



This is the 1<sup>st</sup> Affidavit  
of Sean Kingsley in this case  
and was made on 08/APR/2024

No. S - 242251  
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

**AFFIDAVIT**

SK  
ST 5860

I, Sean Kingsley, of Unit 616-6850 Dover Crescent, Richmond, British Columbia,  
AFFIRM THAT:

1. I am a director, the President and Chief Executive Officer of the Petitioner, Gold Hunter Resources Inc. ("**Gold Hunter**" or the "**Company**"), and the sole director of 1451366 B.C. Ltd. (the "**Subsidiary**"), and as such have personal knowledge of the facts hereinafter deposed to except where stated to be on information and belief, in which case I verily believe them to be true.
2. I have read the Petition herein, and to the best of my knowledge, information and belief, the facts set out in the Petition are true. Unless defined otherwise in this Affidavit, the capitalized terms in this Affidavit have the same meaning as in the Petition. The Petition is attached to this Affidavit as **Exhibit "A"**.
3. This Affidavit is made in support of the Petition for a final order in connection with a proposed plan of arrangement giving effect to an arrangement (the "**Arrangement**") under Sections 288, 289, 290 and 291 of the *British Columbia Business Corporations Act*, S.B.C 2002., C. 57, as amended (the "**BCBCA**") involving the Company.

## A. Overview of the Transaction and Arrangement

### I. Parties to the Transaction and Arrangement

4. 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.

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

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

7. On December 21, 2023, the date immediately preceding the announcement of the Transaction and the Arrangement, the closing price for the Shares was \$0.24.

8. Attached to this Affidavit as **Exhibit "B"** is a copy of the Company's Articles.

9. The Subsidiary is a company 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.

10. 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".

### II. Purpose and Principal Features of the Transaction and Arrangement

11. 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**").

12. On December 21, 2023, the Company's board of directors passed a unanimous directors resolution approving and authorizing the Company to enter into the Purchase Agreement and resolving that it was in the Company's best interest to do so. Attached as **Exhibit "C"** is a copy of the Directors' Resolution approving the Purchase Agreement.

13. The Company issued a news release on the SEDAR platform announcing the entry into of the Purchase Agreement. Attached to this Affidavit as **Exhibit "D"** is a copy of news release dated December 21, 2023.

14. On February 5, 2024, the Company circulated a consent solicitation statement (the "**Consent Solicitation**") to its Registered Shareholders for the purpose of demonstrating broad and informed support among the Shareholders for the Transaction in advance of the Meeting, emphasizing its strategic and financial benefits to ensure fairness and transparency. Attached as **Exhibit "E"** is a copy of the Consent Solicitation statement sent by the Company to its Shareholders.

15. In response to the Consent Solicitation, the Company received executed Consent Solicitations from Shareholders holding 26,372,686 eligible votes in respect of the Transaction, representing 67.64% of the total issued and outstanding Shares.

16. 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.

17. 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.

18. The Transaction closed on March 26, 2024.

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

20. 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**").

21. 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**").

22. 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.

23. 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.

### III. Background to the Transaction and the Arrangement

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

25. 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. While a noteworthy achievement, 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. A simple fundraising effort such as this should have only taken 2-3 weeks, but instead took four months.

26. 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.



27. 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.

28. 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.

29. 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.

30. 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.

31. 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.

32. 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.

#### **IV. Reasons and Support for the Arrangement**

33. 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.

34. 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.

35. 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.

## **B. The Information Circular**

36. Attached to this Affidavit as **Exhibit "F"** is a copy of the Company's Management Information Circular (the "**Information Circular**"), from the Company's Annual General and Special meeting held on March 15, 2024 at 10:00 a.m. (Vancouver Time).

37. To the best of my knowledge, information and belief, the Information Circular's contents are true.

38. I believe that the Information Circular contains the disclosure required by Canadian securities laws with respect to a proposed transaction such as the Transaction and the Arrangement and is designed to provide the Shareholders and other affected persons with sufficiently detailed information to form a reasoned judgment with respect to the effects and desirability of the Transaction and the Arrangement and that the Information Circular also includes a description of the interests of any directors or officers of the Company in respect of the Transaction and the Arrangement.

39. Attached as **Exhibit "G"** is a copy of the Notice of Annual General and Special Meeting of Shareholders (the "**Notice**") for the Meeting.

40. Attached as **Exhibit "H"** is a copy of the Form of Proxy used by Registered Shareholders to vote at the Meeting.

41. Attached as **Exhibit "I"** is a copy of the Voting Instruction Form used by non-registered Shareholders to vote at the Meeting.

42. On February 22, 2022, the Company posted on SEDAR:

- (a) the Form of Proxy;
- (b) the Voting Instruction Form;
- (c) the Notice; and
- (d) the Information Circular,

(collectively, the ("**Meeting Materials**").

43. TSX Trust Company effected delivery of the Meeting Materials to the Registered Shareholders and the non-objecting beneficial Shareholders. Broadridge Financial Solutions, Inc. effected delivery of the Meeting Materials to the objecting beneficial Shareholders.

### **C. The Meeting and Shareholder Approval**

44. I attended the Meeting which was held on March 15, 2024, at 10:00 a.m., at the offices of Clark Wilson LLP, 900-885 West Georgia St., Vancouver, BC. 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**").

45. I served as Chair of the Meeting.

46. I am advised by Virgil Hlus, of Clark Wilson LLP, that the Meeting was called, convened, and conducted in accordance with the provisions of the BCBCA, applicable securities regulations, and the Company's constating documents.

47. The quorum for transacting business at a meeting of the Company's shareholders is two shareholders, or one or more proxyholders representing two shareholders, or one shareholder and a proxyholder representing another shareholder. I confirm that a quorum was present at the Meeting.

48. The voting thresholds to approve each of the Transaction Resolution and the Arrangement Resolution were 66<sup>2/3</sup>% of the votes cast by Shareholders who were entitled to vote and were present in person or by proxy at the Meeting.

49. Attached to this Affidavit as **Exhibit "J"** is a copy of the minutes from the Meeting.

50. Katie Tsui of TSX Trust Company acted as the Meeting's Scrutineer. Attached to this Affidavit as **Exhibit "K"** is a copy of the Final Scrutineer's Report from the Meeting, which contains, among other things, a report on attendance at the Meeting and a report on the ballot to approve the Transaction Resolution and the Arrangement Resolution, which confirms that a quorum was present at the Meeting and that the required Shareholder approval was obtained, such that the Transaction Resolution and the Arrangement Resolution passed.

51. According to the Scrutineer's Report on the votes in respect of the Transaction Resolution, 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.

52. 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.

53. Attached to this Affidavit as **Exhibit "L"** is a copy of the Transaction Resolution passed at the Meeting.

54. Attached to this Affidavit as **Exhibit "M"** is a copy of the Arrangement Resolution passed at the Meeting.

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

55. 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.

#### **E. No Creditor Impact**

56. The Company is virtually debt free, except for some minor accounts payable and other current liabilities which the Company is able to pay. Attached to this Affidavit as **Exhibit "N"** is a copy of the Company's latest interim financial statements, the Condensed Consolidated Interim Statements of Financial Position as at November 30, 2023 and August 21, 2023.

57. 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.

#### **F. Dissent Rights**

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

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

60. 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.

61. 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.

62. I make this Affidavit in support of an application, pursuant to Section 291(4) of the BCBCA, for a final order approving the Arrangement contemplated in the Plan of Arrangement. In doing so, I am satisfied that the Company and its Board are acting in good faith in bringing forward this application.

AFFIRMED BEFORE ME at )  
Vancouver, British Columbia, on )  
April 8, 2024 )

"Sean Tessarolo" )  
\_\_\_\_\_)  
A Commissioner for taking )  
Affidavits for British Columbia )

"Sean Kingsley" )  
\_\_\_\_\_)  
**Sean Kingsley**

**SEAN TESSAROLO**  
*Barrister & Solicitor*  
CLARK WILSON LLP  
900 - 885 WEST GEORGIA STREET  
VANCOUVER, BC V6C 3H1  
T. 604.687.5700

This is Exhibit "A" referred to in the affidavit of  
...SEAN KINGSLEY... sworn (or affirmed)  
before me] on ...08/ APR /2024...[dd/mmm/yyyy]  
"Sean Tessarolo"  
.....  
A Commssioner for taking Affidavits  
within British Columbia

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:	<b>Clark Wilson LLP</b> 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:	<b>Clark Wilson LLP</b> 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 662/3% 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.

"Sean Tessarolo"

Date: 08/APR/2024

~~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).

