



S 242251

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF SECTIONS 288 TO 299 OF THE *BUSINESS
CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

- AND -

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
GOLD HUNTER RESOURCES INC.

GOLD HUNTER RESOURCES INC.

PETITIONER

PETITION TO THE COURT

This proceeding is brought for the relief set out in Part 1 below, by

- the person named as Petitioner in the style of proceedings above

If you intend to respond to this Petition, you or your lawyer must

- (a) file a Response to Petition in Form 67 in the above-named registry of this court within the time for response to Petition described below, and
- (b) serve on the Petitioner
 - (i) 2 copies of the filed Response to Petition, and
 - (ii) 2 copies of each filed Affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the Response to Petition within the time for response.

Time for Response to Petition

A Response to Petition must be filed and served on the Petitioner,

- (a) if you were served with the Petition anywhere in Canada, within 21 days after that service,
- (b) if you were served with the Petition anywhere in the United States of

America, within 35 days after that service,

- (c) if you were served with the Petition anywhere else, within 49 days after that service, or
- (d) if the time for Response has been set by order of the court, within that time.

(1)	The address of the registry is:	800 Smithe Street Vancouver, BC, V6Z 2E1
(2)	The ADDRESS FOR SERVICE of the Petitioner is:	Clark Wilson LLP Attn: Sean Tessarolo 900 – 885 West Georgia Street Vancouver, BC V6C 3H1 (Direct Number: 604.643.3157)
	Fax number address for service (if any) of the Petitioner:	604.687.6314
	E-mail address for service (if any) of the Petitioner:	stessarolo@cwilson.com
(3)	The name and office address of the Petitioner's lawyer is:	Clark Wilson LLP Attn: Sean Tessarolo 900 – 885 West Georgia Street Vancouver, BC V6C 3H1 (Direct Number: 604.643.3157)

CLAIM OF THE PETITIONER

PART 1: ORDERS SOUGHT

1. The Petitioner, Gold Hunter Resources Inc. (the "**Company**"), applies to this Court pursuant to sections 288 and 291 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended or superseded (the "**BCBCA**"), Rules 16-1, 4-4, 4-5 and 2-1(2)(b) of the Supreme Court Civil Rules and the Court's inherent jurisdiction, for the following orders:

- (a) an order (the "**Final Order**") in the form attached as Schedule "A" to this Petition; and
- (b) such further and other relief as counsel for the Company may advise and the Court may deem just.

PART 2: FACTUAL BASIS

General

1. Unless defined otherwise herein, capitalized terms have the same meaning as in the Management Information Circular attached to Affidavit #1 of Sean Kingsley, made April 8, 2024, at Exhibit F.

Parties to the Transaction and the Arrangement

2. The Company is a corporation incorporated under the laws of British Columbia on October 30, 2019 with a registered and records office located at 3200-650 W Georgia, Vancouver, BC, V6B 4P7. The Company is engaged in the acquisition, exploration, and development of mineral property assets in Canada. The Company's objective is to locate and develop economic precious and base metal properties of merit and to conduct exploration programs on its Cameron Lake East Property, located in the Kenora Mining Division of northwestern Ontario, 75 km southeast of the town of Kenora and its Rambler Property and Tilt Cove Property, located in Newfoundland and Labrador.

3. As at January 31, 2024, the Record Date, the Company had 38,992,000 common shares (the "**Shares**") issued and outstanding.

4. The Shares are listed on the Canadian Securities Exchange (the "**CSE**") under the symbol "HUNT".

5. 1451366 B.C. Ltd. (the "**Subsidiary**") is a corporation incorporated under the laws of British Columbia with a registered and records office located at 800-885 West Georgia Street, Vancouver, BC V6C 3H1. The Subsidiary is a wholly owned subsidiary of the Company. The Subsidiary was incorporated on November 24, 2023 for the purpose of effecting the Transaction, as defined below.

6. Firefly Metals Inc. ("**FireFly**") is an emerging leader in the copper-gold sector, focusing on advancing the Green Bay Copper-Gold project in Newfoundland and Labrador, Canada, which FireFly acquired in 2023 for AUS\$65,000,000. Additionally, FireFly holds a 70% interest in the high-grade Pickle Crow Project in Ontario, Canada. FireFly has its head office located in Perth, Australia and is listed on the Australian Stock Exchange under the symbol "FFM".

The Transaction and the Arrangement

7. On December 21, 2023, the Company entered into a share purchase and sale agreement (the "**Purchase Agreement**") between the Company and FireFly, pursuant to which FireFly agreed to acquire, subject to certain terms and conditions, all of the issued and outstanding shares in the capital of the Subsidiary, in exchange for the issuance of 30,290,624 common shares in the capital of FireFly (each, a "**FireFly Share**") representing an aggregate value of \$15,000,000 (the "**Purchase Price**") (based on the value of the FireFly Shares at the time of entering into the Purchase Agreement of AUS\$0.5519, equating to CAD\$0.498) (the "**Transaction**").

