maximum of 25 mineral cells.
- g) New trails and roads do not have a running width of >6m.
- h) Actions are taken on newly constructed or reconstructed trails and roads to restrict access ie signage, berms or gates.
- i) If caribou are encountered during exploration activities, avoidance actions shall be taken at all times to avoid disturbance and displacement of caribou.
- j) Fixed wing and helicopters; a minimum of a 500m line of sight from caribou shall be maintained at all times.

Where either the conditions outlined above or associated Notice of Work conditions cannot be met, an exemption will be required from the Ministry of Environment prior to work proceeding.

There are no First Nations reserves, treaty lands, or treaty related lands on or in the vicinity of the Silver Dollar Project. The province is legally obligated to consult and accommodate (where required) First Nations on land and resource decisions that could impact their Aboriginal interests. While the province is responsible for ensuring adequate and appropriate consultation and accommodation, it may involve the proponent in the procedural aspects of consultation. Proponents are encouraged to engage with First Nations as early as possible in the planning stages to build relationships and for information sharing purposes. The Silver Dollar Project is located in the Ktunaxa First Nations traditional territory. The Ktunaxa First Nation consists of four bands residing in Southeastern British Columbia. The Yaqan Nukiythe or Lower Kootenay First Nation is located in Creston, BC. The St Mary's First Nation is located along the St Mary's River near Cranbrook with tribal offices located on the Kootenay #1 reserve. The Tobacco Plains First Nation band live near Grasmere on the east shore of lake Koocanusa below the mouth of the Elk River and the Columbia Lake Indian Band are located in Akisqnuq south of Windermere, British Columbia.

#### 4.3.2 Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Silver Dollar Project is centered at 50°46'53" N Latitude and 117°36'32" W Longitude. The claim group covers an area of 3,344.68 hectares measuring 17.1km long X 3.12km at its widest point, trending in a Northwest – Southeast direction. The property lies within the historical Camborne gold-silver mining camp and includes many past producing mines and developed prospects of silver, gold, lead and zinc.

The property is accessible via paved road (Highway 23) from Revelstoke to Shelter Bay on Upper Arrow Lake and then by ferry to Galena Bay. An all-weather road, part paved part gravel road (Highway 31) provides further access 30km to the south to the hamlet of Trout Lake. Approximately 18km west of Galena Bay is the Beaton/Camborne junction and turn off. From this junction, a gravel road makes its way east up the Incomappleux River to the historic town site of Camborne, a distance of approximately 18.5km. The Silver Dollar Project crosses the Incomappleux River just east of the old Camborne town site. From this point the property may be accessed by a series of logging roads and historic mine access trails. The Goldfinch zone located to the northwest of the Incomappleux River is road accessible by four-wheel drive vehicles. Access to other Minfile Occurrences in the northern portion of the claim group may be gained by ATV access only utilizing abandoned and overgrown logging trails. The central and southern portions of the claim group may be gained by ATV access only utilizing historic mine access trails east along Poole Creek past the old producing Spider Mine and then north following Mohawk Creek past the Gillman and Silver Dollar Minfile Occurrences to the past producing Beatrice Mine at the southern end of the property.

Immediately south of the Silver Dollar Project is the past producing True Fissure Mine. Access to the old mine site is from the community of Trout Lake to the old townsite of Ferguson. From Ferguson, access to the True Fissure mine site is by gravel road. North of the mine site are a series of drill roads and trails which come within 700m of Mountain Goat Creek. The condition of the access roads and trails are unknown as they were first developed by Westmin Resources Limited in the early 1980's.

Weather patterns in the area can fluctuate over short distances and change suddenly depending on altitude, wind flow, proximity to lakes and rain shadow effects on high mountains. During spring conditions, snow pack from the higher elevations melt into cascading creeks through narrow incised creek valleys. Daytime highs average 17°C dropping to 4°C in the evenings. Access to higher elevations is restricted due to snow pack conditions. In the summer months, valley temperatures through July and August can reach average daytime highs of 25°C while the alpine areas may see temperatures to 15-20°C. In the autumn average daytime temperatures are 10-12°C with temperatures dropping down to near freezing at night. Snow can be seen at higher elevations as early as mid September. Winter months typically range from lows of -5 to -11°C to highs around the freezing mark. Precipitation falls mostly as snow reaching depths of up to 5m and covers the ground from late November to late May of the following spring.



The Silver Dollar Project is located in the Duncan Range of the Selkirk Mountains. Topography is rugged and elevations vary from about 2600m in the northern portions of the claim group to 1500m in the southern portion of the claim group. The lowest elevations are noted in the Incomappleux River valley at 500m above sea level.

Vegetation in the Duncan Range can be differentiated vertically into three main forest zones

- a) Interior western hemlock-western red cedar forest zone.
- b) Subalpine Engelman spruce-alpine fir forest zone.
- c) Alpine tundra zone.

The interior western hemlock-western red cedar zone is the most extensive zone in the area. It extends from the valley bottoms to an upper limit of 1370m to 1700m, depending on precipitation, latitude, air drainage and aspect. Vegetation varies from almost pure stands of western hemlock on acid soils in well drained, cool sites to a variable mixture of western hemlock and western red cedar on warmer sites with weakly acidic soils. At the uppermost elevations of the interior western hemlock-western red cedar zone, alpine fir and Engelman spruce may be present. In this zone nearly pure stands of Engelman are restricted to wetter locations, while alpine fir often dominates the drier sites. The subalpine Engelman spruce-alpine fir forested subzone extends from the upper limit of the western hemlock-western red cedar zone to about 2400m. The alpine tundra zone is found on exposed mountain slopes generally above 2500m and may extend below 2000m in snow chutes and on sites affected by cold air draining glaciers. The Alpine-tundra zone is characterized by the absence of alpine fir, Engelman spruce, western hemlock or other trees. In many locations, exposed rock with glaciers and talus predominate.

Revelstoke is a regional centre and can readily supply many of the services and supplies required for an exploration program. The community of Trout Lake is the closest community to the property where room and board is available at the Windsor Hotel and regular gas and limited grocery supplies can be purchased.

#### 4.3.3 History

##### *Regional Exploration History*

The Silver Dollar property lies within the historical Camborne gold-silver mining camp and includes several historical past producing mines and developed prospects. The property covers over 17km of the 40km long Camborne fault structure containing several past producers and developed prospects of silver, gold, lead and zinc.

The Camborne mining district dates back to the early 1900's. Most of the mineral claims were Grants or leases that are much smaller in size than today's claims and were owned by numerous individuals and private companies. The early miners worked hard to find and develop their "ore" which was in part hand-cobbled, milled on site and shipped by horse to the smelter. There were two basic types of mineralization ie gold and silver or base metal (Pb, Zn, Cu) rich with some appreciable gold-silver values. The mines were developed on veins and shoots containing the highest grade they could find. The complex historical ownership and patchwork of small claims limited a systematic approach to exploration. The prospecting tools were basic and effective for the near surface mineralized zones, and efforts were placed on mining high grade gold and silver, as smelters charged penalties for zinc. Most of the development work was performed between 1900 and the 1920's. Periods of exploration were performed during the 1950's and in the mid 1980's when several shallow drill holes were completed. For ease of discussion the Silver Dollar property has been subdivided into three distinct areas ie the Goldfinch area in the north, the Mohawk area in the central portions of the claim group and Silver Dollar-Gillman area to the south (Figure 2).

### *Goldfinch Area*

The Goldfinch area is located in the northwest portion of the Silver Dollar property, northwest of the Incomappleux River and 3.7km north-northwest of Camborne. The Goldfinch group of claims consist of mineral claims 597182, 597183, 1010633, 1034898, 1035969 and 1040859 and covers the Nelson (082KNW138) and Lost Cup (82KNW195) Minfile Occurrences. These claims also surround the Goldfinch (82KNW076) Minfile Occurrence which is located on active Crown Grants which do not form a part of the Silver Dollar property. Most of the historical work completed in the northern portions of the Silver Dollar property focused primarily on ground covered by the 14 active crown grants which do not form a part of the Silver Dollar property (Figure 2). The following Assessment Reports document the work completed on the crown grant claims and are listed here as some of the described work programs extend onto the Silver Dollar claim group.

The Assessment Report Indexing System (ARIS) is the collection of technical assessment reports and data from mineral exploration and development properties across British Columbia. Filed by the exploration and mining industry since 1947, assessment reports document geological, geophysical, geochemical, drilling, and other exploration related activities. Once approved, assessment reports are kept confidential for one-year from the date that the exploration and development work was registered. Newly public assessment reports are made available on a monthly basis.

**Ministry of Mines Reports 1903 to 1904, Northwest Mining Company, Limited:** Northwest Mining Company, Limited optioned the Camborne group of claims and purchased the Goldfinch claim in 1902. A hydro plant, 1460m tramline and 10-stamp mill were installed on Mehinick Creek in 1902-1903. Northwest Mining Company, Limited became insolvent and the Gold Finch Mining Company was formed to continue with the operation. The mill operated for a short while until a forest fire destroyed the tram line. Most of the development work was completed on the Goldfinch claim. Two adits were driven on the Goldfinch ie the upper adit (1023 level) and a lower adit (1003 level). In 1903 production of 726 tonnes yielded 16.2kg of gold and 4.98kg of silver and in 1904 an additional 590 tonnes yielded 4.67kg of gold and 633gm of silver.

**1980, Eaton Mining and Exploration Ltd. (AR.9137):** Nearly all of the historical data was found missing or incomplete including historical drill logs, maps and documents from the underground operations. A land survey was completed to tie in underground and surface workings, drill hole collars and surface showings to the crown grants. Prospecting uncovered additional zones of quartz veining. A subsidiary of Canadian Mine Services was contracted to re-open the Lower 1023 adit for surveying, mapping and sampling. In 1980, a 309.7 short ton ore shipment of gold bearing quartz vein was shipped to the Trail smelter averaging 0.41opt Ag and 0.316opt Au resulting in 98.14 troy ounces of gold and 129.01 troy ounces of silver. Much of the work outlined is on active crown grants which do not form part of the Silver Dollar property. A reconnaissance style soil sampling program and regional mapping program extend beyond the limits of the active crown grants onto ground covered by the Silver Dollar project.

**1987, Granges Exploration Ltd. (AR16,582):** Granges completed a regional soil sampling program collecting 435 B horizon soil samples which were analyzed for Au, Cu, Pb, Zn and Ag. Approximately 50% of the soil grid extends beyond the active crown grants onto the Silver Dollar property.

**1988, Granges Exploration Ltd. (AR17,929):** In 1988 Granges completed an underground exploration program. This work was preceded by surface diamond drill programs completed in 1985, 1986 and 1987 totalling approximately 13,940.6m of drilling in 120 NQ drill holes. Drilling identified a well mineralized quartz vein system extending over a strike length of 400m with widths between 1.82m and 9.14m. Drilling has tested the zone to a vertical depth of 91.4m. The quartz vein system consists of quartz with minor disseminated siderite pods. The veins are mineralized with 5% to 30% pyrite and minor chalcopyrite, galena and sphalerite. Gold was found to be associated with the pyrite mineralization. Visible gold is rare but present throughout the vein. The underground exploration program completed in 1988 consisted of 1,206.0m of development, the bulk of which included 653.0m



in the decline, 307.0m drifting on mineralization and 122.5m in crosscuts. A total of 53 underground diamond drill holes were completed totalling 2,197.0m. Drifting and raising indicated that shrinkage mining was the preferred mining method and that ground conditions contributed 10% dilution. The report states that a 9,675-tonne bulk sample was extracted from the underground workings, details regarding the bulk sample results are lacking. Approximately 90% of the diamond drilling and underground development was completed on the active crown grants. The report entitled "Diamond Drilling and Physical Report on the Dorothy, Independence, Golden Eagle, Lost Cup, Goldfinch, Phyllis and Nina Claims" dated October 20, 1988 states that 1,654.12m of surface diamond drilling was completed outside of the active crown grants on ground covered by the Silver Dollar property.

**1999, Cascadia International and MagAlloy Corp. of America Inc. (AR26,115):** Mapping and prospecting program evaluating the magnesium rich Sable Dyke.

**2016, Explorex Resources Inc.:** In 2016, Explorex Resources Inc. spent three (3) days in the Goldfinch area, located at the north end of the Silver Dollar property, assessing road access and locating drill hole collars, historical grids and old workings for the purpose of target generation. One rock panel sample (#128264) measuring 1.0m x 1.8m was collected from a quartz vein exposure located along the surface trace of the Dorothy vein trend. The outcrop exposure hosts up to 10% pyrite as pods and coarse aggregates, no attitude of the vein was available. Assay results from the panel sample returned 0.506g/t Au and 0.7g/t Ag. During the course of the evaluation several underground workings were located as were pickets marking the location of historical soil geochemical grids. Drill core from Granges Exploration Ltd.'s field programs from the mid 1980's was located and reviewed.

#### *Mohawk Area*

The Mohawk area consists of 5 mineral claims (854581, 520415, 520466, 856057 and 1054259), and covers one showing (Yellowjacket 82KNW199) and one past producer (Mohawk 82KNW041) located in the central portions of the Silver Dollar property, to the southeast of the Incomappleux River (Figure 2). The Mohawk area borders the western and southern margins of crown granted mineral claims held by Manson Creek Resources Ltd and the southern boundary of mineral claim 1042495 held by Jazz Resources Inc. Collectively these crown grants and mining claim cover 2 prospects, 7 showings and 7 past producers namely the Eva (82KNW066), Cholla (82KNW143), Criterion-Oyster (82KNW065), Lucky Jack (82KNW187), Meridian (82KNW064), Spider (82KNW045) and Eclipse (82KNW044). The most notable is the past producing Spider Mine which was brought into production in 1952 and continued operations until 1958. Total production to the end of 1958 was 371kg of gold, 53,481kg of silver, 85 tonnes of copper, 10,845 tonnes of lead, 11,519 tonnes of zinc, 60 tonnes of cadmium and 4 tonnes of antimony from 128,063 tonnes of ore with a recovery grade of 0.086 oz Au/ton, 12.2 oz Ag/ton, 8.6% Pb and 9.14% Zn (Minfile 82KNW045). The Author has been unable to verify the historical production and the information is not necessarily indicative of the mineralization on the property that is the subject of the technical report. The vein was developed from surface to a depth of 200m. The bulk of the historical work in the Mohawk area focused in and around the above prospects, showings and past producers.

Historical work completed on the Silver Dollar group of claims in the Mohawk area is as follows:

**1983, Westmin Resources Limited (AR11,756):** Westmin completed a follow up and infill soil sampling program on soil results obtained in 1982 as well as a minor chip sampling program on several small adits. The 1983 program focused on the Moscow grid, Red Horse grid and adit and the Harvey adit. Results show that the location of the Moscow soil anomalies coincide with the on strike projection of the Eclipse vein. At the Red Horse a small grid was established over the Red Horse adit. Several anomalies were noted yet failed to outline a target of interest. A total of five panel samples measuring 1m X 2m were taken on the Red Horse vein which is 5m wide striking 165° with near vertical dips. Composite chip samples were taken from each panel with best results reporting 1.38oz/ton Ag. A selected grab from a 10cm band of massive pyrite returned 0.138oz/ton Au and 4.66oz/ton Ag. The Harvey adit is located at the junction of Poole and Harvey creeks. Here a vein 1.0-1.5m wide is

exposed striking 360° with a vertical dip. The vein is mineralized with massive to coarse grained pyrite hosted by siliceous sediment and phyllite. Four samples were taken from the vein with best results reporting 0.118oz/ton Au.

**1989, Ram Explorations Ltd. (AR18,836):** Three AQ sized drill holes were collared SE of the Excise workings totalling 272.8m located on Hazel 1 and 2 claims. Drilling designed to test the inferred NW extension of mineralization exposed in the Excise workings. No significant results reported.

**1989, Royal Crystal Resources Ltd. (AR19018):** Royal Crystal Resources carried out additional geological mapping within the claim area, reviewed available exploration data and prepared a new compilation geological map. The report describes results of the 1989 field mapping and summarized all available rock sample and drill core data and analysis obtained by Westmin Resources, Triple M. Mining Corp. and Royal Crystal Resources between 1980 and 1988. A geological plan map is the first complete compilation of Royal Crystal Resources exploration data for the Pool/Mohawk Creek area including the Eclipse and Excise-Mohawk veins.

**2016, Explorex Resources Inc.:** In 2016, Explorex Resources Inc spent one field day in the Mohawk area following up on historical sample results in the area of the Wheelbarrow Minfile occurrence. While no historical workings were located, mineralized quartz vein float material was located on a steep slope in the vicinity of three (3) historical rock grab samples. A selected grab sample of the quartz vein float sample returned 6.508ppm Au, 78.5ppm Ag and 2.81% Pb.

#### *Gillman – Silver Dollar Area*

The Silver Dollar-Gillman area is located at the southern end of the Silver Dollar property (Figure 2) and encompasses one prospect (Mountain Boy 082KNW131), three showings ie Homestead (082KNW001), Iron Dollar (082KNW136) and Rainy Day (082KNW149) and three past producers namely the Beatrice (082KNW040), Silver Dollar (082KNW101) and the Gillman (082KNW127) MINFILE Occurrences (Figure 9). Historical work in the Gillman-Silver Dollar area is as follows:

**Ministry of Mines Reports Early 1900's:** The historic Camborne mining camp dates to the early 1890's with the discovery of gold mineralization on the historic Eva and Iron Dollar claims. The Silver Dollar mine was in production from 1898-1914, several hundred meters of underground development had been completed from two separate adit entrances, 65 metres apart vertically. A 50-ton mill was installed and limited production of gold and silver was recorded. Production ceased due to hanging wall dilution of the recovered ore.

**Ministry of Mines Reports 1899-1914:** Reported production from the Beatrice Mine included 588gm Au, 1832kg Ag, 182,939kg of Pb and 10,894kg of Zn from 618 tonnes of ore. The Author has been unable to verify the historical production and the information is not necessarily indicative of the mineralization on the property that is the subject of the technical report.

**Ministry of Mines Report 1938:** A four man crew from the Silver Dollar mine stripped and exposed the Gillman vein to the north and south of the main access road over a strike length of 60m. Government geologists took 15 samples along the surface exposure of the vein, within a 4m adit at the southern end of the vein close to Mohawk creek and from an adit which had been driven under the main part of the vein at some time prior to 1938. Most samples were channel samples across the vein measuring up to 1.8m in length. Gold values varied from trace to 1.34opt Au.

**Ministry of Mines Report 1947:** Silver Pass Development Syndicate processed 6 tonnes of ore and recovered 9,860gms silver, 1,378kg Pb, 1,009kg Zn from the Silver Dollar Mine site.

**Ministry of Mines Report 1951-1952:** Kootenay Mining Company Ltd repaired the access road and drilled a few holes to test the veins to the north of the underground workings. Kootenay Mining Company Ltd returned to the property in 1957 and drifted on the vein as an extension of the northwest drift in the lower adit. An additional 1,934 feet of drilling was also completed.

**1974, Resource Ltd. (AR5,209):** A two-day property examination of the Iron Dollar and Carbonate Hill claims focusing on the historical Silver Dollar workings. A description of the surface and underground workings state that there are three surface prospect trenches and two adit openings leading to the underground workings. The portal to the Upper Adit opens into a crosscut of 92ft with drifts along the vein from its intersection for 100ft to the NW and 375ft to the southeast. The Lower Adit has a 259ft crosscut which intersected the vein and passed beyond for 180ft of its length. Drifts from the vein intersection ran northwest for 325ft and southeast for 375ft. Two raises from this level to the upper were driven in 1957 and additional 464ft of drifting and cross-cutting was done to the northwest.

**1979, Arch Mining and Milling Ltd. (AR7,207):** Soil grid geochemical survey of the Beatrice Mine. Soil line spacing at 120m with samples collected at 30m intervals along 6,380m of survey line. Soils were analyzed for copper, lead and zinc. Lead results produced a narrow strong zone on the Mamie Mack claim area which widens on the Mina R and Folsom crown grants. These two zones are contained within a wider and more continuous silver anomaly. Geochem results indicate a zone lies south of the Beatrice mine leading towards it striking NW with a width in excess of 120m at its widest point.

The Beatrice and Folsom claims were originally staked in 1897 and crown granted in 1902. In 1898 approximately 200 tons of ore, argentiferous galena, grey copper and sphalerite were hand mined. The mineralized outcrop was reported to be 9 feet in width as indicated in the 1898 Minister of Mines Report. The 1900 Ministry of Mines Report states that in the upper adit there is a continuous body of ore over an average width of 18 inches. Some 70 tons of this ore was shipped to Trail but much is scattered along the trail to Camborne. From 1901 to 1907 the property was operated by Beatrice Mines Limited and it is reported that 225 tons of ore had been shipped since operations commenced. It was found that the fine grained association of galena and sphalerite made a poor concentrate as the smelters extracted a heavy penalty for the zinc content. In 1914 government geologist Newton Emmons found that there are two veins on the Beatrice, one from 2-5 feet carrying fine grained galena, zinc blende, pyrite and grey copper assaying 0.25opt Au, 120.72opt Ag, 17.42% Pb and variable zinc from 10% to 23%. In 1918 New Era Mines did some additional work, however the high zinc content made marketing difficult and discouraged further work. In 1954, private company Beatrice Mines Ltd rehabilitated the mine and access road with little additional work. In 1964 the property was optioned by Dakota Silver Mines Ltd (N.P.L.). Limited work was completed. The Beatrice property lay dormant until 1974.

**1980, Prospecting Report. (AR7,924):** The purpose of the field program was to locate the extension of the Beatrice vein onto the Goat 1-8 claims and Double 1 to 8 claims. Four test pits and 1 bulldozer trench was completed. The location of the test pits and the bulldozer trench are not provided in the Prospecting Report. No extension to the Beatrice Mine was uncovered.

**1980, C. Graff; Prospecting, Soil Geochemical, Geological Mapping. (AR8,491):** Work completed to define zones of gold enrichment extending southward from the Sunshine-Lardeau gold mine. Claims located along the upper portions of the east fork of Mohawk Creek and extend northward to the junction of Mohawk and Pool creeks. A total of 43 soil samples collected, mapping completed at 1:10,000 scale. Prospecting located several quartz veins and rusty zones. Soil sampling show weakly anomalous gold values on Hawk 3 above the road as well as along the west side of Hawk 1 claim further south.

**1980, Westmin Resources Ltd. (AR9,146):** Grid controlled soil sampling program on two grids. The Mohawk grid is located immediately southwest and west of the Beatrice crown grant and the Fissure grid is located to the south off the property close to the True Fissure Minfile Occurrence. A total 910 B horizon soil samples collected, 310 soil samples from the Beatrice Mine area on the Mohawk grid. A total of six anomalous zones identified, many of which are elongated down slope and appear due to hydromorphic accumulation of metal. Anomaly 10 is a bedrock source with elevated Cu to 96ppm, Pb

184ppm and silver 3.6ppm. Conclusions state that many of the Mohawk anomalies may be transported or are hydromorphic accumulations.

**1983, B & B Mining Ltd. (AR11,532):** A program of bulldozer trenching and geological mapping of the Gillman claims was carried out. Trenching extended the vein to the north over a strike length of 170m. Samples taken confirm the presence of ore grade gold values of 1.63opt Au and 1.84opt Au. A grab sample from a 2m deep shaft returned 3.5opt Au, 6.1opt Ag. In 1933 a 16 ton ore shipment returned 2.04opt Au, 2.6opt Ag, 2.98% Pb and 3.1% Zn.