<b>To be completed by the court only:</b>	
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: _____	Signature of <input type="checkbox"/> Judge <input type="checkbox"/> Master
[dd/mmm/yyyy]	

This is Exhibit "D" referred to in the affidavit of

SEAN KINGSLEY swom (or affirmed)

before me on 08/APR/2024 [dd/mmm/yyyy]

"Sean Tessarolo"

.....  
A Commissioner for taking Affidavits  
within British Columbia

# Gold Hunter Resources Inc.

(the "Company")

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## 1. INTERPRETATION

### 1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) “board of directors”, “directors” and “board” mean the directors or sole director of the Company for the time being;
- (2) “*Business Corporations Act*” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (3) “legal personal representative” means the personal or other legal representative of the shareholder;
- (4) “registered address” of a shareholder means the shareholder’s address as recorded in the central securities register;
- (5) “seal” means the seal of the Company, if any.

### 1.2 *Business Corporations Act* and *Interpretation Act* Definitions Applicable

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

## 2. SHARES AND SHARE CERTIFICATES

### 2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

### 2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

### 2.3 Shareholder Entitled to Certificate or Acknowledgment

Unless the shares of which the shareholder is the registered owner are uncertificated shares within the meaning of the *Business Corporations Act*, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder’s name or (b) a non-transferable written acknowledgment of the shareholder’s right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or an acknowledgment to one of several joint shareholders or to one of the joint shareholders’ duly authorized agent will be sufficient delivery to all.

### 2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgment of a shareholder’s right to obtain a share certificate may be sent to the shareholder by mail at the shareholder’s registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

## 2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgment

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

- (1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgment, as the case may be.

## 2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment

If a share certificate or a non-transferable written acknowledgment of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgment, as the case may be, must be issued to the person entitled to that share certificate or acknowledgment, as the case may be, if the directors receive:

- (1) proof satisfactory to them that the share certificate or acknowledgment is lost, stolen or destroyed;
- (2) an indemnity bond sufficient in the Company's judgment to protect the Company from any loss that the Company may suffer by issuing a new certificate; and
- (3) satisfies any other reasonable requirements imposed by the directors.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, apparently destroyed or wrongfully taken if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

## 2.7 Recovery of New Share Certificate

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in addition to any rights under the indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

## 2.8 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

## 2.9 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.8, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

## 2.10 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as by law or statute or these Articles provided or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

### **3. ISSUE OF SHARES**

#### **3.1 Directors Authorized**

Subject to the *Business Corporations Act* and the rights of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

#### **3.2 Commissions and Discounts**

The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

#### **3.3 Brokerage**

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

#### **3.4 Conditions of Issue**

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
  - (a) past services performed for the Company;
  - (b) property;
  - (c) money; and
- (2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

#### **3.5 Share Purchase Warrants and Rights**

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

### **4. SHARE REGISTERS**

#### **4.1 Central Securities Register**

As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

#### **4.2 Closing Register**

The Company must not at any time close its central securities register.

## 5. SHARE TRANSFERS

### 5.1 Registering Transfers

The Company must register a transfer of a share of the Company if either:

- (1) the Company or the transfer agent or registrar for the class or series of share to be transferred has received:
  - (a) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
  - (b) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the *Business Corporations Act* and including the case where the Company has issued a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and
  - (c) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or
- (2) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met and the Company is required under the *Securities Transfer Act* to register the transfer.

#### 5.1A Waivers of Requirements for Transfer

The Company may waive any of the requirements set out in Article 5.1(1) and any of the preconditions referred to in Article 5.1(2).

### 5.2 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the Company or the transfer agent for the class or series shares to be transferred from time to time.

### 5.3 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

### 5.4 Signing of Instrument of Transfer

If a shareholder, or other appropriate person or agent who has actual authority to act on behalf of that person, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, but share certificates are deposited with the instrument of transfer, all the shares represented by such share certificates:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

### **5.5 Enquiry as to Title Not Required**

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

### **5.6 Transfer Fee**

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

## **6. TRANSMISSION OF SHARES**

### **6.1 Legal Personal Representative Recognized on Death**

In case of the death of a shareholder, the legal personal representative, or if the shareholder was a joint holder, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative, the directors may require proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

### **6.2 Rights of Legal Personal Representative**

The legal personal representative has the rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, if the appropriate evidence of appointment or incumbency within the meaning of the *Securities Transfer Act* has been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

## **7. ACQUISITION OF COMPANY'S SHARES**

### **7.1 Company Authorized to Purchase or Otherwise Acquire Shares**

Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

### **7.2 No Purchase, Redemption or Other Acquisition When Insolvent**

The Company must not make a payment or provide any other consideration to purchase or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.

### **7.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares**

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share; and

- (3) must not make any other distribution in respect of the share.

## 8. BORROWING POWERS

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as they consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

## 9. ALTERATIONS

### 9.1 Alteration of Authorized Share Structure

Subject to Article 9.3 and the *Business Corporations Act*, the Company may by resolution of the directors:

- (1) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (3) if the Company is authorized to issue shares of a class of shares with par value:
  - (a) decrease the par value of those shares; or
  - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (4) consolidate or subdivide all or any of its unissued or fully paid issued shares in any manner;
- (5) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (6) alter the identifying name of any of its shares; or
- (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*;

and, if applicable, alter its Notice of Articles and, if applicable, its Articles accordingly.

### 9.2 Special Rights and Restrictions

Subject to the *Business Corporations Act*, the Company may by special resolution:

- (1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or

- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued;

and alter its Notice of Articles and Articles accordingly.

### 9.3 Change of Name

The Company may by resolution of the directors authorize an alteration of its Notice of Articles in order to change its name or adopt or change any translation of that name.

### 9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

## 10. MEETINGS OF SHAREHOLDERS

### 10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

### 10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

### 10.3 Calling of Meetings of Shareholders

The directors may, whenever they think fit, call a meeting of shareholders, to be held at such time and place as may be determined by the directors.

### 10.4 Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

### 10.5 Record Date for Notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (1) if and for so long as the Company is a public company, 21 days;

- (2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

#### **10.6 Record Date for Voting**

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

#### **10.7 Failure to Give Notice and Waiver of Notice**

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

#### **10.8 Notice of Special Business at Meetings of Shareholders**

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (1) state the general nature of the special business; and
- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
  - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
  - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

### **11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS**

#### **11.1 Special Business**

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
  - (a) business relating to the conduct of or voting at the meeting;
  - (b) consideration of any financial statements of the Company presented to the meeting;
  - (c) consideration of any reports of the directors or auditor;
  - (d) the setting or changing of the number of directors;
  - (e) the election or appointment of directors;
  - (f) the appointment of an auditor;



- (g) the setting of the remuneration of an auditor;
- (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;
- (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

#### **11.2 Special Majority**

The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

#### **11.3 Quorum**

Subject to the special rights and restrictions attached to the shares of any class or series of shares and save as herein otherwise provided, the quorum for the transaction of business at a meeting of shareholders is two shareholders, or one or more proxyholder representing two members, or one member and a proxyholder representing another member.

#### **11.4 One Shareholder May Constitute Quorum**

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (1) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (2) that shareholder, present in person or by proxy, may constitute the meeting.

#### **11.5 Other Persons May Attend**

The directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

#### **11.6 Requirement of Quorum**

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

#### **11.7 Lack of Quorum**

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

#### **11.8 Lack of Quorum at Succeeding Meeting**

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

### **11.9 Chair**

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

### **11.10 Selection of Alternate Chair**

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

### **11.11 Adjournments**

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### **11.12 Notice of Adjourned Meeting**

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

### **11.13 Decisions by Show of Hands or Poll**

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

### **11.14 Declaration of Result**

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

### **11.15 Motion Need Not be Seconded**

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

### **11.16 Casting Vote**

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

### **11.17 Manner of Taking Poll**

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
  - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
  - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

#### **11.18 Demand for Poll on Adjournment**

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

#### **11.19 Chair Must Resolve Dispute**

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

#### **11.20 Casting of Votes**

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

#### **11.21 Demand for Poll**

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

#### **11.22 Demand for Poll Not to Prevent Continuance of Meeting**

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

#### **11.23 Retention of Ballots and Proxies**

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

### **12. VOTES OF SHAREHOLDERS**

#### **12.1 Number of Votes by Shareholder or by Shares**

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

#### **12.2 Votes of Persons in Representative Capacity**

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the

directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

### **12.3 Votes by Joint Holders**

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (2) if more than one of the joint shareholders is present at any meeting, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

### **12.4 Legal Personal Representatives as Joint Shareholders**

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders.