8. Prior to closing the Transaction, the Company completed a reorganization of its assets such that the Company's minerals claims in Newfoundland and Labrador, Canada (the "**Claims**") comprised of 624 mineral claims on the Rambler Property and

52 minerals claims on the Tilt Cove Property were transferred to the Subsidiary. As such, upon closing of the Transaction, FireFly assumed all related obligations and liabilities regarding the Claims and any royalties on the Claims.

9. The Transaction constitutes the sale of substantially all of the Company's assets, while the Company retains its initial "Qualifying Transaction" project in Kenora, Ontario.

10. The Transaction closed on March 26, 2024.

11. The Company now owns approximately 8.3% of the issued and outstanding FireFly Shares post-Transaction.

12. On closing of the Transaction, the Company received 30,290,624 FireFly Shares, with an aggregate value of \$15,084,730.75 (based on a share price of CAD\$0.498 per share). Subject to obtaining the necessary court approval, the Company will deal with the FireFly Shares as follows:

- (a) The Company's Board of Directors has resolved to utilize 2,409,639 FireFly Shares, totalling approximately \$1,200,000 to satisfy certain tax liabilities (the estimated capital gains) in connection with the Transaction.
- (b) With the remaining 27,880,985 FireFly Shares, the Board has resolved to proceed by:
 - (i) retaining 2,788,099 (10%) of the remaining FireFly Shares, with an aggregate value of \$1,388,473.30; and
 - (ii) distributing 25,092,886 (90%) of the remaining FireFly Shares, with an aggregate value of \$12,496,257.23, to the Shareholders (the "**Share Distribution**").

13. The Share Distribution will be carried out through a statutory plan of arrangement on a pro rata basis determined by each Eligible Shareholder's ownership percentage of the total issued and outstanding Shares. The non-Eligible Shareholders, being the U.S. Shareholders who are not U.S. Accredited Investors, will receive a cash distribution (in a currency to be determined by the Board) equivalent in value to the FireFly Shares such U.S. Shareholder would have been entitled to receive had they been Eligible Shareholders (the "**Cash Distribution**", together with the Share Distribution, the "**Arrangement**").

14. Under the *Securities Act*, RSBC 1996 c 418, securities cannot be distributed unless a prospectus is filed or if the issuer relies on an available prospectus exemption, as set forth in National Instrument 45-106 - Prospectus Exemptions, s. 2.11. To comply with regulatory standards, the Share Distribution will be conducted through a statutory plan of arrangement under section 288 of the BCBCA, as it stands as the sole available prospectus exemption to effect the Share Distribution.

15. The issuer that would have had to file a prospectus in this case would

have been FireFly. If Firefly filed a prospectus, it would become a reporting issuer under Canadian law. FireFly would not agree to the Transaction unless it was exempt from the requirement to file a prospectus. The only means to achieve this end was for the Share Distribution and the Cash Distribution to be pursued through a statutory plan of arrangement.

Background to the Transaction and the Arrangement

16. The Board reviewed a number of strategic alternatives in order to maximize shareholder value, including the sale of the Claims.

17. In 2022, the Company engaged in a concerted effort with local prospectors to consolidate mineral claims in Newfoundland. By July 2023, the Company raised \$720,000 in new funding for the further exploration and development of mineral claims in Newfoundland. The fundraising effort occurred amidst a challenging financial climate for junior explorers like the Company and a significant contraction in available risk capital, which limited the amount the Company could raise.

18. The challenging economic climate for junior explorers was also highlighted by the closure of an active mine (the Ming Mine) in April, 2023, and the insolvency of its owner, Rambler Metals and Mining Canada Limited ("**Rambler Metals**"). The Company's Claims in the Rambler Property are surrounding Rambler Metals' mining claims.

19. In or about August, 2023, the Company became aware that FireFly was to acquire certain mining assets from Rambler Metals in the area of the Claims, including the Ming Mine, and that FireFly successfully raised AUD\$50,000,000 in connection with this transaction.

20. In light of the challenging economic climate for the Company, FireFly's acquisition of the Rambler Metals mineral assets and FireFly's demonstrated fundraising ability, in August, 2023, the Company decided to engage with FireFly to see if a deal could be reached for the acquisition of the Claims.

21. Informal discussions took place in September 2023 regarding the possibility of a friendly business transaction between the Company and FireFly. In furtherance thereof, the Company and FireFly entered into a confidentiality agreement on November 23, 2023. Over the following weeks, a number of discussions were had with FireFly's representatives regarding the structure of a possible transaction occurred.

22. Following its strategic review, the Board determined that the Transaction is the best alternative available to the Company to maximize Shareholder value based on the future outlook of the Company's business. The sale of the Claims shall result in the Company no longer holding any assets in the Company's Rambler Property and Tilt Cove Property, and will provide the Company with the flexibility to pursue other strategic acquisitions and transactions.