**1983, Fleck Resources. (AR12,016):** Grid established over which surface mapping, sampling and soil geochem were completed over the Carbonate Hill and Iron Dollar Claims. The upper adit on the Iron Dollar claim was dewatered, mapped and sampled. Assay results from Trenches 1 and 2 were better than expected returning values up to 0.166opt Au, 37.9opt Ag, 28.8%Zn, 16.1% Pb and 0.94% Cu. The Silver Dollar vein was traced on surface over a distance of 130m and was lost in overburden to the south. Soil geochemical results on steep slopes note there is a high degree of solifluxion which mixes the A, B and C soil horizons. Due to the high mobility there is little correlation between mineralized showings and anomalous results in soils.

**1984, Minerex Resources Ltd. (AR13,202):** Soil geochemical survey and the re-opening of an old adit on the Del Ray Fraction claim. Historically the Del Ray group hosted a 6 foot wide quartz vein at 6000ft elevation trending to the NW with a steep NE dip. From 1905 to 1915 an open cut at 5,900ft elevation was sampled over a 20ft width returning 0.14opt Au, 2.3opt Ag and described as a banded structure containing little pyrite. An adit was driven 100ft vertically below the intersected vein. No assays were available and the adit has since collapsed. A soil geochemical survey was completed over north-south grid lines established 100m apart with sample stations at 50m intervals. A total of 128 soils were collected and analyzed for silver. Background was established at 1.2ppm Ag with anomalous values >1.8ppm Ag. No obvious trends noted. The old Del Ray workings were re-opened and sampled. No significant results were obtained. The soil geochemical survey failed to identify any anomalies or trends.

**1986, Bryndon Ventures Inc. (AR15,946):** A soil geochemical grid established at the Gillman property with 100m spaced survey lines and 25m sample intervals. Geology mapped at 1:2500 scale, showings were sampled. Five samples from the Gillman showing had specks of visible gold. A VLF-EM survey was completed over the grid, results were issued in a separate report. Six short drill holes totalling 315.8m were drilled on the Gillman vein. Best results returned 1.073opt Au over 0.5m in DDH86-1 and 1.108opt Au over 0.7m in DDH86-2 and 0.525opt Au over 1.0m in DDH86-6. The drill program covered a 60m strike length along the Gillman trend which remains open to depth and to the south. The geochemical survey outlined the Silver Dollar vein indicating a strike length in excess of 500m. Geochemical anomalies C, G and H represent the Gillman vein and could be drilled with a series of 5 drill holes at 100m each to test the vein at depth.

**1997, LMX Resources Ltd. (AR25,031):** Prospecting report covering the Mohawk 1 and 6 claims. Evaluated the main showings at the Silver Dollar, Mountain Boy and Gillman showings. No significant results due to poor exposure and snow cover. Good historical perspective and property geology.

**2006, Manson Creek Resources Ltd. (AR29,005):** Prospecting program evaluating the Gillman-Silver Dollar-Iron Dollar area. A total of 27 chip and grab samples were collected with reported gold values in excess of 2.0g/t Au and 16 samples reported values in excess of 10.0g/t Ag. Some samples collected from the Wheel Barrow adit located in the Mohawk area.

**2008, Manson Creek Resources Ltd. (AR30,609):** Prospecting and sampling report on the Old Goat mineral claim to obtain a better understanding of the geological setting and to assess the exploration potential. Two traverses completed across the property which discovered new gossan zones related to the Camborne Fault. A total of 11 rock, soil and stream sediment samples were collected and submitted for analysis. Elevated base metals were obtained with gold to 20ppb and silver to 1.7ppm. More work recommended

**2008, Manson Creek Resources Ltd. (AR30,629):** Geological prospecting on the Gillman claim group. A total of 8 rock and one soil sample collected. A new gossan zone measuring 20m X 30m was discovered along a creek hosting a single boulder of quartz vein material with 5.5gmt Ag, 7454ppm Cu, 2886ppm Pb and 1.32% Zn. Source of quartz vein boulder undetermined. A soil sample from the kill zone returned 894ppm Zn, >1000ppm Mn, 585ppm Ba, 4222ppm cobalt and 136ppm strontium.

**2009, Manson Creek Resources Ltd. (AR31,264):** Prospecting on the Prodigy claim. Only limited outcrop was located and three grab samples collected reporting background values. Detailed prospecting and soil sampling recommended.

**2012, Happy Creek Minerals Ltd. (AR33,523 A-H):** Geological and airborne geophysical surveys. In 2012, a Lidar topographic survey and a Heli-GT three axis magnetic gradient and spectrometer survey were completed totalling 345.5-line kilometers of survey. Geological evaluations of the Gillman and Wheelbarrow areas were completed. A total of 38 rock samples were collected and submitted for analysis. Results show 12 rock samples returned silver values in excess of 200g/t Ag and four returned gold values in excess of 35g/t Au. A Silver Dollar chip sample returned 16.8% Zn, 3.92% Pb, 1.67g/t Au and 241g/t Ag and 1g/t Indium and 842g/t Cadmium. The airborne magnetic survey outlines important under-lying geological structures and features. Magnetics illustrate a major NW trending structure ie the Camborne Fault where several historical mines and prospects occur proximal to the structure. Other lineaments may reflect other fault structures for follow up. The airborne survey also shows elevated potassium occurs along the Camborne Fault in proximity to the Gillman, Silver Dollar and Beatrice Minfile Occurrences.

**2014, Happy Creek Minerals Ltd. (AR35,310):** Geological prospecting and sampling at both the Windflower and Silver Dollar areas. A total of 55 rock samples collected. Four rock samples returned positive Ag values including 6.17ppm Ag and 49ppm Ag from the Goldfinch and Gillman prospects, three samples returned Cu values >50ppm Cu to 4480ppm Cu and six samples returned zinc values >100ppm Zn to 17.7% Zn. Rock samples from the Gillman prospect returned values of 0.13% Pb and 8.29g/t Au.

**2016, Explorex Resources Inc.:** A six (6) day field program was completed in the Silver Dollar – Gillman Minfile areas. During the course of the field program, road and cat trail access routes were located and tracked by GPS as were historical drill hole collars, trenches, muck piles and adits. During the course of the six-day evaluation, a total of 24 rock samples were collected from outcrop exposures and muck piles consisting of 11 channel samples and 13 rock grab samples. Elevated and anomalous chip and rock grab sample results were received with a grab sample from the Gillman Minfile Occurrence reporting up to 57.1g/t Au, 108g/t Ag and 2.8% Pb while a chip sample across a 30cm quartz vein exposure at the Gillman Occurrence returned 13.01g/t Au, 18.5g/t Ag and 0.545% Pb. A selected grab sample of mineralized quartz vein material from the Silver Dollar Lower Adit muck pile returned 43.54g/t Au, 257g/t Ag, 2865ppm Zn, 6000ppm Pb and 673ppm Cu. Project expenditure covering the 2016 field programs total \$80,301.00.

**2017, Explorex Resources Inc:** From September 29 to October 6, 2017, a four-man field crew from Coast Mountain Geological Ltd collected 377 B horizon soil samples and 15 rock samples on behalf of Explorex Resources Inc. The soil grid was established with the aid of hand-held GPS and compass. Grid lines were oriented at 50°/230° azimuth with a line spacing of 100m. Stations were established along the survey lines at 50m intervals and marked with winter grade orange flagging tape. The 2017 soil grid was designed to evaluate the potential for extending lead, zinc, silver and copper mineralization from the Silver Dollar Minfile Occurrence through the Beatrice Minfile Occurrence and beyond to the Rainy-Day Minfile Occurrence, a distance of approximately 2.3 kilometers. The 2017 soil grid survey covers approximately 207ha of land. The results of the 2017 soil sampling program exhibit a good correlation between silver, lead, zinc, copper and antimony extending along the trace of the Camborne fault structure between the Rainy Day and Beatrice Minfile occurrences (Figures 3 to 7). The main soil anomaly extends from the Beatrice workings to the southeast beyond the Rainy-Day Occurrence. The anomaly measures over 1.4 kilometers long and is from 50m to 350m wide. The

anomaly is open to extension down slope to the southeast. To the northwest the anomaly is less coherent with scattered clusters of anomalous results suggesting a possible extension of the mineralization. A second parallel fault structure is interpreted along the west side of the soil grid where scattered clusters of Pb, Zn, Ag and Sb enrichment are noted. The best results from the soil sampling program are closely associated with the eastern most fault structure interpreted to be the trace of the Camborne fault. Project expenditure covering the 2017 field programs total \$55,529.00.

**Table 2: 2017 Soil Geochemical Statistics**

Element	Minimum Value (ppm)	Maximum Value (ppm)		Anomalous (ppm)	Moderately Anomalous (ppm)	Strongly Anomalous (ppm)
Ag	0.05	30.24		0.51-0.76	0.77-1.73	>1.73
Cu	4.0	234.5		50.0-58.6	58.7-78.7	>78.7
Pb	2.7	858.0		48.1-63.3	63.4-113.8	>113.8
Zn	7.0	536.0		85.9-106.2	106.3-160.0	>160.0
Sb	0.13	46.43		1.54-2.07	2.08-4.49	>4.49

**Table 3: Significant 2017 Rock Sample Results**

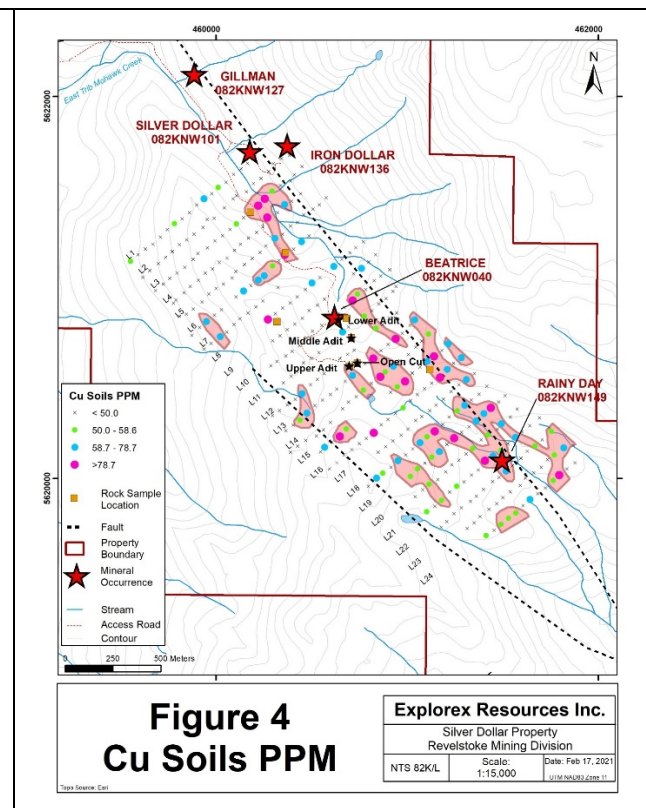
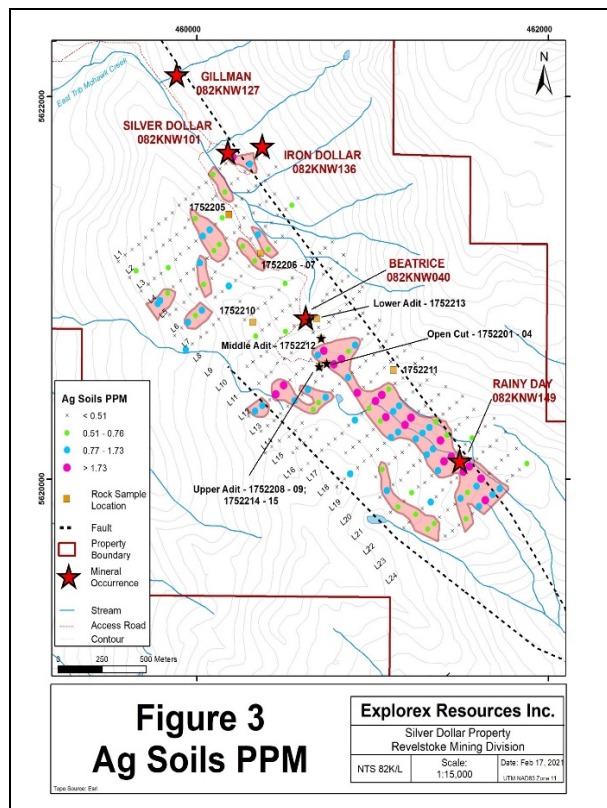
Sample Number	Sample Type	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Sb ppm	Au ppm
1752201	1.5m Chip	82.2	0.12%	149	184.0 g/t	281.74	0.17
1752202	0.4m Chip	88.5	0.25%	1735	31.46 g/t	58.8	0.20
1752203	0.5m Chip	69.5	0.29%	513	57.76 g/t	66.14	0.42
1752204	Composite Grab*	382.6	0.24%	3.53%	152.0 g/t	255.41	1.45
1752205	Grab*	12.8	33.0	320	1.58	2.52	0.002
1752206	Grab*	5.9	7.3	87	0.37	0.52	<0.0005
1752207	Grab*	39.7	11.5	61	0.16	0.25	<0.0005
1752208	Grab*	841	1.85%	32.90%	151.0 g/t	294.19	0.33
1752209	Grab*	347.1	831.9	23.33%	50.29 g/t	102.08	0.27
1752210	Composite Grab*	29.3	20.1	951	0.34	0.76	<0.0005
1752211	Composite Grab*	28.2	13.2	148	0.11	0.39	<0.0005
1752212	Grab*	0.53%	13.44%	16.41%	1,378.0 g/t	3,366.77	0.07
1752213	Grab*	78.8	986.4	5.31	19.08 g/t	24.43	0.05
1752214	Grab*	0.60%	17.72%	18.91%	1,991 g/t	4,003.44	0.02
1752215	Grab*	573.5	0.30%	15.06%	145 g/t	280.72	0.21

\*Grab and composite grab samples by nature are selective and therefore may not be representative of the mineralization being evaluated.

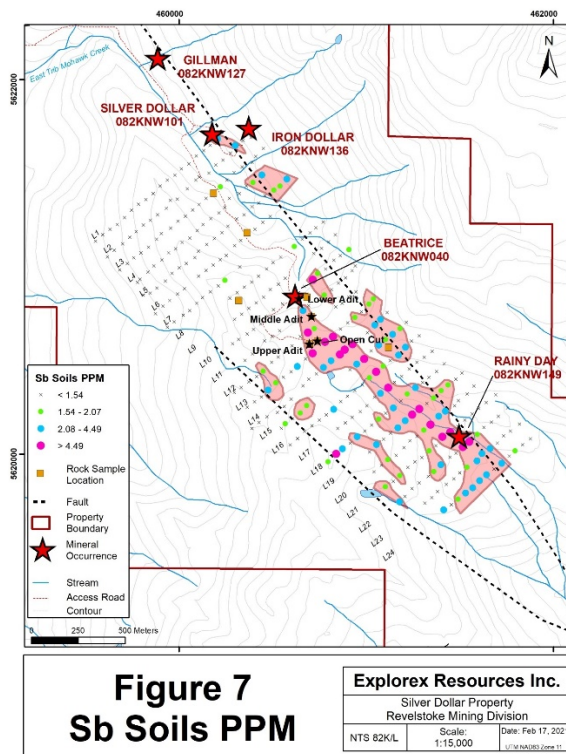
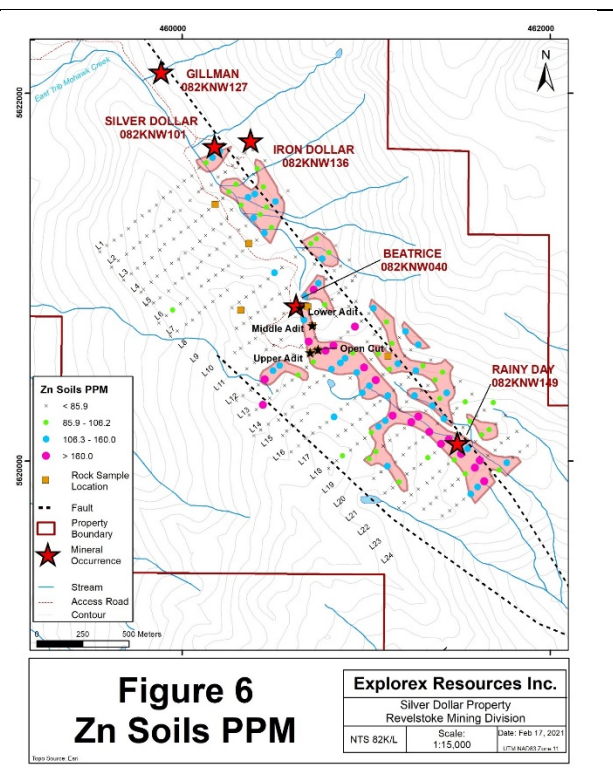
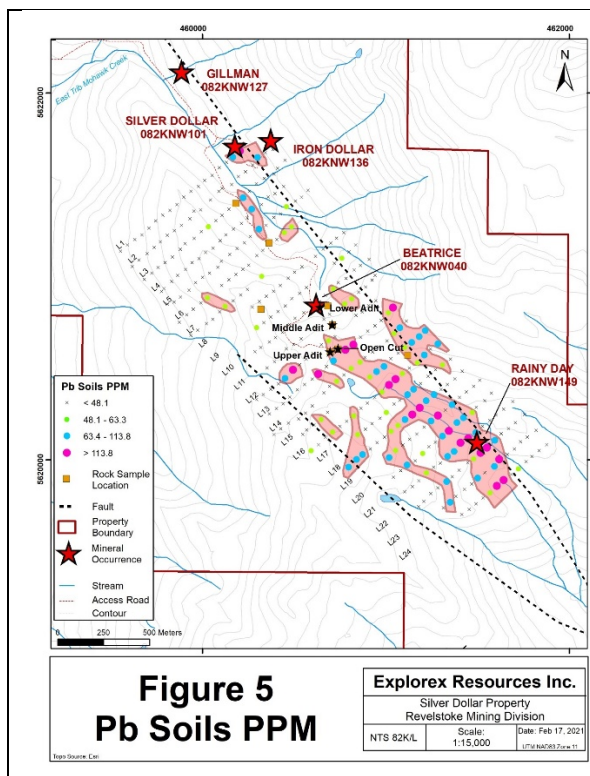
**Table 4: 2017 Rock Sample Descriptions**

Sample Number	UTM Coordinates			Comments
	Easting (m)	Northing (m)	Elevation (m)	
1752201	460740	5620605	2157	Qtz vn (042°-70°) and alt'd wallrock 0.5% Py
1752202	460740	5620605	2157	Qtz vn with 5%Py
1752203	460740	5620605	2157	Qtz vn with boxwork, 6% Py, <1% dissem galena.

1752204	460740	5620605	2157	Boxwork Structure with 15% to semi massive Py.
1752205	460180	5621381		Old trench with 20cm qtz vn at 135°, rusty wallrock
1752206	460364	5621184	1924	Old trench, quartz vn with 3% f.g. dissem py
1752207	460368	5621179		Old trench with cm scale qtz vn with semi massive Py
1752208	460699	5620589	2141	Upper adit sample, semi massive Pb, Zn with quartz
1752209	460699	5620589	2141	Upper Adit, semi massive Zn, 2% Pb, 8% Py
1752210	460320	5620821	2118	Three 5-10cm quartz veins in old trench. No sulphide.
1752211	461120	5620571	2188	Gossanous phyllite and qtz vein float. Tr Py
1752212	460710	5620737	2100	Middle Adit. Massive fine grained Pb and Py
1752213	460685	5620839	2042	Lower adit, Massive Py, 3-8% Pb,
1752214	460699	5620589	2141	Upper adit massive f.g. Pb, Py +/- Zn.
1752215	460699	5620589	2141	Upper Adit Quartz Breccia semi massive Py, Pb, Zn







**2019, Mariner Resources Corp:** From October 28 to October 30, 2019, Precision Geosurveys completed 624-line kilometers of high-resolution helicopter-borne aeromagnetic and radiometric surveys on the Silver Dollar property covering 56.1 km<sup>2</sup> for Mariner Resources Corp. (Figure 8). The survey was flown at 100m line spacing at a heading of 55°/235° normal to the dominant geological structures; tie lines were flown at 1000m spacing at a heading of 145°/325°.



The magnetic data interprets a major northwest trending curvilinear structure or structures that traverse the length of the property, the northeastern most structure is thought to reflect the trace of the Camborne Fault. Along its trace, several of the main historical mines and developed prospects are noted in close proximity ie Rainy Day, Beatrice, Iron and Silver Dollar, Gillman, Mountain Boy, Del Ray and Mohawk. Other lineaments in the magnetic data suggest other fault zones are present requiring ground follow up. Figures 9-13 show the relationship of the Cross Line magnetic data with the results of the 2017 soil sampling program.

The radiometric survey results highlight zones of strong potassium which generally trends in a northwest direction and in part along the trace of the Camborne fault. Additional analysis of the airborne survey results is required. Project expenditure covering the 2019 heli-borne surveys totals \$81,282.00.

#### **4.3.4      *Geological Setting and Mineralization***

The Beaton-Camborne mining camp is located within the Kootenay Arc which lies between the Windermere-Purcell anticlinorium on the east and the Monashee and Shuswap metamorphic complexes to the west and northwest (Reesor, 1973).

The Kootenay Arc is a 400km long curving belt of early Paleozoic to Mesozoic sedimentary, volcanic and metamorphic rocks. The belt trends northeast across Washington State into British Columbia and then north along Kootenay Lake and northwest to Arrow Lake and Revelstoke.