### **12.5 Representative of a Corporate Shareholder**

If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (1) for that purpose, the instrument appointing a representative must:
  - (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
  - (b) be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting;
- (2) if a representative is appointed under this Article 12.5:
  - (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
  - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

### **12.6 When Proxy Provisions Do Not Apply to the Company**

If and for so long as the Company is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply, Articles 12.7 to 12.15 apply only insofar as they are not inconsistent with any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states of the United States that is applicable to the Company and insofar as they are not inconsistent with the regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation, or any rules of an exchange on which securities of the Company are listed, or any rules of a quotation system on which securities of the Company are quoted.

### **12.7 Appointment of Proxy Holders**

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

### **12.8 Alternate Proxy Holders**

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

### **12.9 When Proxy Holder Need Not Be Shareholder**

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;
- (3) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or
- (4) the Company is a public company.

### **12.10 Deposit of Proxy**

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
- (2) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

### **12.11 Validity of Proxy Vote**

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

**12.12 Form of Proxy**

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

Gold Hunter Resources Inc.  
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy if given in respect of all shares registered in the name of the shareholder):

\_\_\_\_\_  
Signed [month, day, year]

\_\_\_\_\_  
[Signature of shareholder]

\_\_\_\_\_  
[Name of shareholder printed]

**12.13 Revocation of Proxy**

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received:

- (1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting, or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting, or any adjourned meeting by the chair of the meeting, or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

**12.14 Revocation of Proxy Must Be Signed**

An instrument referred to in Article 12.13 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

**12.15 Chair May Determine Validity of Proxy**

The chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Part 12 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting, and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

**12.16 Production of Evidence of Authority to Vote**

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

### **13. DIRECTORS**

#### **13.1 First Directors; Number of Directors**

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;
- (2) if the Company is a public company, the greater of three and the most recently set of:
  - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
  - (b) the number of directors set under Article 14.4;
- (3) if the Company is not a public company, the most recently set of:
  - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
  - (b) the number of directors set under Article 14.4.

#### **13.2 Change in Number of Directors**

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a):

- (1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

#### **13.3 Directors' Acts Valid Despite Vacancy**

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

#### **13.4 Qualifications of Directors**

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

#### **13.5 Remuneration of Directors**

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

#### **13.6 Reimbursement of Expenses of Directors**

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

### **13.7 Special Remuneration for Directors**

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

### **13.8 Gratuity, Pension or Allowance on Retirement of Director**

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

## **14. ELECTION AND REMOVAL OF DIRECTORS**

### **14.1 Election at Annual General Meeting**

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) unless otherwise determined by resolution of the board of directors, all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

### **14.2 Consent to be a Director**

No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

### **14.3 Failure to Elect or Appoint Directors**

If:

- (1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (3) the date on which his or her successor is elected or appointed; and
- (4) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.



#### 14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

#### 14.5 Directors May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the directors.

#### 14.6 Remaining Directors Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

#### 14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

#### 14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or re-appointment.

#### 14.9 Ceasing to be a Director

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

#### 14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the

shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

#### 14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

#### 14.12 Nominations of Directors

- (1) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
  - (a) by or at the direction of the board, including pursuant to a notice of meeting;
  - (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act*, or a requisition of the shareholders made in accordance with the provisions of the *Business Corporations Act*; or
  - (c) by any person (a "Nominating Shareholder"): (A) who, at the close of business on the date of the giving of the notice provided for below in this Article 14.12 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 14.12.
- (2) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Company at the principal executive offices of the Company.
- (3) To be timely, a Nominating Shareholder's notice to the Secretary of the Company must be made:
  - (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day after the Notice Date in respect of such meeting; and
  - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement (as defined below) of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.
- (4) To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Company must set forth:
  - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or

of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below); and

- (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below).
- (5) The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.
- (6) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 14.12; provided, however, that nothing in this Article 14.12 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the *Business Corporations Act*. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (7) For purposes of this Article 14.12:
  - (a) "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and
  - (b) "Applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
- (8) Notwithstanding any other provision of this Article 14.12, notice given to the Secretary of the Company pursuant to this Article 14.12 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (9) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 14.12.

## 15. ALTERNATE DIRECTORS

### 15.1 Appointment of Alternate Director

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee")

who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

### **15.2 Notice of Meetings**

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

### **15.3 Alternate for More Than One Director Attending Meetings**

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (2) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (3) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity;
- (4) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

### **15.4 Consent Resolutions**

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

### **15.5 Alternate Director Not an Agent**

Every alternate director is deemed not to be the agent of his or her appointor.

### **15.6 Revocation of Appointment of Alternate Director**

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

### **15.7 Ceasing to be an Alternate Director**

The appointment of an alternate director ceases when:

- (1) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (2) the alternate director dies;
- (3) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (4) the alternate director ceases to be qualified to act as a director; or
- (5) his or her appointor revokes the appointment of the alternate director.

### **15.8 Remuneration and Expenses of Alternate Director**

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

## **16. POWERS AND DUTIES OF DIRECTORS**

### **16.1 Powers of Management**

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

### **16.2 Appointment of Attorney of Company**

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

## **17. DISCLOSURE OF INTEREST OF DIRECTORS**

### **17.1 Obligation to Account for Profits**

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

### **17.2 Restrictions on Voting by Reason of Interest**

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

### **17.3 Interested Director Counted in Quorum**

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

### **17.4 Disclosure of Conflict of Interest or Property**

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

### **17.5 Director Holding Other Office in the Company**

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in

addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

**17.6 No Disqualification**

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

**17.7 Professional Services by Director or Officer**

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

**17.8 Director or Officer in Other Corporations**

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

**18. PROCEEDINGS OF DIRECTORS**

**18.1 Meetings of Directors**

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

**18.2 Voting at Meetings**

Questions arising at any 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.

**18.3 Chair of Meetings**

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (3) any other director chosen by the directors if:
  - (a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
  - (b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
  - (c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

#### **18.4 Meetings by Telephone or Other Communications Medium**

A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

#### **18.5 Calling of Meetings**

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

#### **18.6 Notice of Meetings**

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

#### **18.7 When Notice Not Required**

It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

#### **18.8 Meeting Valid Despite Failure to Give Notice**

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

#### **18.9 Waiver of Notice of Meetings**

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

#### **18.10 Quorum**

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

#### **18.11 Validity of Acts Where Appointment Defective**

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

### **18.12 Consent Resolutions in Writing**

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who are entitled to vote on the resolution consents to it in writing.

A consent in writing under this Article may be by signed document, fax, email or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

## **19. EXECUTIVE AND OTHER COMMITTEES**

### **19.1 Appointment and Powers of Executive Committee**

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

### **19.2 Appointment and Powers of Other Committees**

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
  - (a) the power to fill vacancies in the board of directors;
  - (b) the power to remove a director;
  - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
  - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.



### 19.3 Obligations of Committees

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times as the directors may require.

### 19.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

### 19.5 Committee Meetings

Subject to Article 19.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

## 20. OFFICERS

### 20.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

### 20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

### 20.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One

person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as a managing director must be a director. Any other officer need not be a director.

#### **20.4 Remuneration and Terms of Appointment**

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors thinks fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

### **21. INDEMNIFICATION**

#### **21.1 Definitions**

In this Article 21:

- (1) “eligible penalty” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) “eligible proceeding” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an “eligible party”) or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:
  - (a) is or may be joined as a party; or
  - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (3) “expenses” has the meaning set out in the *Business Corporations Act*.

#### **21.2 Mandatory Indemnification of Directors and Former Directors**

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

#### **21.3 Indemnification of Other Persons**

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

#### **21.4 Non-Compliance with *Business Corporations Act***

The failure of a director, alternate director or officer of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

#### **21.5 Company May Purchase Insurance**

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;

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- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

## **22. DIVIDENDS**

### **22.1 Payment of Dividends Subject to Special Rights**

The provisions of this Article 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

### **22.2 Declaration of Dividends**

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable. The Board of Directors shall have the right and authority to declare dividends on any class of shares, to the exclusion of and without declaring dividends on any other class of shares, in their sole discretion as they see fit.

### **22.3 No Notice Required**

The directors need not give notice to any shareholder of any declaration under Article 22.2.

### **22.4 Record Date**

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

### **22.5 Manner of Paying Dividend**

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways.

### **22.6 Settlement of Difficulties**

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

### **22.7 When Dividend Payable**

Any dividend may be made payable on such date as is fixed by the directors.

**22.8 Dividends to be Paid in Accordance with Number of Shares**

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

**22.9 Receipt by Joint Shareholders**

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

**22.10 Dividend Bears No Interest**

No dividend bears interest against the Company.

**22.11 Fractional Dividends**

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

**22.12 Payment of Dividends**

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the address of the shareholder, or in the case of joint shareholders, to the address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

**22.13 Capitalization of Surplus**

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the surplus or any part of the surplus.