23. In addition, prior to the Transaction, Gold Hunter had a market capitalization of approximately \$6,000,000-\$7,000,000. The \$15,084,730 (in FireFly

Shares) to be received by the Company and its Shareholders as part of the Transaction and Arrangement is more than double the Company's pre-Transaction market capitalization.

24. The Board met on several occasions during which the Board discussed the reasons described below under "Reasons and Support for the Arrangement" and concluded that the Company move to finalize the Purchase Agreement.

Reasons and Support for the Arrangement

25. Company's board of directors (the "**Board**") has unanimously concluded the Transaction and the Arrangement are in the Shareholders' and the Company's best interests, is fair to the Shareholders, and unanimously recommended the Shareholders vote in favour of the Transaction and the Arrangement Resolution.

26. In determining that the Transaction and the Arrangement are in the Shareholders' and the Company's best interests and are fair to the Shareholders, the Board considered and relied upon a variety of information and factors, including, among others, that the Transaction will:

- (a) **Shareholder Value:** The Board concluded that the value offered to Shareholders under the Purchase Agreement is the most favourable option to maximize Shareholder value, as it permits the Company to distribute some immediate value to the Shareholders.
- (b) **Other Opportunities:** The Board considered the resulting Purchase Price will allow the Company, having retained 2,788,099 FireFly Shares with an aggregate value of \$1,388,473.30, to pursue other opportunities that the Board believes will provide Shareholders with increased value.
- (c) **Voting and Support:** The officers, directors, and certain Shareholders have agreed to vote in favour of the Transaction Resolution and the Arrangement Resolution.
- (d) **Dissent Rights:** The availability of dissent rights to the registered Shareholders with respect to the Transaction Resolution.
- (e) **Shareholder Approval Requirement:** The requirement that the Transaction Resolution and the Arrangement Resolution be passed by at least two-thirds of the votes cast at the Meeting in person or by proxy by the Shareholders.
- (f) **Terms of the Purchase Agreement:** The terms of the Purchase Agreement are the result of a comprehensive negotiation process and the terms of the Purchase Agreement are very reasonable in the judgement of the Board.

27. The Board also considered that conducting the Share Distribution through the Arrangement was the only prospectus exemption available to distribute the FireFly Shares to the Canadian Shareholders and that the only available registration exemption

for Shareholders resident in the United States is the U.S Accredited Investor exemption. As such, the Board determined that the optimal method of distributing the value of the FireFly Shares to the Shareholders was by effecting the Share Distribution for Eligible Shareholders and the Cash Distribution for U.S. Shareholders.

The Meeting and Shareholder Approval

28. The Company held its Annual General and Special Meeting on March 15, 2024 (the "**Meeting**").

29. At the Meeting, Shareholders were asked to vote on, among other things, two separate resolutions: one approving the Transaction (the "**Transaction Resolution**") and the other approving the Arrangement (the "**Arrangement Resolution**").

30. The voting thresholds to approve each of the Transaction Resolution and the Arrangement Resolution were 66 $\frac{2}{3}$ % of the votes cast by Shareholders who were entitled to vote and were present in person or by proxy at the Meeting.

31. Of the 20,843,122 Shares voted in person or by proxy at the Meeting, 20,456,122, or 98.143%, were cast in favour of each of the Transaction Resolution and the Arrangement Resolution.

32. No Shareholder or other person in attendance at the Meeting voiced any opposition to the Transaction Resolution or the Arrangement Resolution, or the Arrangement generally, at the Meeting.

Interests of Certain Persons in the Arrangement

33. As of the Record Date the Company's directors and executive officers, and their associates and affiliates, as a group, beneficially owned, directly or indirectly, or exercised control or direction over an aggregate of 1,393,000 Shares, representing approximately 3.57% of the issued and outstanding Shares.

No Creditor Impact

34. The Arrangement does not contemplate a compromise of any debt or debt instruments of the Company and no creditor of the Company will be negatively affected by the Arrangement.

Dissent Rights

35. The Registered Shareholders were provided with the right to dissent regarding the Transaction Resolution. No Registered Shareholder exercised their right of dissent.

36. The Registered Shareholders are not being provided with the right to dissent regarding the Arrangement Resolution.

37. The Board determined that it was not appropriate to provide the Registered Shareholders with a right to dissent in respect of the Arrangement Resolution because the Registered Shareholders were already being provided with a right to dissent in respect of the Transaction Resolution, making the right to dissent in respect of the Arrangement Resolution superfluous and the other elements of the Arrangement and Transaction did not trigger a right to dissent under the *BCBCA*.

PART 3: LEGAL BASIS

The Approval Process

1. Before an arrangement proposed under section 288(1) of the *BCBCA* takes effect, the arrangement must be: (a) adopted in accordance with section 289; and (b) approved by the Court under section 291.