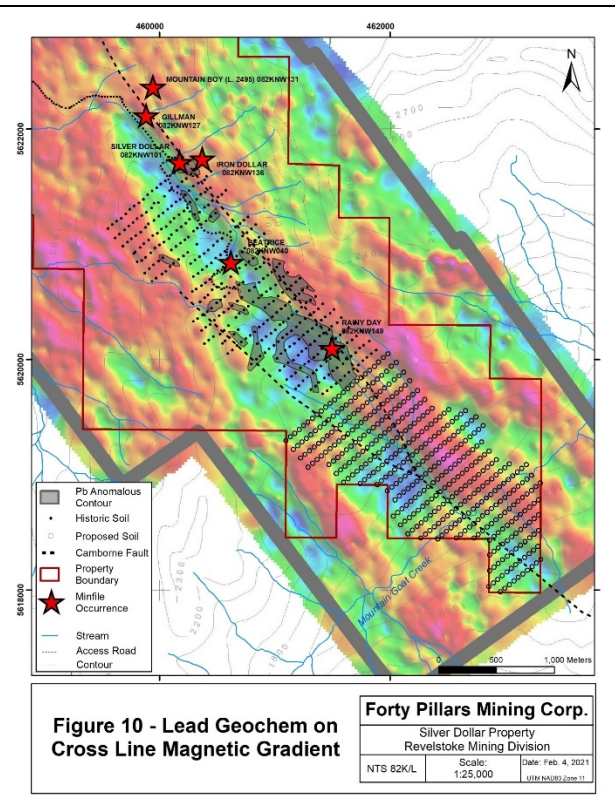
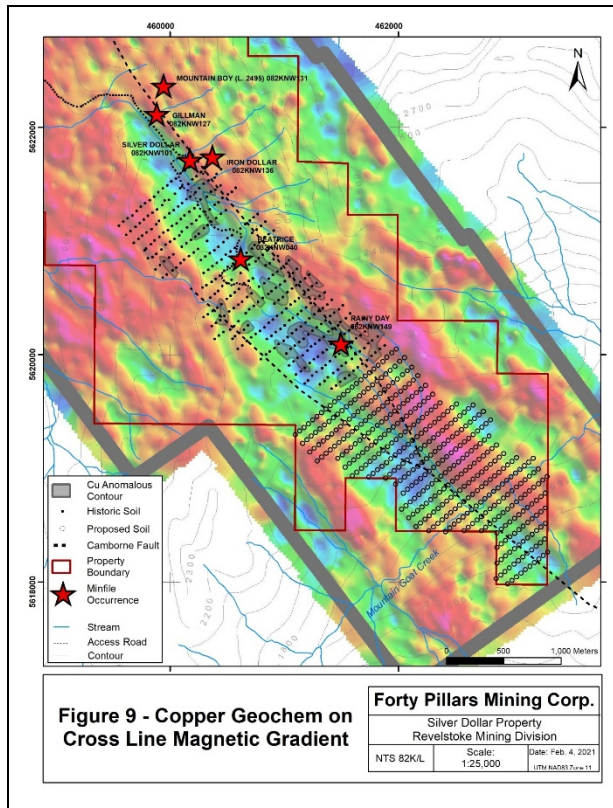
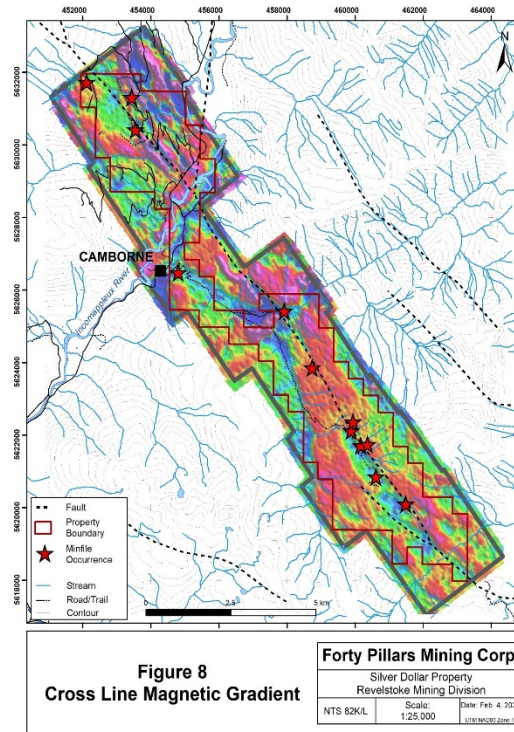
Along Kootenay Lake the arc succession comprises the Hamil, Badshot, Lardeau, Milford, Kaslo, Slokan and Rossland Groups. The Hamil, Badshot and Lardeau constitute the early Paleozoic pericratonic Kootenay terrane, the Milford and Kaslo groups belong to the accreted late Paleozoic Slide Mountain terrane. The Hamil is mostly quartzite; the Lardeau comprises a lower calcareous section overlain by phyllitic schists, quartzites and greenstone formations. The Milford and Kaslo groups are metamorphosed oceanic assemblages that include phyllites, calc-silicates, chert beds, basic volcanic rocks and serpentinites (Fyles, 1967).

The Kaslo and Rossland volcanics and Slokan argillites, slates and limestones are important units in this terrane and contain significant silver-lead-zinc deposits typical of the Lardeau and Slokan mining districts.

Many batholiths and small stocks interrupt the continuity of the older deformed stratigraphic succession throughout the arc. The Kuskanax and Nelson Batholiths are the largest intrusions. They are predominately granite to granodiorite in composition although diorite, monzonite and syenite are locally important phases. The age of these rocks are generally considered to be middle or late Jurassic in age (Armstrong, 1988).

The Lardeau Group in the Fergusson area consists of six conformable Lower Paleozoic units named the Index, Triune, Ajax, Sharon Creek, Jowett and Broadview Formations. This succession was believed to be an upright stratigraphic sequence with the Index Formation at the base and the Broadview Formation at the top (Figure 14).

The Index Formation is the most extensive unit in the Lardeau Group. The Index Formation consists of a thick sequence of grey, green and black phyllite, limestone and thick calcareous phyllite, tuff, tuffaceous greywacke, pillow basalt and rare quartzite and sandstone. In the vicinity of McDougal Creek and the Incomappleux River, the formation consists of crystalline limestone and interbanded slates and phyllites. The index Formation is overlain by a conformable assemblage of black siliceous argillite, grey quartzite and black siliceous argillite known as the Triune, Ajax and Sharon Creek Formations. The Jowett Formation consists of volcanic breccias and pillow lavas altered locally to chlorite schists. The predominate lithology of the Broadview Formation is grey green, gritty quartz wacke or subarkosic wacke with grey to black or green slate or phyllitic interbeds.







<b>Forty Pillars Mining Corp.</b>		
Silver Dollar Property Revelstoke Mining Division		
NTS 82K/L	Scale: 1:25,000	Date: Feb. 4, 2021 <small>UTM NAD83 Zone 11</small>



<b>Forty Pillars Mining Corp.</b>		
Silver Dollar Property Revelstoke Mining Division		
NTS 82K/L	Scale: 1:25,000	Date: Feb. 4, 2021 UTM NAD83 Zone 11



<b>Forty Pillars Mining Corp.</b>		
Silver Dollar Property Revelstoke Mining Division		
NTS 82K/L	Scale: 1:25,000	Date: Feb. 4, 2021 <small>(ITEM MAF000, Zone 1)</small>



<b>Forty Pillars Mining Corp.</b>		
Silver Dollar Property Revelstoke Mining Division		
NTS 82K/L	Scale: 1:250,000	Date: Feb 4, 2021 LARRY HARRIS, Geol. Eng.

## Property Geology

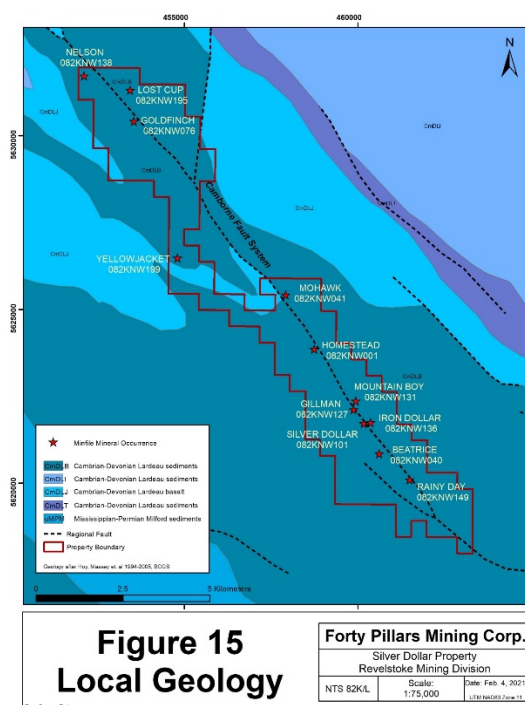
The Silver Dollar Project is located at the northern end of the Kootenay Arc. The area is part of the Selkirk Allocthon, a large east directed thrust sheet between the Upper Arrow Lake and the Rocky Mountain Trench. The Selkirk Allocthon contains rocks of ancient North American affinity in its east part and rocks of the suspect Kootenay Terrane of the old Kootenay Arc in its west part. The Mehinick Creek area in the northern portion of the property is underlain by rocks of the Lardeau Group which are the oldest stratigraphic unit of the Kootenay Terrane.

The Lardeau group ranges in age from Lower Cambrian to Upper Devonian or Lower Mississippian. It is subdivided into three main formations. The Index Formation is a black slate at the base overlain by the Jowett Formation consisting largely of chloritic greenstone, metatuff and other pyroclastic rocks. These are overlain by the Broadview Formation which consists of a fine-grained clastic unit composed mainly of phyllite and grit with minor dolomitic horizons (Figure 15).

The Incomappleux River cuts through several NW trending upright folds that appear to result from a NE-SW compression by the mid Jurassic aged Galena Bay and Kuskanax Plutons to the SW and the Battle Range Batholith to the NE.

The stratigraphy in the northern parts of the Silver Dollar Project, local to the Goldfinch Minfile Occurrence, can be grouped into two main units ie a series of silver to grey to dark grey gritty phyllite with local carbonaceous seams and layers of carbonate-sericite rock and a second unit of a medium grained green, non bedded to streaky phyllitic greenstone with dark green clasts and local pyroclastic silicic pebbles.

The major deformation events appear to have been during the mid-Jurassic. The mineralized zones appear to have accompanied the last phase of folding. The main zone at the Goldfinch occurrence appears to be associated with an axial plane shear. The zones are in the shape of elongated, flattened pods or lenses, and terminate with abrupt pinch outs. The veins consist of quartz, quartz carbonate +/- fuchsite with minor disseminated siderite pods and contain 5% to 30% pyrite with minor chalcopyrite, galena and sphalerite. Gold and silver mineralization is generally associated with sulphide enrichment. Visible gold has been noted.



The central Mohawk area and the southern Silver Dollar – Gillman portion of the Silver Dollar Project are situated within the Lower Paleozoic rocks of the Kootenay Arc and are primarily underlain by northwest-southeast trending metasedimentary rocks of the Lardeau Group, Broadview Formation. The Broadview Formation consists of black slates, carbonaceous schists, grey and reddish-brown weathering grits and quartzites and greenish grey talcose schist. Locally metavolcanic rocks of the Jowett Formation occur near the north end of the property. The metasedimentary stratigraphy typically displays a northwest-southeasterly strike of 140° with dips from 50° to 80° to the northeast. The stratigraphy has been folded such that dip angles show considerable variation.

The Silver Dollar Project covers a broad shear zone known as the Camborne fault which trends between 140° and 160° azimuth with dips of 50° to the NE. The various quartz veins exposed on the property are developed parallel to sub-parallel to the fault as does the foliation. The quartz veins developed proximal to the Camborne fault have been locally exposed over widths varying from 0.5m to 3.0m and are locally boudinaged. Quartz veins are also noted some distance from the main fault as well. Quartz veining is often associated with graphite-chlorite schist partings and locally host significant concentrations of precious and base metals.

#### 4.3.5 Mineralization

Mineralization on the Silver Dollar Project is related to the Camborne fault/shear zone, which is host to quartz veins, a number of which contain significant concentrations of base and precious metals. Quartz veins are variable and occur from several centimeters to several meters in width. The quartz veins developed as discreet veins and en-echelon sets are commonly associated with graphite-chlorite schist or contain fine laminae of these sheared minerals. Quartz veins occur as open-space filling in zones of intense fracturing and wall rock alteration. Base and precious metal mineralization occur in both the quartz veins and /or along the vein selvage. Locally massive sulphide zones appear to have replacement character where abundant carbonate occurs. Sulphide minerals include pyrite, sphalerite, chalcopryrite and fine to coarse grained galena. Argentiferous tetrahedrite and arsenopyrite are noted locally as is native silver. Gold is present in small quantities and is rarely seen as native gold or electrum.

There are 11 BC Minfile Occurrences located within the Silver Dollar Project. These occurrences include two prospects, four past producers and five showings, the locations of which are illustrated in Figure 15. A summary of the Minfile Occurrences is outlined in Table 5.

**Table 5: MINFILE Occurrences**

Minfile Name	Minfile #	Status	Mineralization	Details
Nelson	082KNW138	Prospect	Pyritic quartz vein in carbonaceous Phyllite	A short adit on a quartz vein trending 120°, dipping 50° South
Yellowjacket	082KNW199	Showing	Quartz Vein hosted Chalcopryrite, Galena	Quartz Vein located on edge of Camborne townsite contains disseminated galena and chalcopryrite
Mohawk	082KNW041	Past Producer	Quartz vein hosted Silver, Galena, Sphalerite	Mohawk vein 1.2m wide strikes 155° dipping 72°E. Samples assayed up to 1,738gmt Ag, 3.4gmt Au, 65.3% lead. Production 8 tonnes recovering 13,499gm Ag, 1,699kg Zn and 1,358kg Pb.

Homestead	082KNW001	Showing	Quartz vein hosted Pyrite, Galena	Series of well defined quartz veins from 1 to 2.4m wide striking NNW contain minor galena and pyrite. Best results report 284gmt Ag, 17gmt Au
Mountain Boy	082KNW131	Prospect	Quartz vein hosted Silver, Galena	27m tunnel completed in 1899. Quartz vein hosted argentiferous galena
Gillman	082KNW127	Past Producer	Quartz Vein hosted Gold, Silver, Lead, Zinc	NW striking, east dipping quartz vein to 2m wide. In 1933 a tonne of ore returned 62gm Ag, 62gm Au, 22kg Pb and 23kg of Zn.
Silver Dollar	082KNW101	Past producer	Quartz vein hosted Galena, Tetrahedrite, Arsenopyrite, Pyrite, Pyrrhotite, Sphalerite.	In 1947, 6 tonnes of ore recovered 9,860gm Ag, 1,378kg Pb, 1,009kg Zn. A 1984 drill hole returned 2.1m grading 229g/t Ag, 1.0g/t Au, 10.95% Zn, 4.04% Pb, 0.29% Cu.
Iron Dollar	082KNW136	Showing	Quartz Vein hosted Lead, Gold, Silver and Copper	A 3.6m wide NW trending, east dipping qtz vein contains galena, pyrite and chalcopyrite
Beatrice	082KNW040	Past Producer	Quartz vein hosted silver, lead, zinc, gold	Ore occurs in irregular veins in shear zones and cross cutting faults. Veins range from a few cm to a few metres wide. From 1899 to 1917 and 1984, 618 tonnes of ore was shipped from the property yielding 558gm Au, 1,832kg Ag, 182,930kg Pb and 10,894kg Zn
Rainy Day	082KNW149	Showing	Vein hosted chalcopyrite, pyrite	A large iron capping contains small quantities of chalcopyrite.
Lost Cup	082KNW195	showing	Pyrite, Galena	Quartz vein containing pyrite and galena within phyllite

Brief descriptions of the four Past Producing MINFILE Occurrences located on the Silver Dollar Project are as follows:

**BEATRICE:** The Beatrice Past Producer (MINFILE Number **082KNW040**) is located at the south end of the Silver Dollar Project at the headwaters of the east fork of Mohawk Creek. The Beatrice mine is located above tree line at 2,103m. The Beatrice and adjoining Folsom claim were staked in 1897 and crown granted in 1902. The property was worked continuously from 1898 to 1906 and intermittently with minor production to 1964. During the original discovery, a 10-meter shaft was sunk on ore, which was further developed by a 60m adit known as the No.1 level. The No.2 level was driven to a vertical depth of 46m below the No.1 level. Underground workings by 1920 included several hundred meters of drifting, crosscuts and raises on three levels. In 1921 a two-bucket tramway was installed to connect the No.2 level with ore bins on the main trail.

Black slates, carbonaceous schists, grey and reddish-brown weathering grits and quartzites and greenish grey talcose schists underlie the property with an average strike of 140° dipping 65° to the northeast.

Mineralization is associated with irregular veins in shear zones, on bedding plane slips and crosscutting faults. Veins vary from a few centimeters to a few meters wide hosting sphalerite, galena, tetrahedrite and pyrite in a gangue of quartz. Replacement is considered to be an important factor in

the formation of the ore. The mine workings were developed on two principal veins ie the Beatrice and Main veins. The Beatrice vein strikes at 050°, dipping 65° to the southeast across the axis of the controlling synclinal structure. The main vein is found only on the lower levels of the mine and strikes 140° dipping 65° to the northeast. The No.1 adit was crosscut to the Beatrice vein where considerable stoping was done. Above the level the vein was mined for a vertical distance of about 18 meters and 20 meters horizontally. Mineralization consists of a solid band of pinching and swelling massive sulphides up to 50cm wide. In the hanging wall, disseminated sulphides are hosted by a two-meter-wide siliceous zone. Sampling at the face of the No.1 level across 0.6m returned 0.3g/t Au, 450g/t Ag, 5.2% Pb and 7.8% Zn. The Main vein on the No.2 level consists of solid sulphide bands and disseminations up to three meters wide in a graphitic shear. The third vein referred to as the Gold Lode vein has been traced for a few hundred meters in open cuts below the main road. The vein is 1.2m to 1.8m wide and strikes 155° with steep dips to the northeast. Assay results returned 5.1g/t Au and 32.5g/t Ag. Between 1899 and 1917, 618 tonnes of hand sorted ore was shipped from the property yielding 558gms Au, 1,832kg Ag, 182,930kg Pb and 10,894kg Zn (Minfile 082KNW040).

**SILVER DOLLAR:** The Silver Dollar past producer (MINFILE Number **082KNW101**) is located on the north side of the East fork of Mohawk Creek, at an elevation of 1860m to 2130m elevation.

The Silver Dollar vein was accessed by two connected adits developed 15 meters apart vertically. In 1947 Silver Pass Development syndicate processed 6 tonnes of ore and recovered 9,860gm Ag, 1,378kg Pb and 1,009kg Zn. Between 1952 and 1957 Monteray Mining Company Limited completed a 590 meter exploration diamond drill program and carried out 197m of underground development work. In 1984 Fleck Resources Ltd carried out a diamond drilling and sampling program on the property. The most significant drill intersection included 2.10 meters grading 229g/t Ag, 1.0g/t Au, 10.95% Zn, 4.04% Pb and 0.29% Cu. In 1986, a drill hole intersected 0.7m grading 38.0g/t Au. The historical drilling is relatively shallow in depth and selectively sampled with positive grade intervals open in width, mineralized zones remain open to depth. The drilling also intersected mineralized zones that do not outcrop on surface which indicates that blind or hidden mineralized zones also occur (MINFILE 082KNW101).

**GILLMAN:** The Gillman past producer (MINFILE Number **082KNW127**) is located on the north side of the east fork of Mohawk Creek at an elevation of 1800 meters.

The area is underlain by metasedimentary rocks of the Lower Paleozoic Lardeau Group, which includes medium grey to greenish quartzites, greywackes, carbonaceous phyllites and quartz sericite schist.

The first mention of the Gillman showing is in the BC Minister of Mines Annual Reports for the years 1901 and 1903. In the 1914 Annual Report it states that exploration completed to date on the property was restricted to a few shallow surface cuts, a prospect shaft 2m deep and a short cross cut close to the Mohawk creek level. In the 1915 Annual Report a well defined quartz vein is described with a width just under 2.0 meters hosting galena, pyrite and sphalerite striking 345°, dipping 35° to the northeast. A grab sample taken from the prospect shaft returned 3.9opt Au and 6.1opt Ag. In 1933 a hand cobbled shipment locally reported from 1 to 16 tons shipped to Trail, BC assayed 2.04opt Au, 2.6opt Ag, 2.9% Pb and 3.1% Zn. In 1938 a crew of four men from the Silver Dollar Project stripped the Gillman vein north and south of the access road over a strike length of 60 meters. BCDM geologists at the time took over 15 samples along the surface exposure of the vein, within the 4 meter adit at the south end of the vein close to Mohawk Creek and within an adit which has been driven under the main part of the vein at some stage before 1938. Most of the samples taken were channel samples across the vein up to 1.8 meters in length. Gold values varied from trace to 1.34opt Au. In 1981 the main access trail was repaired and some excavation work on the vein completed. A percussion drill hole oriented down the vein averaged 0.4opt Au. In 1986, Bryndon Ventures completed a comprehensive exploration program at the Gillman occurrence including geological mapping with location of historical drill holes, geochemical sampling, a VLF-EM survey and six BQ drill holes. Best results from drilling are reported in drill hole 86-2 returning 1.1opt Au and 2.63opt Ag over 0.7 meters. A property examination in 1994



state that a stockpile of approximately 1500 tonnes of vein material blasted from a open cut on the vein sits down slope of the main access road, some of which averaged 0.223opt Au (MINFILE 082KNW127).

**MOWHAWK:** The Mohawk Past Producer (MINFILE Number **082KNW041**) is located 4 kilometers southeast of Camborne and east of Mohawk and Pool Creeks at an elevation of 944m. The Mohawk–Excise vein system consists of several short adits and test pits driven along a complex, north-northeast trending zone of faulting and fracturing.

The area is underlain by metasedimentary rocks of the Lower Paleozoic Lardeau Group, Broadview Formation and includes grey to greenish quartzites, greywackes, carbonaceous phyllites and quartz sericite schist. Two veins ie the Mohawk and Fresno veins cut metasediments and contain galena, sphalerite and pyrite. The Mohawk vein is up to 1.2m wide, strikes 155° and dips 72° to the northeast. Energy Mines and Petroleum Resources Annual Report for 1914 states samples of the Mohawk vein returned values up to 1,738g/t Ag, 3.4g/t Au and 65.3% Pb. The Fresno vein strikes 160° dipping 80° to the northeast. Samples returned trace in gold and silver.

In 1963, Dakota Silver Mines Ltd recovered 13.5kg Ag, 1,358kg Pb and 1,699kg of zinc from 8 tonnes of crude ore. In 1980/1981 Westmin Resources cleaned out and re-sampled the oxidized Mohawk showing. The results from the sampling program indicated significant though erratic mineralization at several localities along a strike length of some 200 meters. Sample results from the program report 0.088opt Au, 10.42opt Ag, 11.8% Pb and 3.65% Zn/0.5m with grab samples reporting to 0.332opt Au, 6.57opt Ag, 7.84% Pb and 6.62% Zn. Between 1985 and 1987, Triple M sampled the Eclipse mine workings, upgraded the road access, completed detailed VLF-EM and magnetometer surveys and completed four diamond drill holes for a total of 608m on the Eclipse vein. From 1986 to 1988 Royal Crystal Resources Ltd optioned the Marlow claims, constructed log bridges to cross Pool and Mohawk Creeks and drilled 14 drill holes for a total of 1,167.6m to test the Excise-Mohawk vein systems.

Mineralization in the Mohawk area has been noted to occur in several ways. Mineralization is associated with propylitized or silicified rock in the hangingwall and less commonly in the footwall of the bedding plane faults. Galena and sphalerite occur in quartz-siderite stringers and lenses which form an anastomizing stockwork within the propylitic alteration zone. Along the Mohawk-Excise vein system, the majority of the fractures are orientated north to north-east with steep easterly dips. In the Mohawk area this mineralization was intersected at a depth of 19m in DDH M87-02 reporting 1.78g/t Au, 13.03g/t Ag, 0.29% Pb and 1.65% Zn over 0.7m. Mineralization also occurs within the footwall of the bedding plane faults. Galena, sphalerite, pyrite and chalcopyrite is localized within thin concordant bands in contorted phyllite and argillites and also along jointing and fracture planes within the host rock. This type of mineralization is characterized by the absence of quartz-siderite as the gangue. This style of mineralization was intersected at a depth of 75m in DDH M86-1 returning 0.48g/t Au, 48.69g/t Ag, 1.18% Pb and 2.0% Zn/1.0m. Mineralization is also reported in north-northeast trending quartz veins and stockwork zones that transect all structures (MINFILE 082KNW041).

In 2008, Manson Creek Resources Ltd. completed a limited prospecting and sampling program (AR30609, AR30629) on the Old Goat #2 (576560), Jackpot (526870) and Mountain Goat (528107) claims. While no mineralized outcrops were located, three new significant gossan zones were located along the bank of creeks and extended for 10's of meters along the creek. The zones generally contained a strongly iron stained fine clay that contained no visibly identifiable lithological fragments or mineralization. Locally a ferricrete horizon was developed. Anomalous metal values for gold, silver, lead, zinc, molybdenum and nickel were found in these zones; the gossan locations are close to the projected trace of the Camborne Fault and suspected cross faults.