**23. ACCOUNTING RECORDS****23.1 Recording of Financial Affairs**

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

**23.2 Inspection of Accounting Records**

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

**24. NOTICES****24.1 Method of Giving Notice**

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:

- (a) for a record mailed to a shareholder, the shareholder's registered address;
  - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
  - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
- (a) for a record delivered to a shareholder, the shareholder's registered address;
  - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
  - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (5) physical delivery to the intended recipient.

#### **24.2 Deemed Receipt of Mailing**

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing.

#### **24.3 Certificate of Sending**

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 24.1, prepaid and mailed or otherwise sent as permitted by Article 24.1 is conclusive evidence of that fact.

#### **24.4 Notice to Joint Shareholders**

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder first named in the central securities register in respect of the share.

#### **24.5 Notice to Trustees**

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to them:
  - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
  - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the

notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

## 25. SEAL

### 25.1 Who May Attest Seal

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

### 25.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer.

### 25.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

## 26. PROHIBITIONS

### 26.1 Definitions

In this Article 26:

- (1) "designated security" means:
  - (a) a voting security of the Company;
  - (b) a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets; or
  - (c) a security of the Company convertible, directly or indirectly, into a security described in paragraph (a) or (b);
- (2) "security" has the meaning assigned in the *Securities Act* (British Columbia);
- (3) "voting security" means a security of the Company that:

- (a) is not a debt security, and
- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

## **26.2 Application**

Article 26.3 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

## **26.3 Consent Required for Transfer of Shares or Designated Securities**

No share or designated security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

## **27. CHANGE OF REGISTERED AND RECORDS OFFICES**

The Company may appoint or change its registered and records offices, or either of them, and the agent responsible therefor, at any time by resolution of the directors. After the appointment of the first registered or records office agent, such agent may terminate its appointment by written notice to any director or officer of the Company sent to the last known address of such director or officer. The Company will then designate a new registered or records office or offices within ten (10) days of receipt or deemed receipt of such notice, failing which the agent shall be entitled on behalf of the Company (but not obliged) to execute and file a Notice to Change Offices with the Registrar of Companies, changing the registered and records office or offices to the last known address of the President of the Company.

This is Exhibit....."C"..... referred to in the affidavit of

.....SEAN KINGSLEY..... sworn (or affirmed)

before me/on .....09/APR/2024.....[dd/mmm/yyyy]

"Sean Tessarolo".....

A Commissioner for taking Affidavits  
within British Columbia



**GOLD HUNTER RESOURCES INC.**  
(the "Company")

**RESOLUTIONS OF THE DIRECTORS**

The undersigned, being the members of the board of directors of the Company (collectively, the "Board"), hereby consents to and adopts the following resolutions effective as of the \_\_\_\_ day of December, 2023.

**SHARE PURCHASE AND SALE AGREEMENT**

**WHEREAS:**

A. The Company wishes to enter into a share purchase and sale agreement (the "Purchase Agreement") with Firefly Metals Ltd. (the "Purchaser") pursuant to which the Company wishes to sell to the Purchaser, and the Purchaser wishes to acquire from the Company, all of the issued and outstanding common shares (the "Shares") in the capital of 1451366 B.C. Ltd. (the "Subsidiary"), a wholly-owned subsidiary of the Company;

B. At the time of closing the transaction (the "Closing"), the Subsidiary will hold certain mineral claims and assets in Newfoundland & Labrador, Canada (collectively, the "Claims") comprised of 624 mineral claims on the Company's Rambler Property and 52 mineral claims on the Company's Tilt Cove Property;

C. Pursuant to the Purchase Agreement, from and after the Closing, the Purchaser will be liable for any and all obligations or liabilities relating to any material contracts of the Subsidiary and any royalties on the Claims;

D. Pursuant to the Purchase Agreement, the Company will, subject to obtaining the approval of the Company's shareholders, sell all of the issued and outstanding Shares to the Purchaser in exchange for the issuance of 30,290,624 common shares (each, a "Firefly Share") in the capital of the Purchaser at a deemed issue price of AUD\$0.5519 (approx. CAD\$0.498) per Firefly Share representing an amount equal to CAD\$15,000,000 (the "Share Consideration") to be issued at Closing, such that upon Closing, the Subsidiary will be a wholly-owned subsidiary of the Purchaser; and

E. The Board believes it is in the best interest of the Company to execute and deliver the Purchase Agreement.

**RESOLVED THAT:**

1. The execution and delivery of the Purchase Agreement by the Company be and is hereby authorized and approved, and the Company be and is hereby authorized to execute and deliver any other agreements and instruments necessary to effect the Purchase Agreement, substantially in the form previously circulated among the Board, with such changes, if any, as may be authorized by the Authorized Signatory (as hereinafter defined) executing the same on behalf of the Company, whose signature thereon will be conclusive evidence of such approval; and

2. The Company's performance of its obligations pursuant to the Purchase Agreement be and is hereby confirmed and approved.

#### AMENDMENT TO MINERAL PROPERTY OPTION AGREEMENT

##### WHEREAS:

A. On January 17, 2022, the Company entered into a mineral property option agreement (the "**Option Agreement**") pursuant to which certain optionors (the "**Optionors**"), being the beneficial owners of the mineral property claims located in the Province of Newfoundland & Labrador as more particularly described in Schedule "A" of the Option Agreement (the "**Optioned Claims**"), granted the Company an option (the "**Option**") to acquire a 100% interest in and to the Optioned Claims, subject to a 2.5% net smelter returns royalty in favour of the Optionors, on the terms and conditions contained in the Option Agreement;

B. Under the Option Agreement, the Option could be exercised by the Company by making an aggregate cash payment of \$1,695,000 to the Optionor, issuing 10,300,000 common shares in the capital of the Company (the "**GH Shares**") to the Optionor, and incurring \$2,500,000 in Expenditures (as defined in the Option Agreement) on the Claims;

C. The Company wishes to enter into an amendment agreement (the "**Option Amendment Agreement**") to the Option Agreement such that the Company will be able to exercise the Option to acquire a 100% interest in the Optioned Claims upon the issuance of 6,000,000 GH Shares, with such GH Shares to be issued on or before January 4, 2023, and a cash payment (the "**Cash Payment**") of \$500,000 to be paid no later than July 1, 2024, unless the Company (or its subsidiary) disposes of the Optioned Claims, in which case the Cash Payment will be due within 30 days of the disposition of the Optioned Claims;

D. The Option Amendment Agreement also includes the deletion of one duplicate claim which the Company acquired pursuant to a property purchase agreement, dated July 12, 2023; and

E. The Board believes it is in the best interest of the Company to execute and deliver the Option Amendment Agreement.

##### RESOLVED THAT:

1. The execution and delivery of the Option Amendment Agreement by the Company be and is hereby authorized and approved, and the Company be and is hereby authorized to execute and deliver any other agreements and instruments necessary to effect the Option Amendment Agreement, substantially in the form previously circulated among the Board, with such changes, if any, as may be authorized by the Authorized Signatory (as hereinafter defined) executing the same on behalf of the Company, whose signature thereon will be conclusive evidence of such approval; and
2. The Company's performance of its obligations pursuant to the Option Amendment Agreement, including the exercise of the Option through the issuance of the GH Shares and payment of the Cash Payment, be and is hereby confirmed and approved.

MISCELLANEOUS

1. Any director or officer of the Company be and is hereby authorized to and directed, as the "Authorized Signatory" of the Company, to:

- (a) execute and deliver for and on behalf of the Company under the common seal of the Company or otherwise, all agreements, directions, certificates, acknowledgements, instructions, receipts, instruments and other documents of any kind whatsoever in such form and with such amendments or variations as the Authorized Signatory deems necessary, appropriate or expedient in the circumstances, and
- (b) do or cause to be done all such other acts or things for or on behalf of the Company as may be, in the Authorized Signatory's sole discretion, necessary, appropriate or expedient in the circumstances,

for the purpose of giving effect to these resolutions and the completion of the matters contemplated herein and the execution and delivery by the Authorized Signatory of any agreement, direction, certificate, acknowledgement, instruction, receipt, instrument or other document of any kind whatsoever in the name of or on behalf of the Company in connection with any transaction or matter contemplated by these resolutions shall be binding on the Company and shall be conclusively presumed to be the act of the Company; and

2. Delivery of an executed copy of these resolutions by electronic means, including by facsimile transmission or by electronic delivery in portable document format (".pdf"), shall be equally effective as delivery of a manually executed copy hereof, and notwithstanding the date of execution of these resolutions by the undersigned, these resolutions shall be deemed to be executed as of the date set forth above.