BCBCA, s. 288(2)

2. This process typically proceeds in three steps:

- (a) the first step is an application for an interim order for directions for calling a security holders' meeting to consider and vote on the proposed arrangement. The first application proceeds *ex parte* because of the administrative burden of serving securityholders;
- (b) the second step is the meeting of the securityholders, where the proposed arrangement is voted upon, and must be approved by a special resolution; and
- (c) the third step is the application for final court approval of the arrangement.

Mason Capital Management LLC v. TELUS Corp.,
2012 BCSC 1582 at para. 30 [Telus Corp.]

3. However, there is no requirement under the *BCBCA* that an interim order must be granted prior to, or as a condition of, this Court pronouncing an arrangement fair and reasonable.

4. There is no mandatory requirement for a court order calling a meeting to approve an arrangement. Such a requirement was a requirement of the now repealed *Company Act*, RSBC 1996, c 62, s. 252(1) but was not carried over into the successor legislation, the *Business Corporations Act*, SBC 2002 c 57.

5. Under the *BCBCA*, a company is able to call one or more meetings of shareholders as contemplated by s. 289(1)(a), (b), or (c), without obtaining any court order in respect of the holding of that meeting, which is typically referred to as the "interim order" in arrangement proceedings.

6. A court ordered meeting was not necessary in this case as the arrangement is being approved by a special resolution under s. 289(1)(a), because all

the requirements relating to the calling and holding of the necessary meetings would be covered by the definitions of special resolution and special separate resolution in s. 1(1), the provisions of the *BCBCA* relating to the calling and holding of meetings, and the Company's articles.

7. The Company is not relying on the exemption from registration for securities issued to US securityholders under s. 3(a)(10) of the United States *Securities Act of 1933* (the "**1933 Act**"). The exemption under the 1933 Act for registration requires the Court to be advised of the Petitioner's intention to rely on the s.3(a)(10) exemption prior to the hearing required to approve the arrangement. As the exemption is not being relied on, a common purpose of a petitioner applying for an interim order did not exist in the case of this particular Arrangement.

The Proposed Arrangement is an "arrangement" under the BCBCA

8. The *BCBCA* defines an arrangement using broad and inclusive terms. Pursuant to section 288(1) of the *BCBCA*, "a company may propose an arrangement with shareholders, creditors or other persons and may, in that arrangement, make any proposal it considers appropriate".

9. The Company satisfies the definition of a "company" under Section 1(1) of the *BCBCA*.

10. The Arrangement involves the distribution of the Company's property (being the FireFly Shares) to its Shareholders, and is an "arrangement" under the *BCBCA*.

BCBCA, s. 288

Service of the Petition and Notice of Proceedings

11. Section 235(1) of the *BCBCA* permits any application to the court under the *BCBCA* to be brought without notice unless specifically required under subsection 235(2) or otherwise under the *BCBCA*. Subsection 235(2) permits the court to direct that notice of any application under the *BCBCA* be served on persons required by the Court.

12. Section 291(2) of the *BCBCA* permits the court to make any order it considers appropriate in respect of a proposed arrangement including, under subsection 291(2)(a), an order dispensing with notice to any person in relation to any application to court under Part 9, Division 5, being the *BCBCA*'s arrangement provisions.

13. The Company made the Petition and Notice of Hearing of Petition available on SEDAR promptly after the Petition was filed. The Shareholders have known of the Company's intention to obtain a final order of this Court approving the Arrangement since receiving the Company's Meeting Materials which contemplated a vote on the Arrangement Resolution. No Shareholder or other party has advised the Company they oppose the Arrangement proceeding or intended to oppose the Arrangement's approval by this Court.

The Final Order

14. Final approval of a plan of arrangement should be granted if the Court is satisfied that:

- (a) the statutory requirements have been met;
- (b) the application has been put forward in good faith; and
- (c) the arrangement is fair and reasonable.

BCE Inc., 2008 SCC 69, para. 137

15. In order to determine whether an arrangement is fair and reasonable, a Court must be satisfied that: (a) the arrangement has a valid business purpose; and (b) the objections of those whose legal rights are being arranged are being resolved in a fair and balanced way.

BCE Inc., 2008 SCC 69 at paras. 138 and 145

16. The Arrangement has a valid business purpose, as set out above in Part 2 where a number of factors identified by the Board in respect of their recommendation to vote in favour of the Transaction Resolution Arrangement Resolution are identified.