Of interest is a gossan zone located on the Jackpot claim where the kill zone extends 20-30m along the creek and 20m up the east creek bank. No outcrop is present. A soil sample collected from the gossan returned 894ppm Zn, >10000ppm Mn, 585ppm Ba, 4222ppm cobalt and 136ppm strontium. A sub rounded boulder of quartz vein material was found at the same location returning 5.5g/t Ag,



7454ppm Cu, 2886ppm Pb and 1.32% Zn. The source of the mineralized float boulder has not yet been located.

#### 4.3.6 Exploration

The most recent exploration program completed on the property is a heli-borne aeromagnetic and radiometric survey completed by Precision Geosurveys for Mariner Resources Corp. in 2019. Spinco has not completed an exploration program on the Silver Dollar Project.

#### 4.3.7 Drilling

Spinco has not completed any drilling on the Silver Dollar Project.

#### 4.3.8 Sampling Preparation, Analysis and Security

In the Author's opinion, the adequacy of sample preparation, security, and analytical procedures covering recent exploration programs completed by Explorex, Mariner Resources Corp. and Happy Creek Minerals Ltd. were suitable for the purpose of the work conducted.

Spinco has not completed an exploration program of the Silver Dollar Project and no samples have been submitted by Spinco for analysis.

#### 4.3.9 Mineral Resource Estimates

No mineral resource estimates have been made for the Silver Dollar Project.

#### 4.3.10 Exploration and Development and Recommendations

Based on the exploration results obtained to date, the Author concluded that further work is warranted to advance the Silver Dollar Project.

The recommended 2021 field program will follow up on the positive soil sampling results received in 2017. The field program will extend the 2017 soil sampling grid approximately 2.3km to the southeast between the Rainy-Day Minfile Occurrence and the end of the Silver Dollar Project located to the southeast of Mountain Goat Creek. A total of 23 grid lines will be established at 100m intervals oriented at 50°/230°azimuth and extending up to 1km in length. The grid lines will be located by GPS/compass and flagging with survey stations established at 50m intervals resulting in approximately 440 B Horizon soil sample sites. A prospecting, mapping and sampling program will be completed from the Beatrice mine site to the end of the 2021 soil sampling grid where historical prospecting programs in 2008-2009 by Manson Creek (AR30,609, AR30629) located several gossan/kill zones along the projected trace of the Camborne Fault and a mineralized quartz vein boulder float sample which assayed 5.5gm/t Ag, 7454ppm Cu, 2886ppm Pb and 1.32% Zn. The soil and rock samples collected from the extended grid will be field tested with a portable NITON XRF Analyzer to provide preliminary field results. These preliminary field results will provide an early indication of any base metal enrichment which could then be followed up in the field while on site. In addition to the prospecting/mapping and soil geochemical survey, a VLF-EM survey is further recommended from the Beatrice Minfile Occurrence to the southeast end of the 2021 soil sampling grid. The VLF-EM survey will establish the position of the Camborne Fault, the controlling structure which is related to the emplacement of graphitic quartz healed shears and fractures hosting base metal enrichment.

The proposed field program is beyond the limits of current access trails and as such the field program will be helicopter supported from bases located in Revelstoke, British Columbia. Field crew accommodations are located in Trout Lake.

Based on the above recommendations, the following two phase exploration program with corresponding budget is proposed. Phase 2 is contingent on the results of Phase 1.

Phase 1 Recommended Exploration Budget

Room and Board: (\$100/day/person x 4 people) x 14 days	\$5,600
Wages (4): 2 Technicians + 1 Geologist + 1 P.Geo @ \$2375/day x 14days	\$33,250
Field Gear and Supplies	\$3,675
Soil Geochemistry (440 samples @ \$22/sample)	\$12,600
Rock Geochemistry (40 samples): 50 samples @ \$32.50/sample	\$1,625
Niton XRF Analyzer: @ \$125/day x 14 days	\$1,750
Truck: @\$150/day x 14	\$2,100
VLF-EM Equipment rental 10 days	\$1,860
Helicopter: Helicopter (wet) from Revelstoke 28 hrs @ \$1916/hr	\$53,648
MEMPR Road Access Annual Rent (10.19ha @ \$70/ha)	\$700
MEMPR Special Use Road Permit (10.2km @\$1000/km)	\$10,200
Mob/Demob	\$4,300
Report	\$8,000
Sub Total	\$139,308
10% Contingency	\$13,931
<b>Total Phase 1</b>	<b>\$153,239</b>

Phase 2 Recommended Exploration Budget

Diamond Drilling (450m/3 NQ Oriented drill holes @\$120/m	\$ 54,000
Logging, sampling, supervision (Tech + P.Geo @ \$1275/day)	\$ 25,500
Assays (30 element ICP + over limits) 135 samples @ \$36.34/sample	\$ 4,900
Room and Board: (\$100/d/person x 6) x 20days	\$ 12,000
Niton XRF Analyzer @ \$125/day x 20 days	\$ 2,500
Helicopter (Drill program, Pad Building, Support, Fuel) 70hrs x \$2052 (wet)	\$143,640
Transportation (Truck, Fuel) @ \$170/day	\$ 3,400
Field Equipment, Supplies	\$ 5,000
Preparation, Report, Drafting	\$15,000
Pad Building (\$5,000/pad x 3 pads)	\$15,000
Sub Total	\$280,940
Contingency 10%	\$28,094
<b>Total Phase 2</b>	<b>\$309,034</b>

**Total Phase 1 and Phase Programs** **\$462,273**

**4.4 Issuers with Oil and Gas Operations**

Not applicable.

**5. SELECTED CONSOLIDATED FINANCIAL INFORMATION**

**5.1 Annual Information**

The following table is a summary of selected annual financial information of Spinco for the period from incorporation on February 4, 2021 to February 28, 2021, comprised of the statement of financial position, statement of changes in equity, statement of cash flows and notes to such statements, derived from the audited financial statements of Spinco for the period from incorporation on February 4, 2021 to February 28, 2021 (the “**Spinco Financial Statements**”) included as Appendix “F” to this Circular.

	<b>Period ended February 28, 2021 (audited)</b>
Revenue	Nil
Net Income (Loss)	Nil
Basic and diluted earnings from continued operations (loss) per share	Nil
Total Assets	\$1
Total Liabilities	Nil

Upon completion of the Arrangement, the Silver Dollar Project will form the primary business of Spinco. As a result, included as Appendix “E” to this Circular are the audited carve-out financial statements related to the Silver Dollar Project for the nine months ended December 31, 2020, comprised of carve-out statements of comprehensive loss, carve-out statements of changes in equity and carve-out statements of cash flows and notes to such carve-out statements for the nine months ended December 31, 2020 (the “**Audited Carve-Out Financial Statements**”).

The Spinco Financial Statements and the Carve-Out Financial Statements were prepared in accordance with International Financial Reporting Standards.

The following tables set out selected financial information in respect of the Spinout Assets as at and for the nine months ended December 31, 2020 (audited), all of which is qualified by the more detailed information contained in the Carve-Out Financial Statements included as Appendix “E” to this Circular.

<b>Carve-Out Financials of Origen Selected Financial Statement Information Statement of Comprehensive Loss</b>	
	<b>Nine months period ended December 31, 2020</b>
	<b>(\$)</b>
<b>Expenses</b>	
Consulting fees	74,104
General office	8,789
Management fees	56,156
Professional fees	35,770
Rent	5,946
Share-based payment	81,009
Transfer agent and filing fees	27,967
<b>Net and Comprehensive Loss</b>	<b>289,741</b>

## 5.2 Quarterly Information

Spinco was incorporated on February 4, 2021 and has not yet completed a financial year, therefore no quarterly information is available.

### 5.3 Dividends

Spinco has not paid dividends since its incorporation. While there are no restrictions precluding Spinco from paying dividends, it has no source of cash flow and anticipates using all available cash resources toward its stated business objectives. At present, Spinco's policy is to retain earnings, if any, to finance its business operations. The board of directors of Spinco (the "**Spinco Board**" or "**Board**") will determine if and when dividends should be declared and paid in the future based on Spinco's financial position, financial requirements and other conditions existing at the relevant time.

### 5.4 Foreign GAAP

Not applicable.

## 6. MANAGEMENT'S DISCUSSION AND ANALYSIS

### 6.1 General

The following Management's Discussion and Analysis ("**MD&A**") is as at the date of this Circular relating to the financial information from Spinco's incorporation on February 4, 2021 to February 28, 2021. It includes financial information from, and should be read in conjunction with, the Spinco Financial Statements and the notes thereto, which are attached as Appendix "F" to the Circular, as well as the disclosure contained throughout this Appendix "D" and the Circular. All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated.

### 6.2 Overall Performance

Spinco was incorporated on February 4, 2021 and commenced business at that time. Spinco's sole business focus has been to (i) acquire and operate the exploration business of Origen solely in respect of the Silver Dollar Project; and (ii) make application to list the Spinco Shares on the CSE. To that end, Spinco will enter into various agreements with Origen for the acquisition of the Spinout Assets, including the Arrangement Agreement (see in this Appendix "D", "*Introduction – Structure of Transaction*" and "*Narrative Description of Spinco's Business– General – Business of Exploration*"). Other than these acquisitions, Spinco has made no significant acquisitions or dispositions since incorporation.

Upon the completion of the Arrangement, Spinco will commence exploration and, as warranted, development of the Silver Dollar Project.

As of the date of this MD&A, Spinco's costs and operations have been funded, to date, by its sole shareholder, Origen. Upon completion of the Arrangement, Spinco will have available funds of approximately \$666,893.60 (if the Convertible Note Financing and Post-Arrangement Financing are completed), which management believes will be sufficient for all of Spinco's needs in the first 12 months following listing on the CSE. See in this Appendix "D", "*Narrative Description of Spinco's Business – General – Total Available Funds*" and "*Narrative Description of Spinco's Business – General - Principal Purposes of Funds Available*". Spinco may seek to raise additional funds through public or private equity funding, bank debt financing or from other sources.

### 6.3 Selected Financial Information

The following table sets forth selected financial information with respect to Spinco, which information has been derived from and should be read in conjunction with the Spinco Financial Statements (attached as Appendix "F" to the Circular).

	Period ended on February 28, 2021 (audited)
Revenue	\$Nil
Income or loss before discontinued operations and extraordinary items	\$Nil
Basic and diluted income or loss per common share	\$Nil
Net loss and comprehensive loss for the period	(\$Nil)
<b>Basic and diluted loss per common share</b>	<b>(\$Nil)</b>

#### **Financial Position**

	Period ended on February 28, 2021 (audited)
Current assets	\$1
Total assets	\$1
Total liabilities	Nil
Shareholders' equity	\$1
Dividends per share	Nil

<sup>(1)</sup> See in this Appendix "D", "Management's Discussion and Analysis – Description of Securities" and "Description of Securities - Prior Sales".

## **6.4 Variations**

Other than the acquisition of the Silver Dollar Project, Spinco has made no significant acquisitions or dispositions since incorporation. See in this Appendix "D", "General Development of Spinco's Business".

## **6.5 Result of Operations**

### **6.5.1 Net Sales or Total Revenues**

For the period ended February 28, 2021, Spinco had no revenues or expenses.

### **6.5.2 Any other Significant Factors causing Changes in Net Sales or Total Revenues**

This section is not applicable to Spinco as Spinco has had no revenues or expenses for the period ended February 28, 2021.

### **6.5.3 Cost of Sales or Gross Profit**

This section is not applicable to Spinco as Spinco has had no revenues or expenses for the period ended February 28, 2021.

### **6.5.4 Silver Dollar Project**

After the Effective Date, Spinco plans to commence exploration and, as warranted, development of the Silver Dollar Project pursuant to the recommendations in the Technical Report. Spinco will undertake Phase 1 of the recommended exploration program. Phase 2 will be contingent on the results of Phase 1.

Further details regarding the Silver Dollar Project can be found at this Appendix "D", "Narrative Description of Spinco's Business – General – Silver Dollar Project".

### **6.5.5 Factors that Caused Change between Costs and Revenues**

Spinco was incorporated on February 4, 2021 and has not yet completed a financial year, therefore this information is not available.

**6.5.6 Commitments, Events, Risks or Uncertainties**

Spinco presently has no contractual obligations other than as disclosed in the Circular and pursuant to the agreements related to the Silver Dollar Project, as disclosed in this Appendix “D” under “*General Development of Spinco’s Business*”.

See in this Appendix “D”, “*Risks Factors*” for additional information, risks and uncertainties associated with Spinco, its business and operations, and the Spinco Shares. In addition, see in the Circular, “*The Origen Arrangement — Risks Associated with the Origen Arrangement*”.

**6.5.7 Effect of Inflation and Specific Price Changes on Revenues and on Loss**

Not applicable.

**6.5.8 Unusual or Infrequent Events or Transactions**

Other than the Arrangement, Spinco has not engaged in any unusual events or transactions in the period ended February 28, 2021.

**6.6 Summary of Quarterly Results**

Spinco was incorporated on February 4, 2021 and has not yet completed a financial year, therefore no quarterly results are available.

**6.7 Liquidity and Capital Resources**

To date Spinco’s operations have been funded by Origen, its sole shareholder. As at February 28, 2021, Spinco had share capital of \$1 and working capital of \$1.

Spinco has no source of revenue, income or cash flow. It is, as of the date of this MD&A, wholly dependent upon its sole shareholder, Origen, for advance of funds. Spinco also needs to have adequate working capital for CSE listing purposes, being sufficient funds: i) for exploration of the Silver Dollar Project and ii) to cover a minimum 12 months of general and administrative expenses (estimated to be \$250,000 for the first 12 months of operations following completion of the Arrangement Agreement and the proposed listing of the Spinco Shares on the CSE). Upon completion of the Arrangement Agreement it is anticipated that Spinco will have available funds of approximately \$666,893.60, assuming the completion of the Convertible Note Financing and the completion of the Post-Arrangement Financing, which management estimates to be sufficient for all of Spinco’s needs in the first 12 months following listing of the Spinco Shares on the CSE. On completion of the Arrangement, Spinco will also be subject to the financial commitments set forth in section 6.5.6 above. See in this Appendix “D”, “*Narrative Description of Spinco’s Business- General – Business of Exploration - Principal Purposes and Funds Available*”, “*Management’s Discussion and Analysis– Result of Operations– Commitments, Events, Risks or Uncertainties*” and “*Risk Factors*”.

The Spinco entered into the Convertible Note Financing of Notes having an aggregate principal amount of up to \$150,000. The Convertible Note Financing is on a non-brokered private placement basis. The Note has a term of 12 months, bears simple interest of 6% and is convertible into the Spinco shares at the election of the holder following the occurrence of certain events at a conversion price of \$0.08 per share.

The Note is not convertible until the earlier of (i) the closing of the Plan of Arrangement set forth in the Arrangement Agreement; or (ii) Origen and the Spinco having agreed in writing that they will not proceed with the Plan of Arrangement

## **6.8 Off-Balance Sheet Arrangements**

Spinco does not have any off-balance sheet arrangements.

## **6.9 Transactions with Related Parties**

Spinco will be party to the Arrangement Agreement and an asset purchase agreement pursuant to which it will acquire the Spinout Assets and assume the Spinout Liabilities (see in this Appendix “D”, “*General Development of Spinco’s Business*”, “*Promoters*” and “*Interests of Management and Other in Material Transactions*”).

As at the date of the Circular, Spinco is Origen’s wholly-owned subsidiary and the sole director and officer of Spinco is also a director and officer of Origen. See in this Appendix “D”, “*Directors and Executive Officers*”.

## **6.10 Fourth Quarter**

Spinco was incorporated on February 4, 2021 and has not yet completed a financial year, therefore no quarterly information is available.

## **6.11 Proposed Transactions**

Spinco will apply to the list the Spinco Shares on the CSE. Upon completion of the Arrangement and satisfaction of all of the outstanding listing requirements of the CSE, management of Spinco anticipates Spinco will be a publicly traded junior mineral exploration company, with an exploration property in Canada, as well as an experienced board of directors and management team and, in the view of its management, capitalization sufficient to achieve its business objectives in the near term.

In order to become effective, the Arrangement must be approved by a special resolution passed by at least a two-thirds majority of the votes cast by Origen Shareholders at the Origen Meeting and present in person or by proxy. Completion of the Arrangement is also subject to receipt of certain required regulatory approvals, including the approval of the CSE and the Supreme Court of British Columbia, and other customary closing conditions, all of which are described in more detail in the Circular. See in the Circular, “*The Origen Arrangement*”.

Other than the Arrangement and the transactions proposed to be completed prior thereto, as at the date of this MD&A, Spinco has no proposed asset or business acquisitions or dispositions.

## **6.12 Changes in Accounting Policies**

Not applicable.

## **6.13 Financial Instruments and Other Instruments**

See Note 3 to the Spinco Financial Statements for the period ended February 28, 2021, which are attached as Appendix “F” to, and form part of, this Circular.

## **6.14 Interim MD&A**

Spinco was incorporated on February 4, 2021 and has not yet completed a financial year, therefore no interim information is available.

## **6.15 Additional Disclosure for Issuers without Significant Revenue**

### **6.15.1 Breakdown of Material Components**

For information relating to capitalized or expensed exploration and development costs, expensed research and development costs, deferred development costs, general and

administration expenses and any other material costs, please see the Carve-Out Financial Statements included as Appendix “E” to this Circular and the Spinco Financial Statements included as Appendix “F” to this Circular.

#### 6.15.2 Analysis of Capitalized or Expensed Exploration on a Property-by-Property Basis

Please refer to the Carve-Out Financial Statements included as Appendix “E” to this Circular.

### 6.16 Description of Securities

Spinco has one class of shares outstanding, being common shares without par value (as previously defined herein, the “**Spinco Shares**”). As at the date of this MD&A and the date of the Circular, one (1) Spinco Share was issued and outstanding. See in this Appendix “D”, “*Description of Securities*”, “*Description of Securities - Prior Sales*” and “*Consolidated Capitalization*”.

As of the date of this MD&A, Spinco has not granted any incentive stock options under the Spinco Option Plan (as hereinafter defined), or otherwise, nor has it issued any other rights or securities to purchase Spinco Shares. The Spinco Board does not intend to grant any incentive stock options until such time following listing as the trading price of the Spinco Shares on the CSE has stabilized such that a fair market value exercise price for options can be determined. See in this Appendix “D”, “*Options and Other Rights to Purchase Securities of Spinco*”.

## 7. MARKET FOR SECURITIES

Currently, there is no market for the Spinco Shares. Listing is subject to Spinco meeting the initial listing requirements of the CSE and meeting all conditions of listing imposed by the CSE, including filing a standalone listing statement. There can, however, be no assurance as to if, or when, the Spinco Shares will be listed for trading on the CSE.

## 8. CONSOLIDATED CAPITALIZATION

The following table sets out the share and loan capital of Spinco. The table should be read in conjunction with the audited financial statements attached as Appendix “F” to this Circular as well as with the other disclosure contained in this Appendix “D” and in the Circular. See also in this Appendix “D”, “*Description of Securities*” and “*Description of Securities - Prior Sales*”.

Capital	Authorized	Amount outstanding as of February 28, 2021 <sup>(1)</sup>	Amount outstanding as of the Information Circular <sup>(1)</sup>	Amount outstanding assuming completion of the Arrangement. Convertible Note Financing and Post-Arrangement Financing <sup>(2)</sup>
Spinco Shares	Unlimited	1 Spinco Share	1 Spinco Share	13,949,731 Spinco Shares
Long term debt	N/A	Nil	Nil	Nil

(1) See in this Appendix “D”, “*Description of Securities - Prior Sales*”.

(2) Represents the aggregate of 20% of the number of Origen Shares outstanding as of the date hereof being 6,449,731 (assuming no further shares are issued before closing of the Arrangement), 1,875,000 Spinco Shares upon conversion of the Notes issued pursuant to the Convertible Note Financing and 5,625,000 Spinco Shares upon completion of the Post-Arrangement Financing.



## 9. OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

### 9.1 Spinco Stock Options

#### 9.1.1 Spinco Option Plan

The Spinco Board, with the approval of Spinco's sole shareholder, have adopted a stock option incentive plan (previously defined as Spinco Option Plan) that will be implemented upon acceptance by: (i) the Origen Shareholders at the Meeting and (ii) the CSE in conjunction with the proposed listing of the Spinco Shares on the CSE. The Spinco Option Plan is a rolling stock option plan that sets the number of Spinco Shares issuable under the Spinco Option Plan at a maximum of 10% of the Spinco Shares issued and outstanding at the time of any grant under the Spinco Option Plan. As of the date of the Circular, Spinco has not granted any incentive stock options under the Spinco Option Plan, or otherwise, nor has it issued any other rights or securities to purchase Spinco Shares.

The Spinco Board does not intend to grant any incentive stock options until such time following listing of the Spinco Shares on the CSE that the trading price of the Spinco Shares on the CSE has stabilized, such that a fair market value exercise price for options can be determined.

#### 9.1.2 Summary of the Spinco Option Plan

The Spinco Option Plan reserves for issuance a maximum of 10% of the Spinco Shares at the time of a grant of options under the Spinco Option Plan. The Spinco Option Plan will be administered by the Spinco Board and provide for grants of non-transferable options under the Spinco Option Plan at the discretion of the Spinco Board, to directors, officers, employees, management company employees of, or consultants to, Spinco and its subsidiaries, or their permitted assigns (each an **"Eligible Person"**).

The exercise price of options granted under the Spinco Option Plan will be determined by the Spinco Board. Following listing of the Spinco Shares on the CSE, the exercise price must not be lower than the greater of the last closing market price for the Spinco Shares as quoted on the CSE on (a) the market trading day immediately prior to the date of grant of the option, and (b) the date of grant of the option.

The term of any options granted under the Spinco Option Plan will be fixed by the Spinco Board and may not exceed ten years. Should an Eligible Person cease to qualify as an Eligible Person under the Spinco Option Plan prior to expiry of the term of their respective options, those options will expire on a date to be determined by the Board which will not be later than the Expiry Date. If such cessation as an Eligible Person is on account of disability or death, the options expire within the lesser of one (1) year from the date of the Option Holder's death or the Expiry Date of the Option, and if it is on account of termination of employment for just cause, the options terminate immediately.

The Spinco Option Plan also provides for adjustments to outstanding options in the event of alteration in the capital structure of Spinco, merger or amalgamation involving Spinco or Spinco's entering into a plan of arrangement. Moreover, upon a change of control, all options outstanding under the Spinco Option Plan shall become immediately exercisable.

The directors of Spinco may, at their discretion at the time of any grant, impose a schedule over which period of time options will vest and become exercisable by the optionee.

Subject to any required approval of the CSE, the Spinco Board may terminate, suspend or amend the terms of the Spinco Option Plan, provided that for certain amendments, the Spinco Board must obtain shareholder approval.

See in the Circular, *"Particulars of Other Matters to be Acted Upon – Approval of Spinco Stock Option Plan"*.

## **9.2 Warrants**

As of the date of this Circular, Spinco has no warrants outstanding.

Spinco does not intend to issue any warrants either pursuant to the Arrangement Agreement, the Convertible Note Financing or the Post-Arrangement Financing.