"Brandon Schwabe"

\_\_\_\_\_  
BRANDON SCHWABE

"John Theobald"

\_\_\_\_\_  
JOHN THEOBALD

"Michael Williams"

\_\_\_\_\_  
MICHAEL WILLIAMS

"Richard Macey"

\_\_\_\_\_  
RICHARD MACEY

"Sean Kingsley"

\_\_\_\_\_  
SEAN KINGSLEY

This is Exhibit "D" referred to in the affidavit of  
.....SEAN KINGSLEY..... sworn (or affirmed)  
before me/on 08/APR/2024.....[dd/mmm/yyyy]  
"Sean Tessarolo"  
.....  
A Commissioner for taking Affidavits  
within British Columbia



**GOLD HUNTER  
RESOURCES INC**

## **Gold Hunter Announces Strategic Agreement with Firefly Metals**

**VANCOUVER, BRITISH COLUMBIA, DECEMBER 21, 2023: GOLD HUNTER RESOURCES INC. (CSE: HUNT)** (the “**Company**” or “**Gold Hunter**”) is excited to announce an agreement with Firefly Metals Ltd. (“**Firefly**”) (formerly AuTECO Minerals Ltd.), an Australian-based company listed on the Australian Securities Exchange (ASX: FFM). The share purchase and sale agreement, dated December 21, 2023, (the “**Purchase Agreement**”) marks a significant step forward for both companies.

Under the Purchase Agreement, Firefly will acquire all of the common shares (the “**Shares**”) of 1451366 B.C. Ltd. (the “**Subsidiary**”), a wholly-owned subsidiary of Gold Hunter, in exchange for the issuance to Gold Hunter of 30,290,624 common shares in Firefly Metals (each, a “**Firefly Share**”) valued at CDN\$15 million (the “**Transaction**”). This transaction bolsters Firefly’s developments at its Green Bay Copper-Gold Project and provides continued upside for Gold Hunter’s shareholders.

Prior to closing the Transaction (the “**Closing**”), the Subsidiary will hold all its mineral claims and assets in Newfoundland & Labrador, Canada (collectively, the “**Claims**”) comprised of 624 mineral claims on the Company’s Rambler Property and 52 on the Company’s Tilt Cove Property. Post closing, Firefly will assume all related obligations and liabilities regarding the Claims and any royalties on the Claims.

### **Gold Hunter’s CEO Comments on the Deal**

**Gold Hunter’s President & CEO Sean Kingsley stated, “We are thrilled about this agreement with Firefly Metals, as it aligns with our vision set years ago. The Baie Verte Peninsula offers tremendous potential. Our collected projects and partnerships in the district warrant an aggressive and capable team like Firefly to unlock their value. We’re excited for the future growth potential with Firefly and the benefits this partnership will bring to our shareholders and community.”**

### **FireFly’s Managing Director Comments on the Deal**

**FireFly Metals Managing Director Steve Parsons said: “We will be delighted to welcome Gold Hunter as a FireFly shareholder. They will join us on our journey as we seek to generate**

***strong returns for our stakeholders by applying our core strengths in brownfields exploration, project development and financial management.”***

### **Firefly Metals Overview**

Firefly, is an emerging leader in the copper-gold sector, focusing on advancing the high-grade Green Bay Copper-Gold project in Newfoundland & Labrador, Canada, which they acquired earlier this year for AUS\$65 million. Immediately after acquiring this project, they launched a 40,000 metre drill program, demonstrating an aggressive commitment to expanding the deposit. This approach aligns very well with Gold Hunter's surrounding mineral claims, giving Firefly a true district scale opportunity to build an exciting VMS camp. Additionally, FireFly Metals holds a 70% interest in the high-grade Pickle Crow Project in the world-class Uchi sub-province of Ontario, Canada.

### **Details of the Transaction**

In the Transaction, Gold Hunter has agreed to sell all Shares to Firefly in exchange for the issuance of 30,290,624 Firefly Shares at a deemed issue price of CDN\$0.498 per Firefly Share representing an amount equal to CDN\$15,000,000 (the **“Share Consideration”**) to be issued at Closing. Upon the Closing, the Subsidiary will become a wholly owned subsidiary of Firefly.

### **Closing Conditions and Shareholder Meeting**

Completion of the Transaction is contingent on several conditions, including, necessary regulatory, shareholder and third-party approvals. A special meeting (the **“Special Meeting”**) of its shareholders (the **“Company Shareholders”**) will be convened to seek approval, by special resolution (the **“Transaction Resolution”**), of the Transaction. The Company will promptly prepare and circulate a notice of Special Meeting and information circular to Company Shareholders with details regarding the Transaction, the Transaction Resolution, and instructions with respect to voting at and attending the Special Meeting.

### **Amendment to the Mineral Property Option Agreement dated January 17, 2022**

We are pleased to announce a amendment to the mineral property option agreement, dated January 17, 2022 (the **“Option Agreement”**) involving Gold Hunter and Unity Resources Inc., along with individuals Gary Lewis, Jerry Jones, Nicholas Rodway, Aubrey Budgell, and Paul Delaney (collectively known as the **“Optionors”**), whereby Gold Hunter was granted an option (the **“Option”**) to acquire a 100% interest in the Marwan I claim group (the **“Optioned Claims”**) (to be now known as the **“Marwan/Lewis Project”**) located in Newfoundland & Labrador.

As per the amendment, dated December 21, 2023 (the **“Amended Option Agreement”**), there has been a mutually agreed modification to the terms, whereby Gold Hunter can fully exercise the Option and acquire a 100% interest in these Claims upon the issuance of 6,000,000 common shares of the Company (the **“GH Shares”**), to be issued on or before December 31, 2023. The GH Shares will be held in escrow by Gold Hunter and will be released

upon the closing of the Transaction. In the event that the Transaction does not close by July 1, 2024, the GH Shares will be cancelled immediately and the Option Agreement will revert back to its original form. Additionally, there's an agreed cash payment of \$500,000 to be paid no later than August 1, 2024. However, if Gold Hunter (or its subsidiary) disposes of the Optioned Claims, the cash payment will be due within 30 days of the disposition of the Optioned Claims. In addition, the Amended Option Agreement removes one claim that was duplicated and was part of the claims subsequently acquired by Gold Hunter in the Marwan II Purchase Agreement, dated July 12, 2023.

**About Gold Hunter Resources Inc.**

Gold Hunter Resources is a mineral exploration company committed to the evaluation and development of mineral-rich regions in Newfoundland and Labrador, as well as Ontario, Canada. Our operations are concentrated in areas known for their abundant mineral resources. We're dedicated to unveiling the full potential of our project sites in a manner that prioritizes responsibility and sustainability.

On Behalf of the Board of Directors,  
**GOLD HUNTER RESOURCES INC.**

"Sean A. Kingsley"  
President, CEO, and Director

Email: [info@goldhunterresources.com](mailto:info@goldhunterresources.com)  
Phone: +1 604-440-8474

[www.goldhunterresources.com](http://www.goldhunterresources.com)

*Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.*

**Forward-Looking Statements:**

*This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian legislation. Forward-looking statements are typically identified by words such as: "believes", "expects", "anticipates", "intends", "estimates", "plans", "may", "should", "would", "will", "potential", "scheduled" or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. All statements in this news release that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, that the Transaction will be approved by the Company Shareholders, timing for receiving the required regulatory and shareholder approval, stock exchange and other approvals, and the ability of the Company, the Subsidiary, and Firefly to close the Transaction. Although the Company believes that such statements are reasonable and reflect*

*expectations of future developments and other factors which management believes to be reasonable and relevant, the Company can give no assurance that such expectations will prove to be correct. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that it and Firefly will obtain the required approvals for the Transaction and market fundamentals will support the viability of critical mineral resource exploration. Other factors may also adversely affect the future results or performance of the Company, including general economic, market or business conditions, future prices of minerals, changes in the financial markets and in the demand for minerals, changes in laws, regulations and policies affecting the mineral exploration industry, as well as the risks and uncertainties which are more fully described in the Company's annual and quarterly management's discussion and analysis and in other filings made by the Company with Canadian securities regulatory authorities under the Company's SEDAR+ profile. Ongoing labour shortages, inflationary pressures, rising interest rates, the global financial climate and ongoing international conflicts are some additional factors that are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position, and future prospects. Collectively, the potential impacts of this economic environment pose risks that are currently indescribable and immeasurable. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly, are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements. The Company does not undertake any obligation to update such forward-looking information whether because of new information, future events or otherwise, except as expressly required by applicable law.*



This is Exhibit "E" referred to in the affidavit of

SEAN KINGSLEY sworn (or affirmed)

before me on 08/APR/2024 [dd/mmm/yyyy]

"Sean Tessarolo"

.....  
A Commissioner for taking Affidavits  
within British Columbia



February 5<sup>th</sup>, 2024

Dear Gold Hunter Shareholders,

The board of directors of Gold Hunter Resources Inc. (the “Company” or “Gold Hunter”) is soliciting your written consent on behalf of the Company to approve the acquisition (the “Transaction”) of our wholly-owned subsidiary, 1451366 B.C. Ltd. (the “Subsidiary”), by FireFly Metals Ltd. (“FireFly”).