17. Courts have considered a variety of factors, depending on the nature of the case, to determine whether the objections of those whose legal rights are being arranged are being resolved in a fair and balanced way. No one factor is conclusive and the relevance of particular factors varies from case to case. The factors considered by courts include:

- (a) whether a majority of security holders voted to approve the arrangement;
- (b) the proportionality of the compromise between various security holders, the security holders' position before and after the arrangement and the impact on various security holders' rights.
- (c) the repute of the directors and advisors who endorse the arrangement and the arrangement's terms;
- (d) whether the plan has been approved by a special committee of independent directors;
- (e) the presence of a fairness opinion from a reputable expert; and
- (f) the access of shareholders to dissent and appraisal remedies.

BCE Inc., 2008 SCC 69, paras. 149-152

18. A significant factor considered in determining whether an arrangement is fair and reasonable is the result of the securityholder vote approving the arrangement.

In *Re Gold Texas Resources Ltd*, [1989] BCJ No 167 (SC) [TAB 3], McLachlin CJSC (as she then was) stated, at para. 32:

32 The arrangement must be one that a business person would reasonably approve. In making this determination, the Court will pay deference to the vote of the majority. As Palmer, *supra*, states at p.79-18:

The Court will ... be strongly influenced by a big majority vote, for, provided that the scheme is fair and equitable, the court will not itself judge upon the commercial merits, which is the function of the class itself. The court will be slow to differ from the majority.

See also *BCE Inc.*, 2008 SCC 69, para. 150

19. Over 98% of the Shareholders who voted in respect of the Transaction Resolution and the Arrangement Resolution voted in favour.

20. The Shareholders had a right to dissent in respect of the Transaction Resolution.

BCBCA, ss. 238(1)(e), 301(5)

21. No right of dissent is automatically provided under the *BCBCA* in respect of an arrangement. Division 2 of Part 8 of the *BCBCA* contains the *BCBCA*'s dissent provisions. Subsection 238(1) of the *BCBCA* provides that a shareholder of a company is only entitled to dissent "in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent; ..."

BCBCA, s. 238(1)(d)

22. Further, under s. 291(2)(c) of the *Act*, the Court may permit "shareholders" to dissent in respect of any proposed arrangement.

23. This Court in *Re United Flower Growers Co-Operative Assn.*, 2015 BCSC 1169 [*United Flower Growers*] recently confirmed that a plan of arrangement under the *BCBCA* need not contain dissent rights in order to find that objections are being resolved in a fair and reasonable way. Justice B.J. Brown, after identifying the grounds upon which the Petitioner based its decision not to afford dissent rights, concluded as follows:

70 I am satisfied that these are valid reasons for not granting redemption rights in this case. I am also persuaded by the decision of Mr. Justice Spence in *Electrohome Ltd., Re* (1998), 4 C.B.R. (4th) 239 (Ont. Gen. Div. [Commercial List]), at 243, citing counsel's submissions:

It is important to note that the Plan is a "pure" arrangement; unlike a "plan of compromise and arrangement" proposed concurrently under the *Act* and the Companies' Creditors

Arrangement Act (Canada), it does not involve any settlement or compromise of rights of any shareholder of the corporation. Dissent rights are more appropriate to such "hybrid" restructurings, in which the shareholders have been deprived of rights attaching to their securities, or "going private" transactions, in which the interests of shareholders have been, in effect, expropriated; in either case, the role of dissent rights is to ensure that shareholders who object to the proposed transaction are able to obtain the fair value of their securities.

United Flower Growers, para. 70

24. The Arrangement does not contemplate the compromise of rights of any Shareholder of the Company. The present Arrangement is a "pure" arrangement. The Arrangement essentially concerns a dividend of shares being issued to Shareholders. The Arrangement process provides an exemption from prospectus filing requirements and is not being relied on to take away any Shareholder rights, legal or otherwise.

25. The Shareholders will retain the benefit of the FireFly Shares, both through their personal shareholdings post-Arrangement, and through their unaffected shareholdings in the Company that will retain some of the FireFly Shares.

26. The Petitioner respectfully request this Court approve the Arrangement as fair and reasonable to those affected by it.

27. Rules 4-4, 4-5, 8-1, and 16-1 of the *Supreme Court Civil Rules*.

28. Sections 186 and 288 to 291 of the BCBCA.

PART 4: MATERIAL TO BE RELIED ON

1. Affidavit #1 of Sean Kingsley, made 08/APR/2024.

2. Further Affidavits to be made on behalf of the Petitioner, reporting as to compliance with the Interim Order and the results of the Meeting conducted pursuant to the Interim Order;

3. Such other documents as counsel may advise.

The Petitioner estimates that the hearing of the Petition will take 15 minutes.

Date: 08/APR/2024

“Sean Tessarolo”
Signature of Lawyer for Petitioners
Lawyer: Clark Wilson LLP,
Sean Tessarolo

This PETITION TO THE COURT is prepared by Sean Tessarolo of the firm of **Clark Wilson LLP** whose place of business is 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1 (Direct #: 604.643.3157, Fax #: 604.687.6314, Email: STessarolo@cwilson.com) (File #: 49566-0005).