## **10. DESCRIPTION OF SECURITIES**

### **10.1 Authorized Capital**

Spinco's authorized share capital consists of an unlimited number of common shares without par value, of which one (1) Spinco Share (held by Origen) is issued and outstanding as fully paid and non-assessable as of the date of the Circular. Assuming completion of the Arrangement pursuant to its terms, the conversion of all of the Notes issued pursuant to the Convertible Note Financing and the Post-Arrangement Financing, approximately 13,949,731 Spinco Shares will be issued and outstanding as fully paid and non-assessable, 3,869,838 of which will be distributed to the Origen Shareholders.

### **10.2 Spinco Shares**

Spinco Shares are not subject to any future call or assessment and do not have any preemptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Spinco Shares, all of which rank equally as to all benefits which might accrue to the holders of the Spinco Shares. All holders of Spinco Shares are entitled to receive a notice of any general meeting to be convened by Spinco. At any general meeting of Spinco, subject to the restrictions on joint registered owners of Spinco Shares, every Shareholder has one vote for each Spinco Share of which he or she is the registered owner. Voting rights may be exercised in person or by proxy.

The holders of Spinco Shares are entitled to share pro rata in any: (i) dividends if, as and when declared by the Spinco Board, and (ii) such assets of Spinco as are distributable to shareholders upon liquidation of Spinco. The aggregate Spinco Shares outstanding upon completion of the Arrangement will be fully paid and non-assessable.

### **10.3 Spinco Warrants**

As of the date of this Circular, Spinco does not have any warrants outstanding. Spinco does not intend to issue any warrants either pursuant to the Arrangement Agreement, the Convertible Note Financing or the Post-Arrangement Financing.

### **10.4 Spinco Stock Options**

As of the date of the Circular, Spinco does not have any stock options outstanding. At the Effective Time it is anticipated that no options of Origen and Spinco will be outstanding.

Spinco has adopted the Spinco Option Plan (see in this Appendix "D", "*Options to Purchase Securities of Spinco — Spinco Stock Options – Spinco Option Plan*"). The Spinco Board does not intend to grant any incentive stock options until such time following listing of the Spinco Shares on the CSE that the trading price of the Spinco Shares has stabilized such that a fair market value exercise price for options can be determined. At the Meeting, Origen Shareholders will be asked to consider and if advisable approve the Spinco Option Plan. See in this Appendix "D", "*Options to Purchase Securities- Spinco Option Plan*".

### **10.5 Prior Sales**

On February 4, 2021, Spinco issued one (1) Spinco Share to Origen on February 4, 2021.

Other than the one (1) Spinco Share held by Origen, Spinco has not issued any other shares as of the date of this Circular. On the Effective Date, it is expected that 13,949,731 Spinco Shares will be issued and outstanding assuming completion of the Arrangement pursuant to its terms, the conversion of all of the Notes issued pursuant to the Convertible Note Financing and the Post-Arrangement Financing. The 13,949,731 Spinco Shares will be issued and outstanding as fully paid and non-assessable, of which 3,869,838 will be distributed to the Origen Shareholders and of which 2,579,893 will be retained by Origen. The balance will be held by holders of the Convertible Note Financing and the Post-Arrangement Financing.

## 10.6 Listing of Spinco Shares

An application will be made for the listing of the Spinco Shares on the CSE. Listing will be subject to Spinco fulfilling all the initial listing requirements of the CSE. There can be no assurances as to if, or when, the Spinco Shares will be listed or traded on the CSE, or any other stock exchange.

**As at the date of the Circular, there is no market through which the Spinco Shares to be distributed pursuant to the Arrangement may be sold and Origen Shareholders may not be able to resell the Spinco Shares to be distributed to them pursuant to the Arrangement. This may affect the pricing of the Spinco Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Spinco Shares, and the extent of issuer regulation.**

As at the date of the Circular, Spinco does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the TSX, the CSE, a U.S. marketplace, or a marketplace outside Canada and the United States of America.

See in this Appendix “D”, “*Risk Factors*”.

## 11. ESCROWED SECURITIES

Spinco does not have any of its securities subject to escrow or contractual restrictions on transfer. However, on completion of the Arrangement Agreement, the principals of Spinco are expected to be subject to escrow pursuant to National Policy 46-201 – *Escrow for Initial Public Offerings* (“**NP 46-201**”). The CSE imposes NP 46-201 escrow requirements on completion of transactions such as the Arrangement.

In accordance with NP 46-201, all securities of an issuer that are owned or controlled by its principals (or spouses of its principals) will be escrowed at the time of the issuer’s initial public offering, or in this case the completion of the Arrangement, unless the securities held by the principals, or issuable to the principals upon conversion of convertible securities held by the principals, collectively represent less than 1% of the total issued and outstanding shares of the issuer after giving effect to the offering or transaction.

Uniform terms of automatic timed-release escrow apply to principals of exchange-listed issuers, differing only according to the classification of the issuer. As it is expected that Spinco will be classified as an “emerging issuer” for the purposes of NP 46-201, it is anticipated that the following automatic timed releases will apply to the securities held by its principals:

Date	% of Escrowed Securities Released
The Listing Date	1/10 of the escrowed securities
On the date 6 months following the Listing Date	1/6 of the remaining escrowed securities

On the date 12 months following the Listing Date	1/5 of the remaining escrowed securities
On the date 18 months following the Listing Date	1/4 of the remaining escrowed securities
On the date 24 months following the Listing Date	1/3 of the remaining escrowed securities
On the date 30 months following the Listing Date	1/2 of the remaining escrowed securities
On the date 36 months following the Listing Date	The remaining escrowed securities

To the knowledge of Spinco, assuming completion of the Arrangement, a total of 253,480 Spinco Shares will be deposited into escrow pursuant to the terms of an escrow agreement to be entered into by Spinco, the escrow shareholders and Spinco's transfer agent, as the escrow agent (the "**Escrow Agreement**"), assuming that none of the escrow holders listed below purchase Notes in the Convertible Note Financing or participate in the Post-Arrangement Financing.

<b>Name and Position of Escrow Holder</b>	<b>Number of Escrowed Securities</b>	<b>Percentage of Class <sup>(1)</sup></b>
<b>Nader Vatanchi</b> <i>CFO and Director</i>	Nil	Nil
<b>Abbey Abdiye</b> <i>CFO and Director</i>	Nil	Nil
<b>Alex Klenman</b> <i>Director</i>	Nil	Nil
<b>Gary Schellenberg</b> <i>Director</i>	253,480 Spinco Shares <sup>(2)</sup>	1.8%
<b>Mike Sieb</b> <i>Director</i>	Nil	Nil
<b>TOTAL:</b>	<b>253,480 Spinco Shares</b>	<b>1.8%<sup>(1)</sup></b>

(1) Based on 13,949,731 Spinco Shares issued and outstanding, assuming conversion of the Notes issued pursuant to the Convertible Note Financing, resulting in the issuance of 1,875,000 Spinco Shares, and the issuance of 5,625,000 Spinco Shares upon completion of the Post-Arrangement Financing. This figure does not include any Spinco Shares which may be issued pursuant to the accrual of interest in connection with the Convertible Note Financing.

(2) These Spinco Shares will be held directly and indirectly through companies controlled by Mr. Schellenberg.

Pursuant to the terms of the Escrow Agreement, the Spinco Shares held in escrow may be transferred within escrow to an individual who is a director or senior officer of Spinco or of a material operating subsidiary of Spinco, subject to the approval of the Board, or to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to Spinco's outstanding securities, or to a person or company that after the proposed transfer will hold more than 10% of the voting rights attached to Spinco's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of Spinco or of any of its material operating subsidiaries.

Pursuant to the terms of the Escrow Agreement, upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities. Upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative.

The Escrow Agreement also provides that escrowed securities can be transferred within escrow to a financial institution on the realization of escrowed securities pledged, mortgaged or charged by the

holder of such escrowed securities to the financial institution as collateral for a loan. Pursuant to the terms of the Escrow Agreement, escrowed securities may also be transferred within escrow to or between registered retirement savings plans, registered retirement income funds or other similar registered plans or funds with a trustee, where the annuitant of such plans or funds, or the beneficiaries of the other registered plan or funds are limited to the holder and his or her spouse, children and parents, or in the case of a trustee of such a registered plan or fund, to the annuitant of the registered plan or fund, or a beneficiary of the registered plan or fund, as applicable, or his or her spouse, children and parents.

Pursuant to the terms of the Escrow Agreement, 10% of each principal's escrowed securities (a total of 25,348 Spinco Shares) will be released from escrow on the date the Spinco Shares are listed on the CSE (the "**Listing Date**"). The remaining 228,132 Spinco Shares which will be held in escrow immediately following the Listing Date will represent 1.6% of the Spinco Shares anticipated to be issued and outstanding at the Listing Date assuming conversion of the Notes issued pursuant to the Convertible Note Financing, resulting in the issuance of 1,875,000 Spinco Shares, and the issuance of 5,625,000 Spinco Shares upon completion of the Post-Arrangement Financing.

## 12. PRINCIPAL SHAREHOLDERS

As of the date of the Circular, Origen holds 100% of the issued and outstanding Spinco Shares. Assuming completion of the Arrangement and to the knowledge of Spinco's directors and officers, no person will beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the then issued Spinco Shares, other than Origen, who will hold 40% of the outstanding Spinco Shares, before giving effect to the Post-Arrangement Financing or conversion of the Convertible Note Financing into Spinco Shares.

## 13. DIRECTORS AND OFFICERS

### 13.1 Directors and Executive Officers of Spinco

As at the date of the Circular, Spinco's sole director and officer is Gary Schellenberg, the Chief Executive Officer of Spinco, who is also a director and the Chief Executive Officer of Origen. Mr. Schellenberg was elected as Spinco's director by Origen, Spinco's sole shareholder.

Upon completion of the Arrangement, certain directors and officers of Origen will be the directors and officers of Spinco, the names, place of residence, positions and offices and principal occupations of which are as follows:

Name and place of residence	Principal occupation <sup>(3)</sup>	Number and Percentage of Spinco Shares owned	Date of appointment as director or officer of Spinco
<b>Nader Vatanchi</b> <i>Vancouver, BC</i>	See detailed description below under "Management Details".	Nil	Proposed CEO and Director
<b>Abbey Abdiye</b> <i>Vancouver, BC</i>	See detailed description below under "Management Details".	Nil	Proposed CFO and Director
<b>Alex Klenman</b> <sup>(1) (2)</sup> <i>Vancouver, BC</i>	See detailed description below under "Management Details".	Nil	Proposed Director and Corporate Secretary
<b>Gary Schellenberg</b> <sup>(1) (2)</sup> <i>Richmond, B.C.</i>	See detailed description below under "Management Details".	253,480 <sup>(4)</sup> (1.8%)	February 4, 2021 (Director)

Name and place of residence	Principal occupation <sup>(3)</sup>	Number and Percentage of Spinco Shares owned	Date of appointment as director or officer of Spinco
<b>Mike Sieb</b> <sup>(1) (2)</sup> <i>North Vancouver, B.C.</i>	See detailed description below under "Management Details".	Nil	Proposed Director

Notes:

- (1) Proposed Member of the Audit Committee.
- (2) Proposed Member of the Compensation Committee.
- (3) The information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of management of the Spinco and has been furnished by the respective individuals.
- (4) Figures calculated based on 13,949,731 Spinco Shares issued and outstanding, assuming the completion of the Arrangement, conversion of the Notes issued pursuant to the Convertible Note Financing, resulting in the issuance of 1,875,000 Spinco Shares, and the issuance of 5,625,000 Spinco Shares upon completion of the Post-Arrangement Financing. This figure does not include any Spinco Shares that may be issued pursuant to the accrual of interest in connection with the Convertible Note Financing.

## 13.2 Period of Service of Directors

The current and proposed directors of Spinco will be elected annually at each annual general meeting of the Spinco shareholders and will hold office until the next annual general meeting unless a director's office is earlier vacated in accordance with the constating documents of Spinco or he or she becomes disqualified to serve as a director.

## 13.3 Directors' and Officers' Common Share Ownership

As at the date of the Circular, there are no Spinco Shares beneficially owned, directly or indirectly, or control or direction was exercised over those shares, by the directors and executive officers of Spinco. On the Effective Date, each of the directors and executive officers of Spinco will beneficially own, directly or indirectly, or control or direct 0.12 of one Spinco Share for each Share held. It is expected that, upon completion of the Arrangement, 253,480 Spinco Shares, or approximately 1.8% of the Spinco Shares then issued and outstanding on a non-diluted basis, if the Convertible Note Offering and Post-Arrangement Financing is completed, will be beneficially owned, directly or indirectly, or control or direction will be exercised over those shares, by the directors and executive officers of Spinco as a group, assuming that none of the directors and executive officers of Spinco purchase Notes in the Convertible Note Financing or participate in the Post-Arrangement Financing.

## 13.4 Board Committees

### 13.4.1 Audit Committee

Upon completion of the Arrangement, Spinco will have an audit committee (the "**Audit Committee**") consisting of Alex Klenman, Gary Schellenberg and Mike Sieb, each of whom is a director and financially literate in accordance with National Instrument 52-110 *Audit Committees* ("**NI 52-110**"). Alex Klenman, Gary Schellenberg and Mike Sieb are all independent, as defined under NI 52-110. Mr. Klenman will be the Chair of the Audit Committee.

### 13.4.2 Compensation Committee

Upon completion of the Arrangement, Spinco will have a compensation committee (the "**Compensation Committee**") consisting of Alex Klenman, Gary Schellenberg and Mike Sieb. The Compensation Committee will recommend how directors will be compensated for their services as directors.

The Spinco Board may from time to time establish additional committees.

### 13.5 Principal Occupation of Directors and Executive Offers

Information on directors' and executive officers' principal occupation is set out in section 13.11 – *Management Details*.

### 13.6 Cease Trade Orders and Bankruptcies

Other than as disclosed below, no proposed director or officer of the Spinco or a shareholder holding a sufficient number of securities of the Spinco to affect materially the control of Spinco, is, or within 10 years before the date hereof has been, a director or officer of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under securities law, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

**Gary Schellenberg:** Mr. Schellenberg is a former director of Golden Coast Energy Corp. (“GCE”). While a director of GCE, on December 11, 2015, GCE was subject to a cease trade order of the British Columbia Securities Commission for failure to file its audited financial statements and related MD&A for the financial year ended July 31, 2015. The cease trade order remains in effect. Mr. Schellenberg resigned as a director of GCE on March 24, 2016.

The foregoing has been furnished by the respective directors, executive officers and shareholders holding a sufficient number of securities of Spinco to affect materially control of Spinco.

### 13.7 Penalties or Sanctions

No proposed director or executive officer of Spinco, or a shareholder holding a sufficient number of Spinco's securities to affect materially the control of Spinco, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

The foregoing has been furnished by the respective directors, executive officers and shareholders holding a sufficient number of securities of Spinco to affect materially control of Spinco.

### 13.8 Settlement Agreements

Not applicable.

### **13.9 Personal Bankruptcies**

No director or officer of Spinco, or a shareholder holding sufficient securities of Spinco to affect materially the control of Spinco, or a personal holding company of any such persons has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

### **13.10 Potential Conflicts of Interest**

Certain directors and officers of Spinco are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties, including Origen. Such associations to other public companies in the resource sector may give rise to conflicts of interest from time to time. As a result, opportunities provided to a director of Spinco may not be made available to Spinco, but rather may be offered to a company with competing interests. The directors and senior officers of Spinco are required by law to act honestly and in good faith with a view to the best interests of Spinco and to disclose any personal interest which they may have in any project or opportunity of Spinco, and to abstain from voting on such matters.

The directors and officers of Spinco are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interests and Spinco will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers.

### **13.11 Management Details**

The following sets out details of the proposed directors and officers of Spinco on completion of the Arrangement:

#### **Nader Vatanchi – Chief Executive Officer and Director - Age 34**

Mr. Vatanchi will be a director and the CEO of Spinco. Mr. Vatanchi spent the last 9 years in finance starting with Edward Jones and IG Wealth Management in 2012 where he spent a combined 6 years before selling his business to pursue his entrepreneurial goals.

Mr. Vatanchi graduated with a Bachelor of Arts in Criminology from Simon Fraser University. Currently he serves on the board of Musk Metals Corp, Triangle Industries Ltd, as well as a standing director of Be Good Plant Based Foods Co,

Mr. Vatanchi will spend approximately 50% of his available time on the affairs of Spinco and has not entered into a non-competition or non-disclosure agreement with Spinco.

#### **Abbey Abdiye – Chief Financial Officer and Director – Age 47**

Mr. Abdiye will be a director and the CFO of Spinco. Mr. Abdiye is a Chartered Professional Accountant (CPA) and has served as CFO for a range of public companies during his career. Prior to obtaining his CPA designation Mr. Abdiye obtained a Bachelor Business Administration Degree from Simon Fraser and a Co – Op Education Certificate.

Mr. Abdiye will provide leadership and coordination in the administrative, business planning, reporting, and budgeting efforts for the company. He will oversee company's financial reporting, internal controls, and corporate governance and oversee Annual audit and regulatory compliance matters.

Mr. Abdiye will spend approximately 25% of his available time on the affairs of Spinco and has not entered into a non-competition or non-disclosure agreement with Spinco.



**Alex Klenman – Corporate Secretary and Director - Age 57**

Mr. Klenman will be a director of Spinco. Mr. Klenman is an experienced junior mining executive whose career spans over 30 years in the private and public sectors. Over the past decade he has held and continues to hold leadership roles with several publicly traded resource companies, including senior officer and/or director positions with Nexus Gold Corp, Azincourt Energy, Manning Ventures, Tisdale Resources, and Arbor Metals.

As a marketing, communications, and finance consultant he has worked with companies such as Roxgold Inc, Forum Uranium, Integra Gold, Midnight Sun Mining, and others. He began his professional career in television broadcasting which evolved in the late 1990's into communications, finance and marketing roles principally for publicly traded companies.

Mr. Klenman will spend approximately 25% of his available time on the affairs of Spinco and has not entered into a non-competition or non-disclosure agreement with Spinco.

**Gary Schellenberg – Director - Age: 62**

Mr. Schellenberg will be a director and the CEO of Spinco. He brings over 30 years of worldwide exploration and venture capital experience. Mr. Schellenberg has been involved in a number of discoveries and acquisitions as an early 90's buyout of Winspear Resources by De Beers. Mr. Schellenberg's technical expertise and strong business sense bring a solid balance and leadership to Spinco.

Mr. Schellenberg currently serves as a director and the CEO of Origen. He has also been President of Coast Mountain Geological Ltd. since April 1987. Previously he was a director of number of other public companies.

Mr. Schellenberg holds a Bachelor of Science (Geology) degree from the University of British Columbia.

Mr. Schellenberg will spend approximately 10% of his available time on the affairs of Spinco and has not entered into a non-competition or non-disclosure agreement with Spinco.

**Mike Sieb – Director - Age: 55**

Mr. Sieb will be a director and the President of Spinco. He has been director and officer of numerous publicly-traded companies and his expertise extends across multiple commodities and jurisdictions.

Mr. Sieb is the senior project manager for Coast Mountain Geological. He has been the director of Troubadour Resources Inc. since June 2018; director of Getchell Gold Corp. since December 2018 and director of Cross River Ventures Inc. since July 2018. Mr. Sieb was previously the President of American Potash Corp. from April 2012 to September 2015 and the director of International Lithium Corp. from May 2011 to January 2017.

Mr. Sieb holds an MBA from the University of British Columbia and received a B. Sc. degree in geology from Concordia University in 1989.

Mr. Sieb will spend approximately 10% of his available time on the affairs of Spinco and has not entered into a non-competition or non-disclosure agreement with Spinco.

**14. CAPITALIZATION**

Spinco will provide the information for this item in its listing statement to be filed with the CSE, prior to listing. This will give effect to all relevant financings and transactions, including the Arrangement.

## **15. EXECUTIVE COMPENSATION**

### **15.1 Compensation of Executive Officers**

Spinco was incorporated on February 4, 2021 and, accordingly, has not yet completed a financial year or developed a compensation program. As mentioned above, upon completion of the Arrangement, it is anticipated that Spinco will establish the Compensation Committee, which is expected to recommend the granting of stock options in such amounts and upon such terms as may be recommended by the Compensation Committee and approved by the Spinco Board from time to time.

The Compensation Committee will also consider and make recommendations with respect to the compensation of the executive officers of Spinco. It is anticipated that all executive officers of Spinco will receive cash compensation and stock option grants in line with market practice for public issuers in the same industry and market and of the same size as Spinco.

### **15.2 Long-Term Incentive Plan**

Spinco does not have any long-term incentive plans.

### **15.3 Option-based Awards**

Following completion of the Arrangement, Spinco will not have any options outstanding.

### **15.4 Pension Plan Benefits**

Spinco does not have defined benefit or defined contribution plans.

### **15.5 Director Compensation**

Upon completion of the Arrangement, it is anticipated that Spinco will pay cash compensation to its directors in amounts paid to directors of comparable publicly traded Canadian companies for services rendered in their capacity as directors.

## **16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of Spinco, a proposed nominee for election as a director of Spinco, and each associate of any such director, executive officer or proposed nominee: (a) is, or at any time since the beginning of the most recently completed financial year of Spinco has been indebted to Spinco or any of its subsidiaries or (b) has indebtedness to another entity that is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Spinco or any of its subsidiaries.

## **17. RISK FACTORS**

**An investment in Spinco Shares, as well as Spinco's prospects, are highly speculative due to the high-risk nature of its business and the present stage of its development. Shareholders of Spinco may lose their entire investment.** The risks described below are not the only ones facing Spinco. Additional risks not currently known to Spinco, or that Spinco currently deems immaterial, may also impair Spinco's operations. If any of the following risks actually occur, Spinco's business, financial condition and operating results could be adversely affected.

Origen Shareholders should consult with their professional advisors to assess the Arrangement and their resulting investment in Spinco. In evaluating Spinco and its business and whether to vote in favour of the Arrangement, Origen Shareholders should carefully consider, in addition to the other information contained in the Circular and the risk factors which follow, as well as the risks associated

with the Arrangement (see in the Circular “*The Origen Arrangement — Risks Associated with the Origen Arrangement*”). These risk factors may not be a definitive list of all risk factors associated with the Arrangement, an investment in Spinco or in connection with Spinco’s business and operations.

### **Listing of Spinco Shares**

The Spinco Shares are not currently listed on any stock exchange. Although an application will be made to list the Spinco Shares on the CSE, there is no assurance when, or if, the Spinco Shares will be listed on the CSE or on any other stock exchange. Until the Spinco Shares are listed on a stock exchange, shareholders of Spinco may not be able to sell their Spinco Shares. Even if a listing is obtained, ownership of Spinco Shares will involve a high degree of risk.

### **Qualification under the *Tax Act* for a Registered Plan**

If the Spinco Shares are not listed on a designated stock exchange in Canada before the due date for Spinco’s first income tax return or if Spinco does not otherwise satisfy the conditions in the *Tax Act* to be a “public corporation”, the Spinco Shares will not be considered to be a qualified investment for a Registered Plan (as defined in the *Tax Act*) from their date of issue. Where a Registered Plan acquires a Spinco Share in circumstances where the Spinco Share is not a qualified investment under the *Tax Act* for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant under the Registered Plan, including that the Registered Plan may become subject to penalty taxes, the annuitant of such Registered Plan may be subject to a penalty tax or, in the case of a registered education savings plan, such plan may have its tax exempt status revoked.