On December 21<sup>st</sup>, 2023, we reached an agreement with FireFly. FireFly plans to acquire, subject to certain terms and conditions, all the issued and outstanding shares of the Subsidiary in exchange for 30,290,624 of their common shares (the “Consideration Shares”), representing an aggregate amount equal to CAD\$15,000,000. Gold Hunter intends to distribute a portion of the Consideration Shares to our shareholders (the “Shareholders”) pursuant to a plan of arrangement, subject to the Company obtaining the required shareholder and court approvals. FireFly is an Australian company listed on the Australian Securities Exchange (ASX: FFM) and is an emerging leader in the copper-gold sector, focusing on advancing the high-grade Green Bay Copper-Gold project in Newfoundland & Labrador, Canada.

It is expected that completion of the Transaction will provide the following advantages to the Shareholders:

1. **FireFly’s History:** FireFly has a demonstrated ability to produce strong exploration results, including their work with the Ming Mine last year, prioritizing exploration with a 40,000-metre drill program. Their recent impressive assay results are another example of FireFly’s ability to deliver results. FireFly has also shown an ability to increase the value of its assets, as illustrated by its work with Bellevue Gold.
2. **Beneficial for All:** Beyond financial growth, FireFly’s commitment to community, social responsibility, and positive impacts aligns with our values.
3. **Strategic Negotiation Success:** In conjunction with this transaction, we successfully renegotiated the terms of the original Marwan I Purchase Agreement. Upon closing of the Transaction, FireFly will fulfill the remaining \$500,000 cash payment to exercise the option in full, securing 100%-ownership of the Marwan I claim package.

We are in the process of transferring 624 mineral claims located on the Company’s Rambler Property and 52 mineral claims located on the Company’s Tilt Cove Property, both located in Newfoundland & Labrador, Canada to the Subsidiary. The transfer is an important move,

representing most of the Company's assets, and we need your approval. We are aiming for a strong endorsement from at least two-thirds of our shareholders at the upcoming special meeting. For full particulars of the Transaction, please refer to the share purchase and sale agreement between Gold Hunter and FireFly, dated December 21<sup>st</sup>, 2023, available on the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

Please find a written consent form attached to this letter. We appreciate your input, and I am more than happy to discuss any aspect of this deal or answer any questions you might have. Please call me with any questions at 604-440-8474 or email me at [info@seankingsley.ca](mailto:info@seankingsley.ca).

Looking forward to completing this chapter and embarking on the next exciting journey together.

Sincerely,

"Sean Kingsley"

---

Sean Kingsley  
President and CEO  
Gold Hunter Resources Inc.

**GOLD HUNTER RESOURCES INC.**  
(the "Company")

CONSENT RESOLUTIONS OF THE SHAREHOLDERS

The undersigned, being the beneficial holders of the issued and outstanding common shares in the capital of the Company (the "Shareholders"), in the amounts set forth opposite their respective names below, hereby consent to and adopt the following resolutions effective as of the \_\_\_\_ day of February, 2024.

**WHEREAS:**

- A. On December 21, 2023, the Company entered into a share purchase and sale agreement (the "Purchase Agreement") with FireFly Metals Ltd. (the "Purchaser") pursuant to which the Company agreed to sell to the Purchaser, and the Purchaser agreed to acquire from the Company, all of the issued and outstanding common shares (the "Shares") in the capital of 1451366 B.C. Ltd. (the "Subsidiary"), a wholly-owned subsidiary of the Company;
- B. At the time of closing the transaction (the "Closing"), the Subsidiary will hold certain mineral claims and assets in Newfoundland & Labrador, Canada (collectively, the "Claims") comprised of 624 mineral claims on the Company's Rambler Property and 52 mineral claims on the Company's Tilt Cove Property;
- C. Pursuant to the Purchase Agreement, from and after the Closing, the Purchaser will be liable for any and all obligations or liabilities relating to any material contracts of the Subsidiary and any royalties on the Claims;
- D. Pursuant to the Purchase Agreement, the Company will, subject to obtaining the approval of the Shareholders, sell all of the issued and outstanding Shares to the Purchaser in exchange for the issuance of 30,290,624 common shares in the capital of the Purchaser representing an amount equal to CAD\$15,000,000 (the "Share Consideration"), such that upon Closing, the Subsidiary will be a wholly-owned subsidiary of the Purchaser (collectively, the "Transaction");
- E. The Company wishes to complete the Transaction as contemplated by the Purchase Agreement; and
- F. The Canadian Securities Exchange and the *Business Corporations Act* (British Columbia) requires companies to obtain shareholder approval for the disposition of all or substantially all of the assets, business or undertaking of the company (the "Shareholder Approval Requirement").

**RESOLVED THAT:**

- 1. In connection with the satisfaction of the Shareholder Approval Requirement, the Transaction be and is hereby confirmed, authorized and approved; and

2. These resolutions may be executed in counterpart and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of these resolutions by electronic means, including by facsimile transmission or by electronic delivery in portable document format (".pdf"), shall be equally effective as delivery of a manually executed counterpart hereof. Notwithstanding the date of execution of these resolutions by the undersigned, these resolutions shall be deemed to be executed as of the date set forth above.

Print Name of Beneficial Shareholder	Print Name of Registered Shareholder (if different than Beneficial Shareholder)	Number of Shares Held	Signature of Beneficial Shareholder
Brandon Schwabe		40,000	"Brandon Schwabe"

This is Exhibit "F" referred to in the affidavit of

SEAN KINGSLEY sworn (or affirmed)

before me on 08/APR/2024 [dd/mmm/yyyy]

"Sean Tessarolo"

A Commissioner for taking Affidavits  
within British Columbia



# **GOLD HUNTER RESOURCES INC.**

Notice of Annual General and Special Meeting of Shareholders on  
March 15, 2024

Management Information Circular

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February 14, 2024



February 14, 2024

Dear Shareholders,

On behalf of the board of directors ("**Board**") of Gold Hunter Resources Inc. (the "**Company**"), I would like to invite you to attend the Annual General and Special Meeting of Shareholders of the Company (the "**Meeting**"), which is currently scheduled to be held on March 15, 2024 at 10:00 a.m., Pacific Daylight Time. The Meeting will take place in person at the offices of Clark Wilson LLP located at 900 – 885 W Georgia Street, Vancouver, British Columbia, V6C 3H1. Registration and participation information appears in the enclosed Management Information Circular (the "**Circular**").

At the Meeting, in addition to the usual annual meeting matters for approval, the shareholders (the "**Shareholders**") will vote at the Meeting on resolutions to approve a sale of all of the Company's mineral rights located in Newfoundland and Labrador through the acquisition (the "**Transaction**") by FireFly Metals Ltd. (the "**Purchaser**" or "**FireFly**") of all the issued and outstanding shares of 1451366 B.C. Ltd. (the "**Subsidiary**"), a wholly-owned subsidiary of the Company, and to approve a statutory plan of arrangement (the "**Arrangement**") under section 288 of the *Business Corporations Act* (British Columbia) ("**BCBCA**") whereby the Company will distribute to the Shareholders a portion of the common shares of FireFly (the "**FireFly Shares**") issued as consideration for the Transaction. The Purchaser is an Australian-based company listed on the Australian Securities Exchange (ASX: FFM) and is an emerging leader in the copper-gold sector, focusing on advancing the high-grade Green Bay Copper-Gold project in Newfoundland & Labrador, Canada.

As is described in the Circular, the Company is in the process of transferring 624 mineral claims located on the Company's Rambler Property and 52 mineral claims located on the Company's Tilt Cove Property, both located in Newfoundland & Labrador, Canada to the Subsidiary. On December 21, 2023, the Company entered into a share purchase and sale agreement with the Purchaser pursuant to which the Purchaser agreed to acquire, subject to certain terms and conditions, all of the issued and outstanding shares in the capital of the Subsidiary. As such, the sale of the Subsidiary constitutes a sale of substantially all of the Company's assets and it requires approval of not less than two thirds of the shares voting in person or by proxy at the Meeting. The Arrangement also requires approval of not less than two thirds of the votes cast at the Meeting.

Your participation in the affairs of the Company is important to us. Should you be unable to attend the Meeting, there are instructions included within the Circular that describe the process for providing your voting instructions, via proxy or voting information form, to ensure your voice is heard. The voting instructions can be found on page 15 of the Circular.