<i>To be completed by the court only:</i>	
Order made	
<input type="checkbox"/>	in the terms requested in paragraphs _____ of Part 1 of this Petition
<input type="checkbox"/>	with the following variations and additional terms:

Date: _____	_____
[dd/mmm/yyyy]	Signature of <input type="checkbox"/> Judge <input type="checkbox"/> Master

Schedule "A"

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF SECTIONS 288 TO 299 OF THE *BUSINESS
CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

- AND -

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
GOLD HUNTER RESOURCES INC.

GOLD HUNTER RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE)
)
) BEFORE THE HONOURABLE)
) JUSTICE) April ♦, 2024
)
)

ON THE APPLICATION of the Petitioner, Gold Hunter Resources Inc. (the "**Company**"), pursuant to sections 186 and 288-297 of the *Business Corporations Act*, S.B.C. 2002, c. 57 ("**BCBCA**"), coming on for hearing at Vancouver, British Columbia on April ♦, 2024; AND ON HEARING Sean Tessarolo, counsel for the Petitioner, AND UPON no one appearing on behalf of the holders of the Company's common shares (the "**Shareholders**"), or any other affected parties; AND UPON READING the Petition to the Court filed April 8, 2024; AND UPON READING the materials filed herein including the Affidavit #1 of Sean Kingsley made April 8, 2024; AND UPON IT APPEARING that the Shareholders and other affected parties had sufficient notice of the Company's Annual General and Special Meeting of Shareholders; AND UPON IT APPEARING that the Shareholders approved the Arrangement by way of a special resolution; AND UPON CONSIDERING the fairness to the parties affected thereby of the terms and conditions of the Plan of Arrangement, and of the transactions contemplated by the Plan of Arrangement,

THIS COURT ORDERS AND DECLARES THAT:

1. All definitions used in this Order shall have the meanings ascribed thereto in the Petition;
2. Pursuant to s. 291(2)(a) of the BCBCA, service of the Petition and affidavits filed in this proceeding on the Shareholders is dispensed with;

3. The Arrangement as set forth in the Plan of Arrangement, a copy of which is attached hereto as Schedule "A", shall be and is hereby approved.
4. The Arrangement set forth in the Plan of Arrangement, including the terms and conditions thereof, is procedurally and substantively fair and reasonable to those affected by it.
5. The Arrangement shall be implemented in the manner and sequence set forth in the Plan of Arrangement, and pursuant to sections 291, 292 and 296 of the BCBCA, the Arrangement will take effect as of the Effective Time (as defined in the Plan of Arrangement).
6. The Arrangement as set forth in the Plan of Arrangement shall be binding upon the Petitioner and those affected by it.
7. The Petitioner shall be entitled to seek the advice and direction of this Court as to the implementation of this Order or to apply for such further Order or Orders as may be appropriate.

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 the Petitioner, Gold
Hunter Resources Inc.

Sean Tessarolo

BY THE COURT

REGISTRAR

SCHEDULE A

SCHEDULE A
PLAN OF ARRANGEMENT
GOLD HUNTER RESOURCES INC.
PLAN OF ARRANGEMENT
UNDER SECTION 288 OF THE
BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE I
DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, the following terms have the following meanings (and grammatical variations of such terms have corresponding meanings):

- (a) "Arrangement" means the arrangement under section 288 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 6.1 of this Plan of Arrangement or made at the discretion of the Court in the Court Order with the prior written consent of the Company;
- (b) "Arrangement Resolution" means the special resolution of Company Shareholders approving this Plan of Arrangement;
- (c) "BCBCA" means the *Business Corporations Act* (British Columbia);
- (d) "Business Day" means a day other than a Saturday, a Sunday or any other day on which commercial banking institutions in Vancouver, British Columbia are authorized or required by applicable Law to be closed;
- (e) "Cash Distribution" has the meaning ascribed thereto in Section 3.1(a)(ii);
- (f) "Company" means Gold Hunter Resources Inc.;
- (g) "Company Meeting" means the annual general and special meeting of Company Shareholders to be held on March 15, 2024, or any other date as the Company may reasonably determine;
- (h) "Company Shares" means the common shares in the capital of the Company;
- (i) "Company Shareholder" means together, the Eligible Shareholders and the U.S. Shareholders;
- (j) "Court" means the Supreme Court of British Columbia;