### **Limited Business History**

Spinco has a short history of operations and has no history of earnings. The likelihood of success of Spinco must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. Spinco has limited financial resources and there is no assurance that funding over and above the initial \$66,893.66 cash amount, the Convertible Note Financing gross proceeds of \$150,000 and the Post-Arrangement Financing gross proceeds of \$450,000, will be available to it when needed. In addition, the closing of the Arrangement is not conditional upon the completion of the Convertible Note Financing or the Post-Arrangement Financing. There is also no assurance that Spinco can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

### **Public Health Crisis**

Spinco’s business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency, on March 12, 2020, the World Health Organization declared the outbreak a pandemic and on March 13, 2020, the U.S. declared that the COVID-19 outbreak in the United States constitutes a national emergency. Over the past several months, there were a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada, the United States, Europe and China. The outbreak has also caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary and a number of jurisdictions, including in Canada and the United States, have started to lift certain COVID-19 related restrictions, the duration of the various disruptions to businesses locally and internationally and related financial impact cannot be reasonably estimated at this time.

Public health crises such as COVID-19 can result in volatility and disruptions in the supply and demand for gold, silver and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to Spinco of such public health crises also include the risk that there may be a slowdown or temporary suspension of

operations in geographic locations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest.

While the impact of the COVID-19 pandemic is not expected to last indefinitely, the circumstances relating to the pandemic are dynamic and its impacts on Spinco's business operations cannot be reasonably estimated at this time. However, it is not expected that the COVID-19 pandemic will have a material adverse impact on Spinco's business, results of operations, financial position and cash flows going forward, particularly seeing as the government has decreed that mining is an essential service.

### **Unknown Environmental Risks for Past Activities**

Exploration and mining operations incur risks of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at the Spinco mineral properties do not exist.

### **Sale of Spinco Shares by Origen as Funding for its Canadian withholding tax obligations, if required**

If Origen determines that a deemed dividend will arise as a consequence of the Arrangement Agreement, Origen will be entitled to deduct and withhold from any consideration payable or otherwise deliverable to a Origen Shareholder that is not resident in Canada for Canadian tax purposes (including the Spinco Shares) such amounts as Origen is required, entitled or permitted to deduct and withhold under the *Tax Act*. To the extent that Origen is required to deduct and withhold from consideration that is not cash, including the Spinco Shares, Origen is entitled to liquefy such consideration to the extent necessary in order to fund its deduction, withholding and remittance obligations. Any such sales may negatively impact the trading price of the Spinco Shares where such shares are listed.

### **Acquisitions and Joint Ventures**

Spinco will evaluate from time to time opportunities to acquire and joint venture mining assets and businesses. These acquisitions and joint ventures may be significant in size, may change the scale of Spinco's business and may expose it to new geographic, political, operating, financial and geological risks. Spinco's success in its acquisition and joint venture activities will depend on its ability to identify suitable acquisition and joint venture candidates and partners, acquire or joint venture them on acceptable terms and integrate their operations successfully with those of Spinco. Any acquisitions or joint ventures would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of Spinco's ongoing business; the inability of management to maximize the financial and strategic position of Spinco through the successful incorporation of acquired assets and businesses or joint ventures; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; dilution of Spinco's present shareholders or of its interests in its subsidiaries or assets as a result of the issuance of shares to pay for acquisitions or the decision to grant earning or other interests to a joint venture partner; and the potential unknown liabilities associated with acquired assets and businesses. There can be no assurance that Spinco would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or joint ventures. There may be no right for

shareholders to evaluate the merits or risks of any future acquisition or joint venture undertaken except as required by applicable laws and regulations.

### **Additional Financing and Dilution**

Spinco plans to focus on exploring for minerals and will use its working capital to carry out such exploration. However, Spinco will require additional funds to further such activities. To obtain such funds, Spinco may sell additional securities including, but not limited to, its common shares or some form of convertible security, the effect of which would result in a substantial dilution of the equity interests of Spinco's shareholders.

Spinco has limited financial resources and provides no assurance that it will obtain additional funding for future acquisitions and development of projects or to fulfill its obligations under applicable agreements. Spinco provides no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Silver Dollar Project with the possible dilution or loss of such interests. Further, revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of exploration programs and general market conditions for natural resources. Spinco provides no assurance that it can operate profitably or that it will successfully implement its plans for its further exploration and development of the Silver Dollar Project.

### **No Mineral Resources and no Mineral Reserves have been estimated at Silver Dollar Project**

The Silver Dollar Project is in the exploration stage and sufficient work has not been done to define a mineral resource or mineral reserve. There is no assurance given by Spinco that continuing work on the Silver Dollar Project will lead to defining the mineralization with enough confidence and in sufficient quantities to report it as a mineral resource or a mineral reserve.

### **No History of Mineral Production or Mining Operations**

Spinco has never had a producing property. There is no assurance that commercial quantities of silver, gold or ore will be discovered nor is there any assurance that Spinco's exploration program will yield positive results. Even if commercial quantities of gold or ore are discovered, there can be no assurance that any property, including the Silver Dollar Project, will ever be brought to a stage where silver or gold resources can profitably be produced therefrom. Factors which may limit the ability to produce silver or gold resources include, but are not limited to, the price of silver and gold, availability of additional capital and financing and the nature of any mineral deposits. Spinco does not have a history of mining operations that would guarantee it will produce revenue, operate profitably or provide a return on investment in the future. Spinco has not paid dividends in the past and Spinco does not have any plans to pay dividends in the foreseeable future.

### **Economics of Developing Mineral Properties**

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines.

Should any mineral resources and reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs

of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) silver and gold prices; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell, and profit from the sale of any eventual mineral production from any property will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of a mining company and therefore represent a market risk which could impact the long term viability of Spinco and its operations.

### **Factors Beyond the Control of Spinco**

The potential profitability of mineral properties is dependent upon many factors beyond Spinco's control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore (assuming that such mineral deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways Spinco cannot predict and are beyond Spinco's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of Spinco.

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist for the sale of the same. There can be no assurance that metal prices will be such that the Silver Dollar Project can be mined at a profit. Factors beyond the control of Spinco may affect the marketability of any minerals discovered. Metal prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, international investment patterns, national fiscal policies, monetary systems, speculative activities and increased production due to improved mining and production methods. The supply of, and demand for, Spinco's principal exploration targets, silver and gold, is affected by various factors, including political events, economic conditions and production costs. The price of gold, silver and other metals has fluctuated widely in recent years. Future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on Spinco's business, financial condition and result of operations. Moreover, the ability of Spinco to fund its activities and the valuation of investor companies will depend significantly upon the market price of precious and other metals. The effect of these factors, individually or in the aggregate, is impossible to predict with accuracy.

### **Spinco's proposed operations will require access to adequate infrastructure**

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect Spinco's operations, financial condition and results of operations.

### **Spinco currently depends on a single property**

At the Effective Date, Spinco's only material mineral property will be the Silver Dollar Project. Unless Spinco acquires or develops additional material properties or projects, Spinco will be solely dependent upon the operation of the Silver Dollar Project for its revenue and profits, if any. If Spinco loses or abandons its interest in the Silver Dollar Project, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the CSE. There is also no guarantee that the CSE will approve the acquisition of any additional properties by Spinco, whether by way of option or otherwise, should Spinco wish to acquire any additional properties.

### **Regulatory Requirements**

The current or future operations of Spinco, including development activities and possible commencement of production on its properties, requires permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. Spinco will require licenses and permits from various governmental and non-governmental authorities for its operations. Spinco has obtained, or plans to obtain all necessary licenses and permits required carrying on the activities it is currently conducting or which it proposes to conduct under applicable laws and regulations. However, such licenses and permits are subject to change in regulations and in various operating circumstances. There can be no assurance that all permits which Spinco may require for the development and construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which Spinco might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments or changes to current laws, regulations government policies and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Spinco and cause increases in costs or require abandonment or delays in the development of new mining properties.

### **Insurance**

Spinco's business is capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Many of the foregoing risks and hazards could result in damage to, or destruction of,

Spinco's mineral properties or future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of their exploration or development activities, delay in or inability to receive necessary regulatory approvals, or costs, monetary losses and potential legal liability and adverse governmental action. Spinco may be subject to liability or sustain loss for certain risks and hazards against which they do not or cannot insure or which it may reasonably elect not to insure because of the cost. This lack of insurance coverage could result in material economic harm to Spinco.

### **Current Global Financial Condition**

Spinco will be required to raise additional funds in the future for the development of its projects and other activities through the issuance of additional equity or debt. Current financial and economic conditions globally have been subject to increased uncertainties. Access to financing has been negatively affected by these economic uncertainties. These factors may affect the ability of Spinco to obtain equity and/or debt financing in the future and, if obtained, influence the terms available to Spinco. If these increased levels of volatility and market turmoil continue, Spinco may not be able to secure appropriate debt or equity financing. If additional capital is raised by the issuance of shares from the treasury of Spinco, shareholders may suffer dilution. Future borrowings by Spinco or its subsidiaries may increase the level of financial and interest rate risk to Spinco as Spinco will be required to service future indebtedness.

### **Environmental Risks and Hazards**

All phases of Spinco's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the general, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Spinco's operations. Environmental hazards may exist on the properties which are unknown to Spinco at present and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures estimated by management may differ from the actual expenditures required.

Spinco is not insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution and other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. Spinco will periodically evaluate the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance.

Without such insurance, and if Spinco becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds Spinco has to pay such liabilities and result in bankruptcy. Should Spinco be unable to fund fully the remedial cost of an environmental problem, Spinco might be required to enter into interim compliance measures pending completion of the required remedy.

### **Litigation Risk**

All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit.



### **Costs of Land Reclamation Risk**

It is difficult to determine the exact amounts which will be required to complete all land reclamation activities in connection with the properties in which Spinco holds an interest. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a mine. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the financial condition and results of operations of Spinco.

### **No Assurance of Title to Property**

There may be challenges to title to the mineral properties in which Spinco holds a material interest. If there are title defects with respect to any properties, Spinco might be required to compensate other persons or perhaps reduce its interest in the affected property. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and development programs.

### **Dependence on Key Individuals**

Spinco is and will be dependent on a relatively small number of key personnel, particularly Mike Sieb, its President, Gary Schellenberg, its CEO and Elizabeth Richards, its CFO, the loss of any one of whom could have an adverse effect on Spinco. At this time, Spinco does not maintain key-person insurance on the lives of any of its key personnel.

In addition, Spinco will be highly dependent upon contractors and third parties in the performance of its exploration and development activities. Spinco provides no guarantee that such contractors and third parties will be available to carry out such activities on behalf of Spinco or be available upon commercially acceptable terms.

### **Risk of Amendments to Laws**

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Spinco and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

### **Conflicts of Interest**

Some of the directors and officers of Spinco are directors and officers of other companies, some of which are in the same business as Spinco. Some of Spinco's directors and officers will continue to pursue the acquisition, exploration and, if warranted, the development of mineral resource properties on their own behalf and on behalf of other companies, and situations may arise where they will be in direct competition with Spinco. Spinco's directors and officers are required by law to act in the best interests of Spinco. They may have the same obligations to the other companies in respect of which they act as directors and officers. Discharge of their obligations to Spinco may result in a breach of their obligations to the other companies and, in certain circumstances, this could expose Spinco to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of Spinco. Such conflicting legal obligations may expose Spinco to liability to others and impair its ability to achieve its business objectives.

### **Influence of Third Party Stakeholders**

The lands in which Spinco holds an interest, or the exploration equipment and roads or other means of access which Spinco intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the

event that such third parties assert any claims, Spinco's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for Spinco.

### **Fluctuation in Market Value of Spinco Shares**

Assuming the Spinco Shares are listed on the CSE, the market price of the Spinco Shares, as a publicly traded stock, can be affected by many variables not directly related to the corporate performance of Spinco, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of Spinco Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of Spinco Shares.

### **Currency Risk**

Currency fluctuations may affect the cash flow which Spinco may realize from its operations, since most mineral commodities are sold in a world market in United States dollars. Spinco's costs are incurred primarily in Canadian dollars.

### **Competitive Factors in the Precious and Base Metals Markets**

Most mineral resources including precious and base metals are essentially commodities markets in which we would expect to be a small producer with an insignificant impact upon world production. As a result, production, if any, would be readily sold and would likely have no impact on world market prices. In recent months due to the significant downturn in the world economies has driven the commodities prices much lower which has made raising capital more difficult than past years.

### **Substantial Number of Authorized but Unissued Spinco Shares**

Spinco has an unlimited number of common shares which may be issued by the Spinco Board without further action or approval of Spinco's shareholders. While the Spinco Board is required to fulfill its fiduciary obligations in connection with the issuance of such shares, Spinco Shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of Spinco's shareholders.

See also in the Circular, *"The Origen Arrangement — Risks Associated with the Origen Arrangement"*.

## **18. PROMOTERS**

Origen took the initiative of founding and organizing Spinco and its business and operations and, as such, may be considered to be the promoter of Spinco for the purposes of applicable securities legislation. As at the date of the Circular, Origen is the sole (100%) shareholder of Spinco and has transferred or will transfer Spinout Assets to Spinco to hold and operate as contemplated by the terms of the Arrangement. See in this Appendix "D", *"General Development of Spinco's Business — General — Material Properties"* and *"Description of Securities — Prior Sales"*. See also in the Circular, *"The Origen Arrangement — The Origen Arrangement"*, *"The Origen Arrangement — Reasons for the Origen Arrangement"*.

The claims comprising the Silver Dollar Project have associated costs as reflected in the Carve-Out Financial Statements attached as Appendix "E" to the Circular.

During the 10 years prior to the date of the Circular, Origen has not been subject to:

- (a) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or

- (b) an order similar to a cease trade order, or
- (c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days; nor has Origen been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; nor has Origen become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver manager or trustee appointed to hold its assets.

## **19. LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

### **19.1 Legal Proceedings**

Spinco is not aware of any material legal proceedings to which Spinco or a proposed subsidiary is a party or to which the Silver Dollar Project are subject, nor is Spinco aware that any such proceedings are contemplated.

### **19.2 Regulatory Actions**

There are currently no: (a) penalties or sanctions imposed against Spinco by a court relating to securities legislation or by a securities regulatory authority; (b) other penalties or sanctions imposed by a court or regulatory body against Spinco that would likely be considered important to a reasonable investor in making an investment decision in Spinco; and (c) settlement agreements Spinco entered into before a court relating to securities legislation or with a securities regulatory authority since Spinco was incorporated.

## **20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Since Spinco's incorporation, no director, executive officer, or shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Spinco Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect Spinco other than Origen in connection with Spinco's incorporation (see in this Appendix "D", *"Corporate Structure"* and *"Promoters"*), the entering into of the Arrangement Agreement (see in the Circular, *"The Origen Arrangement - The Origen Arrangement"*), and the transfer of assets to Spinco in connection with the Arrangement (see in this Appendix "D", *"Introduction - Structure of the Transaction"* and *"General Development of Spinco's Business"*). See also in this Appendix "D", *"Material Contracts"* below.

Certain directors and officers of Origen are also the directors and officers of Spinco. See in the Circular under the heading *"The Origen Arrangement - Background to the Origen Arrangement"*, *"The Origen Arrangement - Recommendation of the Explore Board"*, *"The Origen Arrangement - Reasons for the Origen Arrangement"*.

## **21. AUDITORS, TRANSFER AGENTS AND REGISTRARS**

### **21.1 Auditor**

The auditor of Spinco is Davidson & Company LLP, Chartered Professional Accountants of Vancouver, British Columbia, who have been Spinco's auditor since incorporation.

### **21.2 Transfer Agent and Registrar**

The registrar and transfer agent of Spinco and for the Spinco Shares is Endeavor Trust Corporation, located at 702 - 777 Hornby Street, Vancouver, British Columbia.

## **22. MATERIAL CONTRACTS**

Pursuant to the Arrangement, Spinco will acquire Origen's interest in the Silver Dollar Project by way of the Arrangement Agreement which will be filed on Spinco's SEDAR profile at [www.sedar.com](http://www.sedar.com) in due course.

## **23. INTEREST OF EXPERTS**

Davidson & Company LLP, Chartered Professional Accountants the auditor of Spinco, has confirmed that it is independent with respect to Spinco within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

Certain legal matters relating to the Arrangement and Spinco will be passed upon by Miller Thomson LLP of Vancouver, British Columbia, legal counsel to Spinco.

The disclosure with respect to the Silver Dollar Project in this Appendix is based on the Technical Report prepared by James Chapman, P. Geo.

None of the aforementioned persons nor any directors, officers, employees or partners, as applicable, of each of the aforementioned companies and partnerships, has received or will receive as a result of the Arrangement a direct or indirect interest in a property of Spinco or any associate or affiliate of Spinco, nor is currently expected to be elected, appointed or employed as a director, officer or employee of Spinco or any associate or affiliate of Spinco.

## **24. OTHER MATERIAL FACTS**

There are no other material facts other than as disclosed in the preceding items and that are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to Spinco and its securities.

## **25. FINANCIAL STATEMENTS**

### **25.1 Financial Statements**

A copy of the Carve-out Financial Statements are attached to the Circular as Appendix "E" and a copy of the Spinco Financial Statements are attached to the Circular as Appendix "F".

### **25.2 Re-Qualifying Issuer**

Not applicable.

**APPENDIX E**  
**AUDITED CARVE OUT FINANCIAL STATEMENTS (SPINCO PROPERTY – SILVER DOLLAR)**

# **Origen Resources Inc. Carve-Out**

**CARVE-OUT FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**

**FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020**

**488 - 625 Howe Street**  
**Vancouver, B.C. V6C 2T6**

**TELEPHONE: 604-681-0221**

## INDEPENDENT AUDITOR'S REPORT

To the Directors of  
Origen Resources Inc. Carve-Out

### *Opinion*

We have audited the accompanying carve-out financial statements of Origen Resources Inc. Carve-Out (the "Company"), which comprise the carve-out statements of financial position as at December 31, 2020 and March 31, 2020, and the carve-out statements of loss and comprehensive loss, changes in equity, and cash flows for the period ended December 31, 2020 and the period from incorporation on September 12, 2019 to March 31, 2020, and notes to the carve-out financial statements, including a summary of significant accounting policies.

In our opinion, these carve-out financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and March 31, 2020, and its financial performance and its cash flows for the period ended December 31, 2020 and the period from incorporation on September 12, 2019 to March 31, 2020 in accordance with International Financial Reporting Standards ("IFRS").

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Carve-Out Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the carve-out financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Carve-Out Financial Statements*

Management is responsible for the preparation and fair presentation of the carve-out financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Carve-Out Financial Statements*

Our objectives are to obtain reasonable assurance about whether the carve-out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out financial statements.



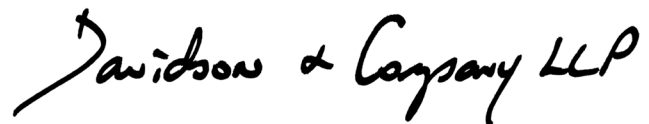
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the carve-out financial statements, including the disclosures, and whether the carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Grant P. Block.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

April 9, 2021



# Origen Resources Inc. Carve-Out

Carve-Out Statements of Financial Position  
(Expressed in Canadian Dollars)

	December 31, 2020	March 31, 2020
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 66,894	\$ -
	66,894	-
<b>Non-current assets</b>		
Exploration and evaluation assets (Note 5 and 6)	1,523,726	-
	\$ 1,590,620	\$ -
<b>EQUITY</b>		
Reserves	1,937,533	57,172
Deficit	(346,913)	(57,172)
	\$ 1,590,620	\$ -

Nature and continuance of operations (Note 2)

Subsequent events (Note 12)

Approved on Behalf of the Board on April 9, 2021:

"Mike Sieb"

Mike Sieb, Director

"Gary Schellenberg"

Gary Schellenberg, Director

*The accompanying notes are an integral part of these carve-out financial statements.*

## Origen Resources Inc. Carve-Out

Carve-Out Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars)

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				For the period from incorporation September 12, 2019 to March 31, 2020
		<b>Nine-months ended December 31, 2020</b>		
<hr/>				
<b>EXPENSES</b>				
Consulting (Note 7)	\$	74,104	\$	-
Office and miscellaneous		8,789		81
Management fees (Note 7)		56,156		-
Professional fees (Note 7)		35,770		54,889
Rent (Note 7)		5,946		-
Share-based payments (Note 7)		81,009		-
Transfer agent and filing fees		27,967		2,202
		<hr/>		
<b>Loss and comprehensive loss</b>	\$	289,741	\$	57,172

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*The accompanying notes are an integral part of these carve-out financial statements.*

## Origen Resources Inc. Carve-Out

Carve-Out Statements of Changes in Equity  
(Expressed in Canadian Dollars)

	Funded by Origen Resources Inc.	Equity settled share -based payments	Total reserves	Deficit	Total
<b>Balance, September 12, 2019</b>	-	-	-	-	-
Funding provided by and expenses paid by Origen	57,172	-	57,172	-	57,172
Loss and comprehensive loss for the period	-	-	-	(57,172)	(57,172)
<b>Balance, March 31, 2020</b>	<b>57,172</b>	-	<b>57,172</b>	<b>(57,172)</b>	-
Funding provided by and expenses paid by Origen	208,783	-	208,783	-	208,783
Issuance of Origen shares pursuant to plan of arrangement (Note 5)	1,590,569	-	1,590,569	-	1,590,569
Share-based payments	-	81,009	81,009	-	81,009
Loss and comprehensive loss for the period	-	-	-	(289,741)	(289,741)
<b>Balance, December 31, 2020</b>	<b>\$ 1,856,524</b>	<b>\$ 81,009</b>	<b>\$ 1,937,533</b>	<b>\$ (346,913)</b>	<b>\$ 1,590,620</b>

*The accompanying notes are an integral part of these carve-out financial statements.*

# Origen Resources Inc. Carve-Out

## Carve-Out Statements of Cash Flows

(Expressed in Canadian Dollars)

	For the nine-month period ended December 31, 2020	For the period from incorporation September 12, 2019 to March 31, 2020
<b>Cash flows from operating activities</b>		
Net loss for the period	\$ (289,741)	\$ (57,172)
Non-cash items:		
Share-based payments	81,009	-
Net cash used by operating activities	(208,732)	(57,172)
<b>Cash flows from investing activities</b>		
Exploration and evaluation assets	(51)	-
Recovery on exploration and evaluation assets	66,894	-
Net cash received from investing activities	66,843	-
<b>Cash flows from financing activities</b>		
Funds provided by Origen	208,783	57,172
Net cash received from financing activities	208,783	57,172
<b>Net change in cash</b>	66,894	-
<b>Cash, beginning of the period</b>	-	-
<b>Cash, end of the period</b>	\$ 66,894	\$ 1

**Supplemental cash flow information for the period ended December 31, 2020 (none for the period ended March 31, 2020):**

Plan of arrangement

Note 5

*The accompanying notes are an integral part of these carve-out financial statements.*

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020  
(Expressed in Canadian Dollars)

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### **1 TRANSFER OF ASSETS**

Origen Resources Inc. Carve-Out (“Origen”) entered into an arrangement agreement dated April 1, 2021 to complete a plan of arrangement (the “April 2021 Plan of Arrangement”) under the Business Corporations Act (British Columbia) with its newly incorporated wholly-owned subsidiary, Forty Pillars Mining Corp. (“Forty Pillars”), whereby Origen’s Silver Dollar Property, Beatrice Property and \$66,894 of cash will be spun out to Forty Pillars in accordance with the April 2021 Plan of Arrangement, and Forty Pillars will apply to be listed on the Canadian Securities Exchange (“CSE”).