We look forward to speaking with you at the Meeting.



Sincerely,

(signed) "Sean Kingsley"

Sean Kinglsey

President and CEO

Gold Hunter Resources Inc.

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**GOLD HUNTER  
RESOURCES INC**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

NOTICE is hereby given that the Annual General and Special Meeting (the "Meeting") of the shareholders ("Shareholders") of Gold Hunter Resources Inc. (the "Company" or "Gold Hunter") will be held on March 15, 2024, at 10:00 a.m., Pacific Daylight Time. The Meeting will take place in person at the offices of Clark Wilson LLP located at 900 – 885 W Georgia Street, Vancouver, British Columbia, V6C 3H1 for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended August 31, 2023, and the accompanying report of the auditors;
2. to set the number of directors of the Company at five (5);
3. to elect 5 as directors of the Company;
4. to appoint Manning Elliott LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending August 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending August 31, 2024;
5. consider and, if deemed advisable, pass a special resolution to approve the sale of substantially all of the Company's assets (the "Transaction"), as more particularly set out below and in the accompanying management information circular (the "Circular");
6. consider, and if deemed advisable, pass a special resolution to approve the Arrangement (as defined herein) whereby 90% of the common shares (the "FireFly Shares") of FireFly Metals Ltd. ("FireFly" or the "Purchaser"), or such other number as is determined by the Board of Directors of the Company (the "Board"), will be distributed to the Shareholders, with the Eligible Shareholders (as hereinafter defined) receiving a distribution equal to their pro-rata share of the FireFly Shares and the U.S. Shareholders (as defined herein) receiving a cash distribution (in a currency to be determined by the Board) in the amount equal to the number of FireFly Shares they would otherwise be eligible to receive; and
7. transact such other business as may properly be brought before the Meeting and any postponement or adjournment thereof.

On December 21, 2023, the Company entered into a share purchase and sale agreement with FireFly pursuant to which the Purchaser agreed to acquire, subject to certain terms and conditions, all of the issued and outstanding shares in the capital of the Company's wholly-owned subsidiary, 1451366 B.C. Ltd. (the "Subsidiary"), in exchange for the issuance of 30,290,624 FireFly Shares representing an aggregate value of \$15,000,000 (based on the value of the FireFly Shares at the time of entering into the Purchase Agreement) (the "Transaction"). Prior to completing the Transaction, the Company will transfer to the Subsidiary all of the Company's mineral claims and assets in Newfoundland and Labrador, Canada (collectively, the "Claims") comprised of 624 mineral claims on the Company's Rambler Property and 52 on the

Company's Tilt Cove Property (the "Pre-Closing Reorganization"). As such, the sale by the Company of its shares in the capital of the Subsidiary constitutes a sale of substantially all of the Company's assets.

Following the completion of the Transaction and subject to obtaining the necessary shareholder and court approvals, the Company will distribute 90% of the FireFly Shares, or such other number as determined by the Board, to the Shareholders of the Company (the "Distribution") through a statutory plan of arrangement (the "Arrangement") under section 288 of the *Business Corporations Act* (British Columbia) ("BCBCA"). Pursuant to the Arrangement, Shareholders resident in Canada (each, a "Canadian Shareholder") and those who qualify as accredited investors in the United States (each, a "U.S. Accredited Investor" and together with the Canadian Shareholders, the "Eligible Shareholders"), as such term is defined in Rule 501(a) of Regulation D of the United States Securities Act of 1933, will receive FireFly Shares on a pro-rata basis determined by each such Shareholder's ownership percentage of the total issued and outstanding Shares as at the record date determined by the Board (the "Distribution Record Date"). Shareholders resident in the United States who are not U.S. Accredited Investors (the "U.S. Shareholders") will receive a cash distribution (in a currency to be determined by the Board) equivalent in value to the FireFly Shares that such U.S. Shareholders would have been entitled to receive had they been Eligible Shareholders.

The Board has fixed the close of business on January 31, 2024 as the record date (the "Record Date") for determining the Shareholders entitled to receive notice of, and to vote at, the Meeting and any postponement or adjournment of the Meeting. The Company has prepared a list, as of the close of business on the Record Date, of the holders of common shares (the "Shares") in the capital of the Company. A holder of record of the Shares whose name appears on such list is entitled to vote the Shares shown opposite such holder's name on such list at the Meeting.

Shareholders are cordially invited to attend the Meeting. Shareholders are urged to complete and return the enclosed proxy or voting instruction form promptly. Alternatively, Shareholders can vote online by following the instructions on their proxy or voting instruction form. To be effective, the proxies must be received at the Toronto office of TSX Trust Company ("TSX Trust"), the Company's registrar and transfer agent, located at 301 - 100 Adelaide Street West, Toronto, Ontario, Canada M5H 4H1, by 10:00 a.m. Pacific Daylight Time on March 13, 2024, or 48 hours (excluding Sundays, Saturdays and holidays) prior to any adjourned or postponed Meeting. Shareholders whose Shares are held by a nominee will receive either a voting instruction form or form of proxy and should follow the instructions provided by the nominee.

Registered Shareholders of the Company have the right to dissent with respect to the Transaction to be considered at the Meeting, as more particularly described in the accompanying Circular. Those registered Shareholders who validly exercise dissent rights will be entitled to be paid fair value of their Shares. In order to validly exercise dissent rights, registered Shareholders must strictly comply with the dissent procedures as set out in Sections 237 to 247 of the BCBCA, a copy of which is set out in the accompanying Circular as Schedule "D" and as more particularly described in the accompanying Circular.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

DATED at Vancouver, British Columbia this 14 day of February, 2024.

BY ORDER OF THE BOARD

*(signed) "Sean Kingsley"* \_\_\_\_\_

Sean Kingsley

President and Chief Executive Officer

Registered Shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope. If you are a non-registered Shareholder and receive these materials through your broker or through another Intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other Intermediary. Failure to do so may result in your Shares not being eligible to be voted by proxy at the Meeting.

## MANAGEMENT INFORMATION CIRCULAR

This management information circular, including all schedules hereto (the "Circular"), is furnished in connection with the solicitation of proxies by or on behalf of the management ("Management") of Gold Hunter Resources Inc. (the "Company" or "Gold Hunter") from the holders (the "Shareholders") of common shares (the "Shares") of the Company, for the purposes set forth in the Notice of Annual General and Special Meeting of Shareholders accompanying this Circular. The Annual General and Special Meeting of the Shareholders, or any adjournment(s) or postponement(s) thereof (the "Meeting"), will be held on March 15, 2024 at 10:00 a.m., Pacific Daylight Time at the offices of Clark Wilson LLP located at 900 - 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

All summaries of, and references to, the Transaction (as hereinafter) and the Arrangement (as hereinafter defined) in this Circular are qualified in their entirety by reference to the complete text of the Purchase Agreement (as hereinafter defined) and the Arrangement (as hereinafter defined), copies of which are available under Gold Hunter's issuer profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Plan of Arrangement is annexed to this Circular as Schedule A. You are urged to carefully read the full text of the Purchase Agreement and the Plan of Arrangement.

Proxies will be solicited primarily by mail or by any other means Management may deem necessary. Gold Hunter may reimburse brokers and other Persons holding Shares in their name, or in the name of nominees for their costs incurred in sending proxy materials to their principals to obtain their proxies.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any Person in any jurisdiction in which such 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 offer or solicitation. The delivery of this Circular will not, under any circumstances, create any implication or be treated as a representation that there has been no change in the information set out herein since the date of this Circular.

Shareholders should not construe the contents of this Circular as legal, tax or financial advice and are urged to consult with their own legal, tax, financial or other professional advisors.

NO SECURITIES REGULATORY AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

Information contained in this Circular is given as at February 14, 2024, unless otherwise specifically stated.

On December 21, 2023, the Company entered into a share purchase and sale agreement (the "Purchase Agreement") between the Company and FireFly Metals Ltd. (the "Purchaser" or "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 1451366 B.C. Ltd. (the "Subsidiary"), a wholly-owned subsidiary of the Company, 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 (based on the value of the FireFly Shares at the time of entering into the Purchase Agreement) (the "Transaction"). The Transaction constitutes the sale of substantially all of the Company's assets.