- (k) "Court Order" means the order of the Court pursuant to section 291 of the BCBCA approving the Arrangement, as such order may be amended by the Court at any time prior to the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed or as amended (provided that such amendment is satisfactory to the Company) on appeal;
- (l) "Deemed Issue Price" means the deemed issue price of the FireFly Shares as determined in the Purchase Agreement, being \$0.498 per FireFly Share;
- (m) "Distribution Agent" means Computershare Investor Services Inc., or such other person as the Company may appoint to act as distribution agent in relation to the Arrangement;
- (n) "Effective Date" means the date that is the later of: (i) the date on which the Company obtains the Court Order; or (ii) the date on which FireFly Metals Ltd. issues the FireFly Shares to the Company upon closing of the transactions contemplated by the Purchase Agreement;
- (o) "Eligible Shareholders" means the registered and/or beneficial owners of the Company Shares, other than the U.S. Shareholders;
- (p) "FireFly Share Registry" means Computershare Investor Services Pty Limited;
- (q) "FireFly Shares" means the common shares in the capital of FireFly Metals Ltd.;
- (r) "Governmental Entity" means (a) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public body, authority or department, central bank, court, tribunal, arbitral or adjudicative body, commission, commissioner, cabinet, board, bureau, minister, ministry, governor-in-council, agency or instrumentality, domestic or foreign; (b) any subdivision, agent or authority of any of the foregoing; (c) any quasi-governmental, administrative or private body, including any tribunal, commission, committee, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange (including the Canadian Securities Exchange);
- (s) "ISS" means issuer sponsored holding statement, being the Australian equivalent of a direct registration statement;
- (t) "Laws" means all laws, statutes, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or other requirements of any Governmental Authority having the force of law and any legal requirements arising under the common law or principles of law or equity and the term "applicable" with respect to such Laws and, in the context that refers to any person, means such Laws as are applicable at the relevant time or times to such person or its business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over such person or its business, undertaking, property or securities;

- (u) "Market Price" means, at any date, the volume weighted average trading price per FireFly Share at which FireFly Shares have traded on the Australian Securities Exchange during the 10 consecutive Trading Days before such date;
- (v) "Plan of Arrangement" means this plan of arrangement as amended, modified or supplemented from time to time in accordance with Section 6.1 of this plan of arrangement or at the direction of the Court in the Court Order, with the consent of the Company;
- (w) "Purchase Agreement" means the share purchase and sale agreement between the Company and FireFly Metals Ltd., dated December 21, 2023;
- (x) "Record Date" means the date that is determined by the Board as the record or ex-dividend date for the purposes of determining the Company Shareholders entitled to participate in the Share Distribution;
- (y) "Regulation D" means Regulation D as promulgated by the United States Securities and Exchange Commission under the U.S. Securities Act;
- (z) "Share Distribution" has the meaning ascribed thereto in Section 3.1(a)(i);
- (aa) "Tax Act" means the *Income Tax Act* (Canada);
- (bb) "Trading Day" means a day on which a stock exchange is open for the transaction of business;
- (cc) "U.S. Accredited Investor" means an "accredited investor" as defined in Rule 501(a) of Regulation D;
- (dd) "U.S. Securities Act" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;
- (ee) "U.S. Shareholders" means the registered and/or beneficial owners of the Company Shares that are resident in the United States and are not U.S. Accredited Investors; and
- (ff) "U.S. Tax Code" means the *United States Internal Revenue Code of 1986*, as amended.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereto", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

1.3 Number, Gender and Persons

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

1.4 Date for any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day. Time shall be of the essence in every matter or action contemplated under this Plan of Arrangement.

1.5 Statutory References

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

1.6 Currency

All references to dollars or to \$ are references to Canadian dollars. In the event that that any amounts are required to be converted from a foreign currency to Canadian dollars or vice versa, such amounts shall be converted using the most recent closing exchange rate of The Bank of Canada available before the relevant calculation date.

1.7 Governing Law

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

**ARTICLE 2
BINDING EFFECT**

2.1 Binding Effect

The Arrangement shall, without any further act of formality required on the part of any person, become effective on and after the Effective Date and shall be binding at or after the times referred to in Section 3.1 upon: (a) the Company; (b) the Company Shareholders; (c) any transfer agent of the Company; and (d) all other persons, and in each case their respective agents, heirs, executors, administrators and other legal representatives, successors and assigns.

**ARTICLE 3
ARRANGEMENT**

3.1 Arrangement

- (a) On the Effective Date, the following shall occur and shall be deemed to occur concurrently as set out below without any further authorization, act or formality:

- (i) the Company shall distribute such number of FireFly Shares, as determined by the Board on or before the Effective Date, to the Eligible Shareholders on a pro-rata basis determined by each such Eligible Shareholder's ownership percentage of the total issued and outstanding Company Shares as at the Record Date (the "Share Distribution"), subject to the provisions of Section 5.1; and
- (ii) the Company shall make a cash payment (in such currency as may be determined by the Board) to each U.S. Shareholder that is equal to the lesser of (i) the Deemed Issue Price; or (ii) the Market Price of the FireFly Shares on the Effective Date, multiplied by the number of FireFly Shares that such U.S. Shareholder would have been entitled to receive under 3.1(a) had the U.S. Shareholder been an Eligible Shareholder (the "Cash Distribution"), subject to the provisions of Section 5.1.