The April 2021 Plan of Arrangement, if completed, will result in, among other things, Origen being entitled to receive one common share of Forty Pillars in exchange for each five common shares of Origen issued and outstanding on the effective date of the April 2021 Plan of Arrangement. Origen will retain 40% of such shares of Forty Pillars and through a reorganization of its share capital, distribute the remaining 60% of such Forty Pillars shares to the shareholders of Origen, on a pro rata basis.

Forty Pillars is presently raising funds by way of a convertible note financing in the amount of \$150,000 to fund its working capital operations and certain costs of the April 2021 Plan of Arrangement. On closing of the April 2021 Plan of Arrangement, Forty Pillars will conduct a concurrent private placement of common shares at a price of \$0.08 per common share for estimated proceeds of \$450,000.

The completion of the April 2021 Plan of Arrangement is subject to the satisfaction of various conditions including but not limited to (i) the approval by the shareholders of Origen, (ii) financing of Forty Pillars as noted above and (iii) receipt of all requisite regulatory, CSE, court or governmental authorizations and third party approvals or consents.

These carve-out financial statements reflect the assets, liabilities, expenses and cash flows of the operations included in the exploration business to be spun out by Origen (the “Entity”).

### **2 NATURE AND CONTINUANCE OF OPERATIONS**

The Entity is an exploration company engaged in generating, acquiring and advancing base and precious metal properties. The head office of the Entity is located at Suite 488-625 Howe Street, Vancouver, British Columbia, Canada V6C 2T6. The Company’s registered and records office is 400 – 725 Granville Street, Vancouver, British Columbia, Canada, V7Y 1G5.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020  
(Expressed in Canadian Dollars)

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### **2 NATURE AND CONTINUANCE OF OPERATIONS (cont'd...)**

These carve-out financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Entity will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Entity's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation assets when they come due, which would cease to exist if the Entity decides to terminate its commitments, and to cover its operating costs. The Entity may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. These carve-out financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying carve-out financial statements. The Entity considers that it has adequate resources to maintain its core operations for the next twelve months.

On April 28, 2020, the Entity and Raffles Financial Group Limited (formerly Explorex Resources Inc.) ("Raffles") closed their plan of arrangement (the "April 2020 Plan of Arrangement"). Pursuant to the April 2020 Plan of Arrangement, Raffles has spun out certain assets and liabilities to the Entity, along with the transfer of \$500,000 in cash, for consideration of 13,621,958 common shares and 935,325 share purchase warrants of the Entity to Raffles' shareholders (Note 5).

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Entity to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

### **3 BASIS OF PRESENTATION**

These carve-out financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC").

These carve-out financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow disclosure.

These carve-out financial statements are presented in Canadian dollars, which is also the Entity's functional currency.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020  
(Expressed in Canadian Dollars)

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### **3 BASIS OF PRESENTATION (cont'd...)**

The purpose of these carve-out financial statements is to provide general purpose historical financial information of the Entity in connection with the POA detailed in Note 1. Therefore, these carve-out financial statements present the historical financial information of Origen that make up the Entity, either fully, or partially, where only specifically identifiable assets and liabilities are included, and allocations of shared income and expenses of Origen that are attributable to the Entity.

The basis of preparation for the carve-out statements of financial position, loss and comprehensive loss, cash flows and changes in equity of the Entity have been applied. The carve-out financial statements have been extracted from historical accounting records of Origen with estimates used, when necessary, for certain allocations.

- The carve-out statements of financial position reflect the assets and liabilities recorded by Origen which have been assigned to the Entity on the basis that they are specifically identifiable and attributable to the Entity;
- The carve-out statement of loss and comprehensive loss included a pro-rata allocation of Origen's income and expenses incurred in each of the periods presented based on the percentage of exploration and evaluation activity on the carve-out exploration and evaluation assets being transferred, compared to the expenditures incurred on all of Origen's exploration and evaluation assets, and based on specifically identifiable activities attributable to the Entity. The allocation of income and expense for each period presented is as follows: for the nine-month period ended December 31, 2020 – 44% and the period from incorporation on September 12, 2019 to December 31, 2019 - 0%. The percentages are considered reasonable under the circumstances;
- Income taxes have been calculated as if the Entity had been a separate legal entity and had filed separate tax returns for the period presented.

Management cautions readers of these carve-out financial statements that the Entity's results do not necessarily reflect what the results of operations, financial position, or cash flows would have been had the Entity been a separate entity. Further, the allocation of income and expense in these carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Entity's future income and operating expenses. Origen's investment in the Entity, presented as equity in these carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Entity.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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### 4 SIGNIFICANT ACCOUNTING POLICIES

#### a) Financial instruments

The following is the Entity's accounting policy for financial assets and liabilities:

##### Financial assets:

The Entity classifies its financial assets in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI"), or at amortized cost.

The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Entity can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statement of loss and comprehensive loss in the period. The Entity has classified its cash as FVTPL.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive loss in they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Entity recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.



# Origen Resources Inc. Carve-Out

Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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## 4 SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

### Financial liabilities

The Entity classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Entity's accounting policy for each category is as follows:

Financial liabilities at FVTPL: This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Financial liabilities at amortized cost: This category includes accounts payable and accrued liabilities which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at FVTPL are recognized in the statement of loss and comprehensive loss immediately, while transaction costs associated with all other financial instruments are included in the initial measurement of the financial instrument.

### b) Share-based compensation

The Entity benefits from Origen's stock option plan which allows directors, officers, employees and consultants to acquire shares of Origen. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the Entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of the goods or services received.

# Origen Resources Inc. Carve-Out

Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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## **4      SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

### **c) Income taxes**

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect to the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences do not result in deferred tax assets or liabilities: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Entity intends to settle its current tax assets and liabilities on a net basis.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on

September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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### **4      SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

#### **d) Exploration and evaluation assets**

Exploration costs are capitalized on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. No exploration costs are capitalized until the legal right to explore the property has been obtained. When it is determined that such costs will be recouped through successful development and exploitation, the capitalized expenditures are depreciated over the expected productive life of the asset. Costs for a producing asset are amortized on a unit-of-production method based on the estimated life of the ore reserves, while costs for the prospects abandoned are written off.

Impairment review for exploration and evaluation assets is carried out on a project by project basis, with each project representing a single cash generating unit. At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that these assets are impaired. An impairment review is undertaken when indicators of impairment arise but typically when one or more of the following circumstances apply:

- Unexpected geological occurrences are identified that render the resource uneconomical;
- Title to the asset is compromised;
- Fluctuations in the metal prices render the project uneconomical;
- Variation in the currency of operations; and
- Threat to political stability in the country of operation.

From time to time, the Entity may acquire or dispose of exploration and evaluation assets pursuant to the terms of option agreements. Due to the fact that these options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation assets or recoveries when the payments are made or received.

The recoverability of the amounts capitalized for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to farm out its exploration and evaluation assets, the ability to obtain the necessary financing to complete their development and future profitable production or proceeds from their disposition thereof.

When entitled, the Entity records refundable mineral exploration tax credits or incentive grants on an accrual basis and as a reduction of the carrying value of the mineral property interest. When the Entity is entitled to non-refundable exploration tax credits, and it is probable that they can be used to reduce future taxable income, a deferred income tax benefit is recognized.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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### **4      SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

#### **e)    Impairment of tangible and intangible assets**

Tangible and intangible assets with finite useful lives are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the assets' cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is charged to profit or loss except to the extent it reverses gains previously recognized in other comprehensive loss/income. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior periods. A reversal of an impairment loss is recognized in profit or loss.

#### **f)    Leases**

Except for short term leases and leases of low-value assets, the Entity (i) recognizes 'right-of-use' assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease, or incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined; (ii) recognizes depreciation of right-of-use assets and interest on lease liabilities in profit or loss; and (iii) separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the statement of cash flows.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on

September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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### **4 SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

#### g) Significant judgments, estimates and assumptions

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount;
- The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices;
- The recognition of deferred tax assets. The Entity considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets; and
- The fair value of the exploration and evaluation properties transferred in the April 2020 Plan of Arrangement. Management estimated the fair value of the exploration and evaluation assets transferred which formed the value recorded on completion of the transaction.

The preparation of financial statements in accordance with IFRS requires the Entity to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Entity's financial statements include:

- The assessment of the Entity's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- The conclusion that the April 2020 Plan of Arrangement was an acquisition of assets and not a business combination.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020  
(Expressed in Canadian Dollars)

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### 5 PLAN OF ARRANGEMENT

On April 28, 2020, Origen and Raffles closed their Plan of Arrangement (the “April 2020 Plan of Arrangement”). Pursuant to the April 2020 Plan of Arrangement, Raffles has spun out certain assets and liabilities to Origen, along with the transfer of \$500,000 in cash, for consideration of 13,621,958 common shares and 935,325 share purchase warrants of Origen to Raffles’ shareholders.

The share purchase warrants were issued pursuant to the April 2020 Plan of Arrangement, whereby holders of outstanding Raffles warrants received, in exchange for each warrant, one Raffles replacement warrant and 0.5 warrant of Origen, both with exercise prices based on the proportionate market value of two companies after the completion of April 2020 Plan of Arrangement. The fair value of the share purchase warrants was determined to be \$Nil. All share purchase warrants issued pursuant to the April 2020 Plan of Arrangement expired during the period.

The fair value of the net assets transferred to the Origen pursuant to the April 2020 Plan of Arrangement consisted of the following assets and liabilities:

Assets:	\$
Cash	506,899
Receivables	6,287
Prepaid expenses	2,375
Exploration and evaluation assets	2,197,415
Total assets	2,712,976
Liabilities:	
Accounts payable and accrued liabilities	(181,976)
Flow-through obligation	(31,000)
Fair value of net assets contributed	2,500,000

Origen assumed a flow-through obligation of \$31,000 as Raffles had not completely fulfilled its commitment to incur exploration expenditures by December 31, 2018 in relation to flow-through share financings in October 2017. Origen may be required to indemnify flow-through individual investors for the amount of increased taxes payable by the flow-through investor as a consequence of the failure of Raffles to incur qualifying exploration expenditures previously renounced to the flow-through investors.

Within exploration and evaluation assets, the Silver Dollar Property was assigned a value of \$1,530,332 and Beatrice Property was assigned a value of \$60,237 upon completion of the April 2020 Plan of Arrangement.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

### 6 EXPLORATION AND EVALUATION ASSETS

	Silver Dollar Property	Beatrice Property	Total
<b>Acquisition Costs</b>			
Opening, March 31, 2020	\$ -	\$ -	\$ -
Plan of Arrangement	1,530,332	60,237	1,590,569
Recoveries	(66,894)	-	(66,894)
Closing, December 31, 2020	1,463,438	60,237	1,523,675
<b>Exploration Costs</b>			
Equipment, field supplies, and other	-	51	51
Closing, December 31, 2020	-	51	51
<b>Balance, December 31, 2020</b>	<b>\$ 1,463,438</b>	<b>\$ 60,288</b>	<b>\$ 1,523,726</b>

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020  
(Expressed in Canadian Dollars)

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### 6 EXPLORATION AND EVALUATION ASSETS (cont'd...)

#### Silver Dollar Property, British Columbia

On April 28, 2020, the Entity acquired the Silver Dollar Property as part of the April 2020 Plan of Arrangement.

The Entity owns a 100% interest in the Silver Dollar Property, located in the Revelstoke Mining District of British Columbia, subject to an existing 1.0% net smelter return ("NSR") royalty held by Happy Creek Minerals Ltd., beginning upon commencement of commercial production on the property.

Raffles entered into an option agreement with Exploits on August 14, 2018, whereby Exploits had the right to acquire a 75% interest in the Silver Dollar Property. Pursuant to the option agreement, Exploits was required to make cash payments, issue shares, and meet exploration expenditure requirements as follows:

- Cash payments: Exploits was required to pay \$25,000 upon execution of the agreement (received by Raffles), an additional \$50,000 in cash or common shares of Exploits, at Exploits' discretion, on or before May 30, 2021, \$100,000 in cash on or before May 30, 2022; and an additional \$250,000 in cash on or before May 30, 2023 for an aggregate total consideration of \$425,000;
- Share issuances: Exploits was required to issue 100,000 common shares on May 30, 2021, an additional 300,000 shares on or before May 30, 2022 and an additional 500,000 shares on or before May 30, 2023 for an aggregate total of 900,000 shares; and
- Work commitments: Exploits was required to incur \$75,000 in exploration expenditures on or before the May 30, 2020 (incurred); an additional \$150,000 on or before May 30, 2021, an additional \$350,000 on or before May 30, 2022 and an additional \$425,000 on or before May 30, 2023 for an aggregate \$1,000,000 in exploration expenditures.

Upon Exploits earning 75% interest in the property, the parties would enter into a joint venture.

On November 9, 2020, Exploits elected to terminate the option agreement and paid a termination fee of \$66,894, which was recorded as a recovery against acquisition costs. The Entity is required to complete exploration expenditures of \$66,894 to keep the property in good standing. The Entity has until December 31, 2021 to incur the required exploration expenditures.

Exploits and the Entity were related by virtue of an officer of Exploits and a director of the Entity being related.

#### Beatrice Mineral Property, British Columbia

On April 28, 2020, the Entity acquired 100% of the Beatrice Mineral Property as part of the April 2020 Plan of Arrangement. The Beatrice Mineral Property is located in the southern portion of the Silver Dollar property (referred to as the Gilman portion) and form part of the Silver Dollar Property.



# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020  
(Expressed in Canadian Dollars)

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### 7 RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Entity and include both executive and non-executive directors, and entities controlled by such persons. The Entity considers all directors and officers of the Entity to be key management personnel.

During the period ended December 31, 2020, the Entity entered into the following transactions with related parties:

Paid or accrued management fees of \$29,730 (2019 – \$Nil) to a company controlled by a director and Chief Executive Officer of the Entity.

Paid or accrued management fees of \$26,426 (2019 - \$Nil) to a company controlled by a director and officer of the Entity.

Paid or accrued consulting fees of \$6,563 (2019 - \$Nil) to a director of the Entity.

Paid or accrued consulting fees of \$18,498 (2019 - \$Nil) to a company controlled by a director of the Entity.

Paid or accrued rent of \$5,946 (2019 - \$Nil) to a company controlled by a director and Chief Executive Officer of the Entity.

Paid or accrued professional fees of \$9,910 (2019 - \$Nil) to a company controlled by the Chief Financial Officer of the Entity.

Paid or accrued professional fees of \$3,934 (2019 - \$Nil) to a company controlled by a director and Chief Executive Officer of the Entity.

During the period ended December 31, 2020, Origen issued 1,500,000 (2019 – \$Nil) stock options to the officers, directors and spouse of an officer and director of the Entity. Upon the issuance, \$67,508 (2019 – \$Nil) in share-based compensation expense was recorded by the Entity.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020  
(Expressed in Canadian Dollars)

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### **7 RELATED PARTY TRANSACTIONS (cont'd...)**

#### Commitments – Consulting Agreements

On April 28, 2020, as part of the April 2020 Plan of Arrangement, Origen assumed a commitment relating to a consulting agreement with a former director of Raffles, whereby Origen would receive consulting service at an annual cost of \$63,000 until August 31, 2021. On May 15, 2020, the Entity entered into a termination agreement in respect of this consulting agreement and settled all future contractual obligations by paying \$11,000 (paid) and issuing 275,000 common shares (issued and valued at \$50,875) of Origen, of which the Entity recorded \$22,385 as consulting fees.

#### Promissory Note

On September 20, 2020, Origen entered into a promissory note, with a company controlled by a directors and Chief Executive Officer of the Entity, in the amount of \$100,000. The promissory note bore interest of 12% per annum and was due on October 31, 2020. The repayment of the promissory note was extended to December 1, 2020. During the period ended December 31, 2020, the Entity incurred interest of \$1,041. On December 1, 2020, the principal of the promissory note was converted into 835,000 units of Origen for total consideration of \$100,000. Each unit is comprised of one common share and one-half share purchase warrant, with each warrant exercisable at \$0.20 per common share until December 1, 2021.

### **8 CAPITAL MANAGEMENT**

As a separate resource exploration activity, the Entity does not have share capital and its equity is a carve-out amount from Origen's equity. Origen has no debt and does not expect to enter into debt financing. The Entity manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of underlying assets. The Entity is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Entity has no traditional revenue sources. Going forward, it must generate funds through the sale or option of its exploration and evaluation assets. The Entity's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business, rather than through a process of forced liquidation, is primarily dependent upon its continued ability to find and develop mineral property interests, and there being a favorable market in which to sell or option the mineral properties interest; and/or its ability to borrow or raise additional funds from equity markets.

# Origen Resources Inc. Carve-Out

## Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on

September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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### 9 FINANCIAL INSTRUMENTS AND RISK

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair values of cash are based on Level 1 inputs of the fair value hierarchy.

The Entity's risk exposures and the impact on the Entity's financial instruments are summarized below:

#### *Credit risk*

Credit risk is the risk of potential loss to the Entity if the counterparty to a financial instrument fails to meet its contractual obligations. The Entity's credit risk is primarily attributable to its liquid financial assets including cash. The Entity limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

The majority of the Entity's cash is held with major Canadian based financial institutions.

#### *Liquidity risk*

The Entity's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Entity had a cash balance of \$66,894 to settle current liabilities of \$Nil.

# Origen Resources Inc. Carve-Out

Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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## 9 FINANCIAL INSTRUMENTS AND RISK (cont'd...)

### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

#### a) Interest rate risk

The Entity has cash balances and no interest-bearing debt. The interest rate risk on cash is not considered significant.

#### b) Foreign currency risk

The Entity does not have assets or liabilities in a foreign currency.

#### c) Price risk

The Entity is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Entity's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Entity closely monitors the commodity prices of precious metals, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Entity.

## 10 SEGMENTED INFORMATION

As at December 31, 2020, the Entity currently operates in one segment, being the acquisition and exploration and evaluation of resource assets located in Canada as described in Note 6.

# Origen Resources Inc. Carve-Out

Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

## 11 DEFERRED INCOME TAX

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	December 31, 2020	March 31, 2020
Loss for the year	\$ (289,741)	\$ (57,172)
Expected income tax (recovery)	(78,000)	(15,000)
Permanent differences	22,000	-
Change in unrecognized deductible temporary differences	57,000	15,000
<b>Total income tax expense (recovery)</b>	<b>\$ -</b>	<b>\$ -</b>

The significant components of the Entity's deferred tax assets are as follows:

	December 31, 2020	March 31, 2020
Deferred tax assets		
Non-capital losses	\$ 72,000	\$ 15,000
	72,000	15,000
Unrecognized deferred tax assets	(72,000)	(15,000)
<b>Net deferred tax assets</b>	<b>\$ -</b>	<b>\$ -</b>

The significant components of the Entity's deductible temporary differences and unused tax losses that have not been recognized in the statements of financial position are as follows:

	December 31, 2020	Expiry Date Range	March 31, 2020	Expiry Date Range
<b>Temporary Differences</b>				
Non-capital losses available for future periods	\$ 266,000	2040	\$ 57,000	2040

# Origen Resources Inc. Carve-Out

Notes to the Carve-Out Financial Statements

For the Nine-Month Period Ended December 31, 2020 and Period from Incorporation on September 12, 2019 to March 31, 2020

(Expressed in Canadian Dollars)

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## 12 SUBSEQUENT EVENTS

Subsequent to period ended December 31, 2020, the Entity entered into the following transactions:

- a) On January 12, 2021, Origen closed a private placement for gross proceeds of \$264,800 through the issuance of 2,206,666 units at a price of \$0.12 per unit. Each unit is comprised of one common share and one-half share purchase warrant, with each warrant exercisable at \$0.20 per common share until January 12, 2022. As at December 31, 2020, Origen received \$29,000 in subscription advances relating to this private placement.
- b) On January 20, 2021, Origen granted 1,400,000 stock options, exercisable into common shares of Origen, to its directors, officers, employees and consultants. These options have been set in accordance with Origen's stock option plan and are exercisable at a price of \$0.23 per common share until January 21, 2026.

**APPENDIX F**  
**AUDITED FINANCIAL STATEMENTS OF SPINCO**

# **Forty Pillars Mining Corp.**

Financial Statements  
(Expressed in Canadian Dollars)

As at and for the period from incorporation on February 4, 2021 to February 28, 2021



## INDEPENDENT AUDITOR'S REPORT

To the Director of  
Forty Pillars Mining Corp.

### *Opinion*

We have audited the accompanying financial statements of Forty Pillars Mining Corp. (the “Company”), which comprise the statement of financial position as at February 28, 2021, and the statements of changes in shareholder’s equity and cash flows for the period from incorporation on February 4, 2021 to February 28, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2021, and its financial performance and its cash flows for the period from incorporation on February 4, 2021 to February 28, 2021 in accordance with International Financial Reporting Standards (“IFRS”).

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

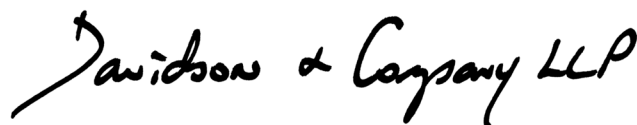
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

April 9, 2021

**Forty Pillars Mining Corp.**  
Statement of Financial Position  
(Expressed in Canadian Dollars)  
As at

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**February 28, 2021**

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**Assets**

Current:

Cash	\$	<b>1</b>
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<b>Total assets</b>	<b>\$</b>	<b>1</b>
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**Shareholder's equity**

Share capital (Note 4)	\$	<b>1</b>
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<b>Total liabilities and shareholder's equity</b>	<b>\$</b>	<b>1</b>
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Nature and continuance of operations (Note 1)

Subsequent events (Note 5)

Approved on April 9, 2021:

"Gary Schellenberg"

Gary Schellenberg, Director

*The accompanying notes are an integral part of these Financial Statements.*

**Forty Pillars Mining Corp.**

## Statement of Changes in Shareholder's Equity

(Expressed in Canadian Dollars)

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	Number of Common Shares	Share capital	Deficit	Total
Balance, February 4, 2021	-	\$ -	\$ -	\$ -
Shares issued for cash on incorporation	1	1	-	1
Loss and comprehensive loss for the period	-	-	-	-
<b>Balance, February 28, 2021</b>	<b>1</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 1</b>

*The accompanying notes are an integral part of these Financial Statements.*

**Forty Pillars Mining Corp.**

## Statement of Cash Flows

For the Period from Incorporation on February 4, 2021 to February 28, 2021

(Expressed in Canadian Dollars)

		2021
<b>Financing Activity:</b>		
Share issued for cash	\$	1
		1
<b>Net change in cash for the period</b>	\$	1
<b>Cash, beginning of the period</b>		-
<b>Cash, end of the period</b>	\$	1

*The accompanying notes are an integral part of these Financial Statements.*

## **Forty Pillars Mining Corp.**

### **Notes to the Financial Statements**

**For the Period from Incorporation on February 4, 2021 to February 28, 2021**

**(Expressed in Canadian Dollars)**

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## **1 NATURE AND CONTINUANCE OF OPERATIONS**

Forty Pillars Mining Corp. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) (“BCBCA”) on February 4, 2021. The Company was incorporated as the target company for certain assets that are to be spun out from Origen Resources Inc. (“Origen”). The Company is a wholly owned subsidiary of Origen. The address of its head office is located at Suite 488-625 Howe Street, Vancouver, British Columbia, Canada V6C 2T6. The Company’s registered and records office is 400 – 725 Granville Street, Vancouver, British Columbia, Canada, V7Y 1G5.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company’s continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

## **2 BASIS OF PRESENTATION**

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretation Committee (“IFRIC”).