3.2 No Fractional FireFly Shares and Rounding of Cash Distribution

- (a) No fractional FireFly Shares shall be issued to the Eligible Shareholders. The number of FireFly Shares to be issued to the Eligible Shareholders shall be rounded down to the nearest whole number of FireFly Shares in accordance with the BCBCA (with no compensation in lieu of such fractional share) in the event that an Eligible Shareholder is entitled to a fractional share.
- (b) If the aggregate cash amount which a U.S. Shareholder is entitled to receive pursuant to Section 3.1(a)(ii) would otherwise include a fraction of \$0.01, then the aggregate cash amount to which such U.S. Shareholder shall be entitled to receive shall be rounded up to the nearest whole \$0.01.

ARTICLE 4 DISSENT RIGHTS

4.1 Dissent Rights

- (a) The Company Shareholders will not be given the right to dissent in respect of the Arrangement Resolution and accordingly, the dissent proceedings contained in Division 2 of Part 8 of the BCBCA do not apply to the Arrangement Resolution.

ARTICLE 5 CERTIFICATES AND PAYEMENT

5.1 Delivery of Share Distribution or Cash Distribution

- (a) As soon as reasonably practicable before the Effective Date, the Company will deliver or arrange to be delivered to the Distribution Agent:
 - (i) an executed Australian master transfer form and ISS or such other instruments representing the FireFly Shares required to be issued and delivered to the Eligible Shareholders in accordance with Section 3.1(a)(i), which ISS or other such instruments will be held by the Distribution Agent as agent and nominee for distribution to the Eligible Shareholders in accordance with the provisions of this Plan of Arrangement; and
 - (ii) cash (in such currency as may be determined by the Board) equal to the amount of the total Cash Distribution calculated in accordance with Section 3.1(a)(ii), which

cash will be held by the Distribution Agent as agent for distribution to the U.S. Shareholders in accordance with the provisions of this Plan of Arrangement.

- (b) As soon as reasonably practicable after the Effective Date, and with no further action required from the Company Shareholders, the Distribution Agent will:
 - (i) provide to the FireFly Share Registry details of the Eligible Shareholders entitled to receive FireFly Shares pursuant to Section 3.1(a)(i), which shall be registered in the same name or names as their Company Shares, subsequent to which the FireFly Share Registry will issue an ISS to each Eligible Shareholder's registered address; or
 - (ii) deliver to each U.S. Shareholder the Cash Distribution pursuant to Section 3.1(a)(ii).

5.2 Withholding Rights

The Company and the Distribution Agent, as applicable, shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any person hereunder and from all dividends or other distributions otherwise payable to any Company Shareholder under this Plan of Arrangement such amounts as the Company or the Distribution Agent may be required or permitted to deduct and withhold therefrom under any provision of applicable laws in respect of tax, including under the Tax Act, the U.S. Tax Code, and the rules and regulations promulgated thereunder, or any provision of any provincial, state, local or foreign tax law as counsel may advise is required to be so deducted and withheld by the Company or the Distribution Agent, as the case may be. For the purposes hereof, to the extent that such amounts are so deducted and withheld, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction and withholding was made on account of the obligation to make payment to such person to whom such amounts would otherwise have been paid hereunder, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity by or on behalf of the Company or the Distribution Agent, as the case may be. To the extent necessary, such deductions and withholdings may be effected by selling any FireFly Shares which any such person may otherwise be entitled under this Plan of Arrangement on behalf of such person to satisfy such person's tax liability, and any amount remaining following the sale, deduction and remittance shall be paid to the person entitled thereto as soon as reasonably practicable.

5.3 No Additional Consideration

No Company Shareholder shall be entitled to receive any consideration or entitlement with respect to any Company Shares, other than any consideration or entitlement to which such holder is entitled to receive in accordance with Section 3.1 and the other terms of this Plan of Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

5.4 Paramountcy

From and after the Effective Date: (a) this Plan of Arrangement shall take precedence and priority over any and all rights related to Company Shares issued and outstanding immediately prior to the Effective Date; (b) the rights and obligations of the Company, the Company Shareholders, any transfer agent therefor, and the Distribution Agent therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement; and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any

Company Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 6 AMENDMENTS

6.1 Amendments to Plan of Arrangement

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

6.2 Further Assurances

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

No. Vancouver Registry

IN THE SUPREME COURT OF BRITISH
COLUMBIA

IN THE MATTER OF SECTIONS 288
TO 299 OF THE *BUSINESS*
CORPORATIONS ACT, S.B.C. 2002,
CHAPTER 57, AS AMENDED

- AND -

IN THE MATTER OF A PROPOSED
ARRANGEMENT INVOLVING GOLD
HUNTER RESOURCES INC.

GOLD HUNTER RESOURCES INC.
PETITIONER

ORDER MADE AFTER APPLICATION

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