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow disclosure.

These financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

## **Forty Pillars Mining Corp.**

### Notes to the Financial Statements

For the Period from Incorporation on February 4, 2021 to February 28, 2021

(Expressed in Canadian Dollars)

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### **3 SIGNIFICANT ACCOUNTING POLICIES**

#### a) Financial instruments

The following is the Company's accounting policy for financial assets and liabilities:

##### Financial assets:

The Company classifies its financial assets in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (FVTOCI"), or at amortized cost.

The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

**Financial assets at FVTPL:** Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statement of loss and comprehensive loss in the period. The Company has classified its cash as fair value through profit or loss.

**Financial assets at FVTOCI:** Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive (loss) income in they arise.

**Financial assets at amortized cost:** A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

**Impairment of financial assets at amortized cost:** The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

**Forty Pillars Mining Corp.**

## Notes to the Financial Statements

For the Period from Incorporation on February 4, 2021 to February 28, 2021

(Expressed in Canadian Dollars)

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**3 SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

## a) Financial instruments (cont'd...)

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Financial liabilities at FVTPL: This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Financial liabilities at amortized cost: This category includes accounts payable which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statement of loss and comprehensive loss immediately, while transaction costs associated with all other financial instruments are included in the initial measurement of the financial instrument.

## b) Leases

Except for short term leases and leases of low-value assets, the Company (i) recognizes 'right-of-use' assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments discounted at the rate implicit in the lease, and if not readily determined, the incremental borrowing rate; (ii) recognizes depreciation of right-of-use assets and interest on lease liabilities in profit or loss; and (iii) separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the statement of cash flows.



**Forty Pillars Mining Corp.**

## Notes to the Financial Statements

For the Period from Incorporation on February 4, 2021 to February 28, 2021

(Expressed in Canadian Dollars)

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**3 SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

## c) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable relating to previous periods.

Deferred tax is recognized in respect to the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences do not result in deferred tax assets or liabilities: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## d) Significant judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgment, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from these estimates.

## **Forty Pillars Mining Corp.**

### **Notes to the Financial Statements**

For the Period from Incorporation on February 4, 2021 to February 28, 2021

(Expressed in Canadian Dollars)

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### **3 SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

The preparation of these financial statements requires management to make judgements regarding the going concern of the Company as disclosed in Note 1.

### **4 SHARE CAPITAL**

#### **a) Authorized**

Unlimited number of common shares without par value.

#### **b) Issued and outstanding**

On February 4, 2021, the date of incorporation, the Company issued one common share at a price of \$1.

### **5 SUBSEQUENT EVENTS**

Subsequent to the period end:

- a) Origen will complete a Plan of Arrangement under the Business Corporations Act (British Columbia) with the Company, whereby Origen's Silver Dollar Property and Beatrice Property, and \$66,894 of cash will be spun out to the Company in accordance with the Plan of Arrangement, in exchange for common shares of the Company representing that number of common shares that are equal to 0.2 of the issued and outstanding common shares of Origen at the effective date of the Plan of Arrangement; and the Company will apply to be listed on the Canadian Securities Exchange ("CSE") (the "Transaction").

The completion of the Transaction is subject to the satisfaction of various conditions including but not limited to: (i) the completion of a concurrent financing of up to \$450,000 through the issuance of 5,625,000 common shares at a price of \$0.08 per common share; and (ii) receipt of all requisite regulatory, CSE, court or governmental authorizations and third party approvals or consents. Finder's fees will be paid to an arms' length party in connection with the Transaction.

- b) The Company will complete a financing of convertible notes (the "Notes") having an aggregate principal amount of up to \$150,000. The Notes will be on a non-brokered private placement basis. The Notes will have a term of 12 months, will bear simple interest of 6% and will be convertible into the Company's shares at the election of the holder at a conversion price of \$0.08 per common share.

**Forty Pillars Mining Corp.**

Notes to the Financial Statements

For the Period from Incorporation on February 4, 2021 to February 28, 2021

(Expressed in Canadian Dollars)

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**5 SUBSEQUENT EVENTS** (cont'd...)

The Notes will not be convertible until the earlier of: (i) the closing of the Plan of Arrangement; or (ii) Origen and the Company having agreed in writing that they will not proceed with the Plan of Arrangement.

**APPENDIX G**  
**PRO-FORMA FINANCIAL STATEMENTS OF ORIGIN**

# **Origen Resources Inc.**

Pro-Forma Consolidated Financial Statements

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars, except where specified  
otherwise)

December 31, 2020

# Origen Resources Inc.

## Pro-Forma Consolidated Statement of Financial Position

(Unaudited – Prepared by Management) (Expressed in Canadian Dollars)

	Origen Resources Inc. As at December 31, 2020	Note	Pro-forma Adjustment	Pro-forma Consolidated As at December 31, 2020
ASSETS	\$		\$	\$
<b>Current</b>				
Cash	149,381	3 (a)	235,800	248,287
		3 (d)	(66,894)	
		3 (e)	(70,000)	
Receivable	6,892		-	6,892
Prepaid expenses	7,625		-	7,625
Investments	2,676,267	3 (d)	206,391	2,882,658
	<b>2,840,165</b>		<b>305,297</b>	<b>3,145,462</b>
Exploration and evaluation assets	3,459,573	3 (d)	(449,085)	1,935,847
		3 (c)	(1,074,641)	
	<b>6,299,738</b>		<b>(1,218,429)</b>	<b>5,081,309</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	47,148		-	47,148
Flow-through obligation	31,000		-	31,000
	<b>78,148</b>		<b>-</b>	<b>78,148</b>
<b>Shareholders' equity</b>				
Share capital	5,179,848	3 (a)	264,800	5,444,648
Share-based payment reserve	183,929	3 (b)	225,890	430,920
		3 (d)	21,101	
Subscriptions received in advance	29,000	3 (a)	(29,000)	-
Deficit	828,813	3 (d)	(309,588)	(872,407)
		3 (c)	(1,074,641)	
		3 (b)	(225,890)	
		3 (d)	(21,101)	
		3 (e)	(70,000)	
	<b>6,221,590</b>		<b>1,218,429</b>	<b>5,003,161</b>
	<b>6,299,738</b>		<b>1,218,429</b>	<b>5,081,309</b>

The accompanying notes are an integral part of these unaudited pro-forma consolidated financial statements.

## **Origen Resources Inc.**

### **Notes to the Pro-Forma Consolidated Financial Statements**

**Unaudited – Prepared by Management) (Expressed in Canadian Dollars)**

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## **1 PROPOSED ARRANGEMENT**

The accompanying unaudited pro-forma consolidated financial statement of Origen Resources Inc. ("Origen" or the "Company") have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") from information derived from the financial statements of Origen together with other information available to the Company. The unaudited pro-forma consolidated financial statement has been prepared for inclusion in the information circular.

Origen will complete a plan of arrangement ("POA") under the Business Corporations Act (British Columbia) with its wholly-owned subsidiary, Forty Pillars Mining Corp. ("Forty Pillars"), whereby Origen's Silver Dollar Property, Beatrice Property (collectively, the "Properties") and \$66,894 of cash ("Spinout Assets") will be spun out to Forty Pillars in accordance with the POA (the "Transaction").

As per the POA:

- Origen will transfer the Spinout Assets to Forty Pillars and Forty Pillars will issue common shares of Forty Pillars representing that number of common shares that are equal to 0.2 of the issued and outstanding common share of Origen (each, an "Origen Share") held at the effective date of the POA;
- Origen will undertake a reorganization of its share capital;
- Origen will distribute common shares of Forty Pillars (each, a "Spinco Share") to shareholders of Origen such that each Origen Shareholder will receive 0.12 of one Spinco Share in exchange for each Origen Share held by the Origen Shareholder at the effective time of the POA. Origen will retain Spinco Shares as part of the POA, which are not transferred to Origen Shareholders; and
- Upon completion of the Transaction and pursuant to the terms of the POA, the total number of outstanding Spinco Shares will be equal to 0.2 of the total number of Origen Shares issued and outstanding immediately prior to the effective time of the POA.

The completion of the Transaction is subject to the satisfaction of various conditions including but not limited to (i) the approval by the shareholders of Origen in relation to the POA; (ii) the completion of a concurrent financing by Forty Pillars for up to \$450,000 through the issuance of 5,625,000 common shares at a price of \$0.08 per common share (the "Financing"); and (iii) receipt of all requisite regulatory, CSE, court or governmental authorizations and third party approvals or consents.

## **Origen Resources Inc.**

### **Notes to the Pro-Forma Consolidated Financial Statements**

#### **Unaudited – Prepared by Management) (Expressed in Canadian Dollars)**

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## **2 BASIS OF PRESENTATION**

The accompanying unaudited pro forma consolidated financial statement has been prepared by management to give effect the Transaction. In the opinion of management, the unaudited pro-forma consolidated financial statements include all adjustments necessary for the fair presentation of the transactions described in Note 1 in accordance with International Financial Reporting Standards (see Note 4 “Pro Forma Assumptions and Adjustments”).

The unaudited pro-forma consolidated financial statement have been prepared for illustrative purposes only and may not be indicative of the financial position that would have occurred if the transactions had taken place on the dates indicated or of the financial position which may be obtained in the future. The unaudited pro-forma consolidated financial statements are not a forecast or projection of future results. The actual financial statements and results of Origen for any period following December 31, 2020 will likely vary from the amounts set forth in the unaudited pro forma consolidated financial statements and such variation may be material.

The unaudited pro-forma consolidated financial statements should be read in conjunction with:

- (a) Origen’s condensed interim financial statements as at December 31, 2020 and 2019.
- (b) Origen’s carve-out financial statements as at December 31, 2020 and 2019.
- (c) Forty Pillars’ audited financial statements as at and for the period from incorporation on February 4, 2021 to February 28, 2021
- (d) The additional information set out in Note 3.

The unaudited pro-forma consolidated statement of financial position has been prepared as if the Transaction described in Note 1 had occurred on December 31, 2020.

## **3 PRO-FORMA ASSUMPTIONS AND ADJUSTMENTS**

The unaudited pro-forma consolidated financial statements incorporate the following pro-forma assumptions and adjustments to give effect to the transactions described in Note 1 and other transactions described below as if they had occurred on December 31, 2020 in the case of the unaudited pro-forma consolidated statement of financial position:

### **a. Origen financing:**

On January 12, 2021, Origen closed a private placement for gross proceeds of \$264,800 through the issuance of 2,206,666 units at a price of \$0.12 per unit. Each unit is comprised of one common share and one-half share purchase warrant, with each warrant exercisable at \$0.20 per common share until January 12, 2022. As at December 31, 2020, the Company received \$29,000 in subscription advances relating to this private placement. No value was attributed to the share purchase warrants.

### **b. Origen stock options:**

On January 20, 2021, Origen granted 1,400,000 stock options, exercisable into common shares of the Company, to its directors, officers, employees and consultants. These options have been set in accordance with the Company’s stock option plan and are exercisable at a price of \$0.23 per common share until January 21, 2026 with a fair value of \$225,890. The weighted average fair value per option was \$0.16. The fair value of the options is estimated using the Black-Scholes option pricing model assuming a life expectancy of 5 years, risk-free rate of 0.43% and volatility of 100%.



## **Origen Resources Inc.**

### **Notes to the Pro-Forma Consolidated Financial Statements**

**Unaudited – Prepared by Management) (Expressed in Canadian Dollars)**

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## **3 PRO-FORMA ASSUMPTIONS AND ADJUSTMENTS (cont'd...)**

### **c. Impairment of the Properties:**

In connection with the POA, the Company will spin out the Properties and \$66,894 in cash for common shares of Forty Pillars (Note 1).

The fair value of consideration paid by Forty Pillars was valued at \$515,978, which was determined by multiplying the number of Origen common shares outstanding prior to the POA (6,449,731 common shares) by proposed Financing of \$0.08 per common share (Note 1)). Therefore, the fair value of the Properties was deemed to be \$449,085.

As a result, an impairment of \$1,074,641 was recorded to deficit.

### **d. Spin-out of the Properties and cash to Forty Pillars:**

Pursuant to the Arrangement Agreement and the Asset Purchase Agreement, Origen will transfer to Forty Pillars all direct and indirect right, title and interest of Origen in and to the Properties and all business, corporate, legal and accounting books, records and documents used in the conduct of the foregoing Properties and related undertakings with an estimated value of \$449,085 (Note 3(c)) and \$66,894 in cash for issuance of Forty Pillars common shares.

Forty Pillars will issue 6,449,731 common shares, of which Origen will retain 2,579,892 Forty Pillar common shares. The Forty Pillars common shares will be recorded as investments valued at \$206,391.

Origen option holders have relinquished their right to Forty Pillar options and Origen issued an additional 315,598 warrants to the Origen warrant holders in lieu of receiving Forty Pillar warrants ("Additional Warrants"). The Additional Warrants have the same terms as warrants outstanding prior to the Transaction and are valued at \$21,101. The weighted average fair value per Additional Warrant is \$0.07. The weighted average fair value of Additional Warrants is estimated using the Black-Scholes option pricing model assuming a life expectancy of 1.06 years, risk-free rate of 0.20% and volatility of 100%.

### **e. Transaction costs:**

The Company estimated costs relating to the Transaction of \$70,000.

## **4 CAPITAL STOCK AND RESERVES**

### **Equity:**

#### **Authorized:**

Unlimited common shares without par value.

**Origen Resources Inc.**

## Notes to the Pro-Forma Consolidated Financial Statements

Unaudited – Prepared by Management) (Expressed in Canadian Dollars)

**4 CAPITAL STOCK AND RESERVES (cont'd...)**

## Escrowed Shares and Warrants:

As at December 31, 2020, 1,167,145 common shares and 283,088 share purchase warrants of the Company were held in escrow whereby 233,429 common shares and 56,617 share purchase warrants will be released every 6 months from May 5, 2021 until May 5, 2023.

**Issued:**

	<b>Capital Stock</b>		<b>Share-based payment reserve</b>
	<b>Number of shares</b>	<b>Amount in \$</b>	
Balance as at December 31, 2020	30,041,990	5,179,848	183,929
Origen financing (Note 3(a))	2,206,666	264,800	-
Stock options granted (Note 3(b))	-	-	225,890
Additional Warrants issued to Origen shareholders (Note 3(d))	-	-	21,101
	<b>32,248,656</b>	<b>5,444,648</b>	<b>430,920</b>

**Share purchase warrants:**

A summary of the Company's share purchase warrants outstanding is as follows:

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
1,198,927	\$ 0.22	April 28, 2022
2,061,866	\$ 0.20	December 1, 2021
1,187,588	\$ 0.20	January 12, 2022
4,448,391		

**Share-based payments:**

A summary of the Company's stock options outstanding is as follows:

<b>Expiry Date</b>	<b>Number of Stock Options</b>	<b>Exercise Price</b>
June 1, 2025	1,800,000	\$0.15
January 20, 2021	1,400,000	\$0.23
	3,200,000	

**APPENDIX H  
FAIRNESS OPINION SUMMARY**



## Executive Summary of the Fairness Opinion - Origen Resources Inc. and Forty Pillars Mining Corp. (regarding the Silver Dollar Property)

RwE Growth Partners, Inc. (“RwE”) was engaged by the Independent Members of the Board of Directors (the “Board”) of Origen Resources Inc. (hereinafter referred to as “Origen Resources” or “ORI” or the “Company”) of Vancouver, British Columbia, Canada, to prepare a Fairness Opinion (the “Report”) regarding a transaction being considered by the Board of ORI. The Report opines as to the fairness of a planned transaction whereby ORI intends to sell its 100% interest in the Silver Dollar Property (“SDP”) as well as some cash C\$66,894 and less any liabilities related to the SDP (i.e., the “SDP Net Assets”) to Forty Pillars Mining Corp. (“FPM”) also of Vancouver, British Columbia; this from the perspective of the shareholders of only ORI. This planned transaction between ORI and FPM is referred to as the “Proposed Transaction”.

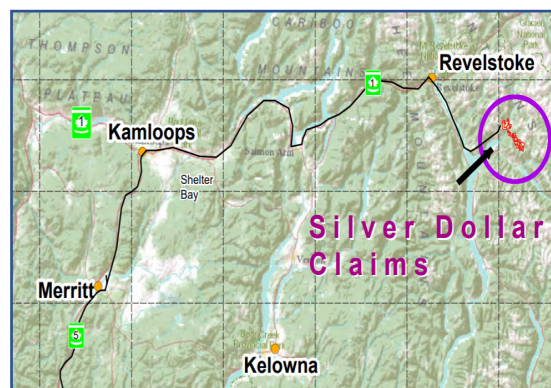
Origen Resources Inc. has entered into a Plan of Arrangement Agreement (the “POA”), dated April 1, 2021, to complete a the POA under the Business Corporations Act (British Columbia) with its newly incorporated wholly-owned subsidiary, Forty Pillars Mining Corp., whereby as noted above ORI’s SDP Net Assets will be spun-out to Forty Pillars Mining Corp. in accordance with the POA. ORI is listed for trading on the Canadian Securities Exchange (the “CSE” or the “Exchange”) under the symbol “ORGN”. FPM plans to file for listing on the CSE, or be listed on the CSE, as at the time of the closing of the Proposed Transaction. After the SDP Net Assets acquisition, FPM (also referred to as the “Resulting Issuer”) will be listed on the CSE.

In preparing the Report, RwE has used the updated CIMVAL Code for the Valuation of Mineral Properties, as prepared by the Special Committee of the Canadian Institute of Mining, Metallurgy and Petroleum on the Valuation of Mineral Properties (CIMVAL), adopted by the CIM Council on November 29, 2019. The CIMVAL Code was adopted by the Canadian Institute of Mining, Metallurgy & Petroleum (the “CIM”) Council on November 29, 2019. As part of these standards, RwE has relied on the technical and geological information, materials, findings and technical analysis / conclusions that were contained in the current National Instrument 43-101 Technical Report prepared on the SDP (collectively, the “Technical Report”). Readers are asked to carefully review and read the NI 43-101 Technical Report – Silver Dollar Property - February 25, 2021 - as prepared by Jim Chapman, P. Geo. The Technical Report is attached in the Appendix 1.0 and is available directly from the Company.

### The Silver Dollar Property

The Silver Dollar property is an early stage exploration project located in the Revelstoke Mining Division in southeastern British Columbia, Canada and is located 45 kilometers southeast of the city of Revelstoke and 15 kilometers north-northeast of the community of Trout Lake, British Columbia.

The Silver Dollar property consists of 28 contiguous Mineral Titles-Online claims covering 3,344.68 hectares of land and two crown grants totalling 41.85 hectares of land. The claims are located on Mineral Titles map sheet 82K/13E and are centered at 50°46’53” N Latitude and 117°36’32” W Longitude. The Silver Dollar claims are in good standing to at least November 1, 2020.



### Material Assumptions Used in the Report

- (1) As at the Valuation Date all assets and liabilities of the SDP Net Assets have been recorded in ORI’s financial statements and follow IFRS standards. A current audit of ORI’s financial statements would not result in any material change to the financial data set out by ORI regarding the SDP as provided financial statements to RwE.



- (2) RwE has relied on the provided documentation by the Company, including data on the historical development and exploration costs on the SDP.
- (3) RwE has used the financial statements of ORI, Explorex Resources Inc., Happy Creek Minerals Ltd. and other firms noted in Schedule 1.0 to collect data as to the costs incurred in exploring the SDP. RwE has assumed that stated exploration costs were recorded accurately and completely. Also, collected financial data from the Assessment Report Indexing System (ARIS) <http://aris.empr.gov.bc.ca>
- (4) The ORI shareholders and ORI are assumed to be treated as one entity – adding both the shares distributed to them or shares held by ORI.
- (5) Have assumed that the Company has ownership of all the SDP Net Assets as set out in the respective Resulting Issuer Carve Out financial statements so that one can complete the Proposed Transaction.
- (6) There are no other dilutive events at the close of the Proposed Transaction other than what has been disclosed by the Company's Board in the Report.
- (7) There are no warrants/options that are "in-the-money" as at the closing of the Proposed Transaction as set out in Schedule 2.0.
- (8) There will be no unforeseen and/or material negative tax consequences to the Company's shareholders and/or securityholders through the closing of the Proposed Transaction.
- (9) RwE has been advised by the ORI Board that there will be a gross C\$600,000 financing as at the closing the Proposed Transaction including funds raised in the FPM before closing the Proposed Transaction; RwE has assumed this to be accurate and used it in calculating the value of the Resulting Issuer.
- (10) The Board has noted to RwE that it is not aware of any other facts or data involving the Proposed Transaction or and other matter that would have any material effect on the conclusions in the Report that has not been provided to RwE.

#### Valuation Conclusion

In undertaking the above described valuation approach, it was apparent that based on and subject to all of the foregoing, it is reasonable for RwE to outline that the fair value of:

***Silver Dollar Property \$720,000 and the SDP Net Assets \$785,000***

#### Fairness Conclusion

Based upon RwE's valuation work and subject to all of the foregoing, RwE is of the opinion, as at the Valuation Date, that the terms of the **Proposed Transaction is fair, from a financial point of view, to the shareholders of ORI as shown in Schedule 2.0.**

In assessing the fairness of the Proposed Transaction to the shareholders of ORI, RwE has considered, *inter alia*, the following:

- i. Comparison of the SDP and SDP Net Assets prior to completion of the Proposed Transaction and the total shares to be issued and/or held by ORI shareholders and ORI within the Resulting Issuer; whereby the total shares held being: (a) shares being distributed by ORI to its shareholders in the amount of 3,869,838; and (b) shares being retained by ORI in the amount of 2,579,893, on a POST-Proposed Transaction basis. One must compare the fair value of the



SDO Net Assets on a PRE-Proposed Transaction basis to the fair market value of the total shares issued to ORI and the ORI shareholders, on a pro-forma basis, in their respective holdings in the Resulting Issuer on a POST-Proposed Transaction basis.

**Origen Resources Inc.**

Pre-Proposed Transaction

Fair Value of the Net Assets of the SDP - Pre-Proposed Transaction, say:

Value Issued
\$ 785,000 (a)

Post-Proposed Transaction

Combined Fair Value of Consideration Received by ORI shareholders (1) and Consideration held by Origen (2) - Closing of Proposed Transaction, say:

Value Received
\$ 802,000 (b)

(b) is equal to or greater than (a) so the Proposed Transaction is Fair to the ORI Shareholders

- ii. Other potential benefits that may be realized subsequent to the completion of the Proposed Transaction include focus by both entities and synergies. RwE has considered such synergies and perhaps other changes/reductions that are likely through the splitting of the SDP into the Resulting Issuer. RwE has not attributed any separate value related to this.
- iii. Private placements remain difficult for small mining and mineral exploration firms that have not developed “scale” exploration and development over an extended period. Terms and conditions, although improving, still do not appear as favorable to such companies as at the Valuation Date as they once did.

**When one considers all of the above together, it is reasonable to conclude that the Proposed Transaction is fair, from a financial viewpoint to the shareholders of ORI.**

**RwE GROWTH PARTNERS, INC.**

Richard W Evans, MBA, CBV, ASA  
Principal

Chartered Business Valuator, Canadian Institute of Chartered Business Valuators  
Accredited Senior Appraiser, American Society of Appraisers