Following the completion of the Transaction and subject to obtaining the necessary shareholder and court approvals, the Company will distribute 90% of the FireFly Shares, or such other number as determined by the Board, to the Shareholders of the Company (the "Distribution") through a statutory plan of arrangement (the "Arrangement") under section 288 of the *Business Corporations Act* (British Columbia) ("BCBCA"). Pursuant to the Arrangement, Shareholders resident in Canada (each, a "Canadian

Shareholder") and those who qualify as accredited investors in the United States (each, a "U.S. Accredited Investor" and together with the Canadian Shareholders, the "Eligible Shareholders"), as such term is defined in Rule 501(a) of Regulation D of the United States Securities Act of 1933, will receive FireFly Shares on a pro-rata basis (the "Share Distribution") determined by each such Shareholder's ownership percentage of the total issued and outstanding Shares as at the record date determined by the Board (the "Distribution Record Date"). Shareholders resident in the United States who are not U.S. Accredited Investors (the "U.S. Shareholders") will receive a cash distribution (in a currency to be determined by the Board) (the "Cash Distribution") equivalent in value to the FireFly Shares that such U.S. Shareholders would have been entitled to receive had they been Eligible Shareholders.

#### Glossary of Terms

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set out under "Glossary of Terms" starting on page 60.

#### Notice to Securityholders in the United States

This solicitation of proxies is not subject to the requirements of the United States *Securities Exchange Act of 1934*, as amended. Accordingly, this Circular has been prepared in accordance with disclosure requirements in effect in Canada, which differ from disclosure requirements in the United States.

Shareholders should be aware that the Arrangement contemplated herein may have tax consequences both in Canada and in the United States. Certain information concerning the Canadian tax consequences of the Arrangement for Shareholders is set forth under the heading "*Certain Canadian Federal Income Tax Considerations*" in this Circular, but such consequences may not be fully described. All Shareholders should consult with their legal, tax, financial and accounting advisors to determine the particular tax consequences to them of the transactions contemplated by the Purchase Agreement and the Plan of Arrangement.

#### Forward-Looking Information

Certain statements and information in this Circular are not based on historical facts and constitute forward-looking statements or forward-looking information within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Canadian securities laws ("forward-looking statements"). Forward-looking statements are provided to help you understand the Company's views of its short and longer term plans, expectations and prospects. The Company cautions you that forward looking statements may not be appropriate for other purposes.

Forward-looking statements include statements about the Company's business outlook for the short and longer term and statements regarding the Company's strategy, plans and future operating performance. Furthermore, any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be forward-looking statements. Such statements are identified often, but not always, by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" occur, be taken, or be achieved, or the negative of any of these terms and similar expressions including, but not limited to:

- the strategic alternatives available to the Company;
- the likelihood that the Transaction will be completed within a reasonable time in accordance with the terms of the Purchase Agreement;



- the Company's ability to satisfy the conditions of the Purchase Agreement and obtain the required third party consents and approvals;
- the Company's use of the FireFly Shares from the Transaction;
- the Company making the Distribution;
- the Company obtaining the requisite Shareholder approvals for the Transaction and the Arrangement;
- the record date to be determined by the Board to determine Shareholders entitled to receive the Share Distribution and Cash Distribution (the "Distribution Record Date") following closing of the Transaction ("Closing");
- the Board's expectation that the financial resources available to the Company following the Distribution will be adequate to fund the Company's operations moving forward;
- the impact of a termination of the Purchase Agreement; and
- the impact of Shareholders asserting dissent rights in connection with approval of the Transaction or Arrangement.

Forward-looking statements are not promises or guarantees of future performance. Such statements reflect the Company's current views with respect to future events and may change significantly. Forward-looking statements are subject to, and are necessarily based upon, a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies, many of which, with respect to future events, are subject to change. The material assumptions used by the Company to develop such forward-looking statements include, but are not limited to:

- the structure and effect of the Transaction and the Arrangement being completed in accordance with the terms of the Purchase Agreement and Plan of Arrangement, respectively, and in accordance with the timing currently anticipated;
- all conditions precedent in the Purchase Agreement being satisfied or waived, including the receipt of Shareholder approval for the Transaction;
- the timely receipt of any and all required third-party consents pertaining to the Transaction;
- the receipt of the required court order for the Arrangement;
- taxes payable;
- the Meeting date and approval of the Transaction and the Arrangement by the Shareholders;
- the number of FireFly Shares at the completion of the Transaction that will be received by the Company and available for distribution to the Shareholders;
- data based on good faith estimates that are derived from Management's knowledge of the industry and other independent sources;
- general economic and industry growth rates; and
- commodity prices, currency exchange and interest rates and competitive intensity.

Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances. Many factors could cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements due to a variety of known and unknown risks, uncertainties

and other factors, including, without limitation, those described under the heading “Risk Factors” in this Circular and in the Company’s Management Discussion & Analysis for the fiscal year ended August 31, 2023 filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Such risks, as well as uncertainties and other factors that could cause actual events or results to differ significantly from those expressed or implied in the Company’s forward-looking statements, include, without limitation:

- possible failure of a party to the Purchase Agreement to satisfy the conditions precedent set out in the Purchase Agreement and the risk that the Transaction may not be completed on a timely basis, if at all;
- the risk of not obtaining third-party consents or approvals required pursuant to the Purchase Agreement and Shareholder approval for the Transaction and Arrangement;
- possible termination of the Purchase Agreement by a party to the Purchase Agreement;
- the risk that the Transaction or Arrangement may involve unexpected costs, liabilities or delays;
- the possible occurrence of an event, change or other circumstance that could result in the termination of the Transaction;
- risks related to the Company’s intended distribution strategy following the Transaction;
- risks that a substantial number of Shareholders could exercise their dissent rights in respect of the Transaction Resolution (as defined herein);
- risks that the market price and trading volume of the FireFly Shares may materially decrease or experience increased fluctuation as a result of the Transaction or otherwise;
- the regulated nature of the industry in which the Company participates;
- intense competition in all aspects of the Company’s business;
- general economic risks;
- risks related to climate change and other environmental factors;
- foreign exchange rate and interest rate changes and associated risks;
- risks related to currency controls and withholding taxes;
- the ability of the Company and its subsidiaries to utilize carried forward tax losses;
- tax related risks;
- risks related to the impact of new laws and regulations; and
- risks associated with the Company’s internal controls over financial reporting.

This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements. All forward-looking statements included herein are based on the beliefs, expectations and opinions of Management on the date the statements are made. Except as required by applicable law, the Company does not assume any obligation to update forward looking statements should circumstances or Management’s beliefs, expectations or opinions change. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

#### SUMMARY

The following is a summary of certain information contained in this Circular. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Circular and the attached schedules, all of which are important and should be reviewed carefully.

Capitalized terms used in this summary without definition have the meanings ascribed to them in the section "Glossary of Terms" starting on page 60 of this Circular.

### **The Meetings**

The Meeting will be held at 10:00 a.m. (Vancouver time) on March 15, 2024 at the offices of Clark Wilson LLP located at 900- 885 West Georgia Street, Vancouver, BC V6C 3H1 for the purposes indicated in the Notice of Annual General and Special Meeting of the Shareholders. At the Meeting, the Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, the Transaction Resolution (as defined herein) and the Arrangement Resolution (as defined herein), and other matters pertaining to the annual general meeting.

### **Record Date**

Shareholders as at the close of business on January 31, 2024 (the "Record Date") are entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s). Only Shareholders whose names have been entered in the register of Gold Hunter as at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

### **The Transaction**

On December 21, 2023, the Company entered into the Purchase Agreement, whereby the Purchaser agreed to acquire all the issued and outstanding common shares of the Subsidiary in exchange for the FireFly Shares, with each FireFly Share having a deemed issue price of \$0.498 (the "Deemed Issue Price"), based on the value of the FireFly Shares at the time of entering into the Purchase Agreement, for total aggregate share consideration equal to \$15,000,000. At the time of Closing, the Subsidiary will hold all of the Company's mineral claims and assets in Newfoundland & Labrador, Canada (collectively, the "Claims"), comprised of 624 mineral claims on the Company's Rambler Property and 52 on the Company's Tilt Cove Property, through an internal reorganization of the Company (the "Pre-Closing Reorganization"). The Purchaser will assume all related obligations and liabilities regarding the Claims and any royalties on the Claims following the closing of the Transaction.

The Purchaser has also agreed that, at the time of the Closing, the Company will assign to the Subsidiary the mineral property option agreement (the "Marwan Option Agreement") involving the Company and Unity Resources Inc., along with individuals Gary Lewis, Jerry Jones, Nicholas Rodway, Aubrey Budgell, and Paul Delaney (collectively known as the "Optionors") dated January 17, 2022, as amended on December 21, 2023. Pursuant to the Marwan Option Agreement, the Company was granted an option (the "Option") to acquire a 100% interest in the Marwan I claim group located in Newfoundland & Labrador, Canada in exchange for that issuance of 6,000,000 Shares and a cash payment of \$500,000. The Company has partially exercised the Option by issuing 6,000,000 Shares to the Optionors. The Purchaser has agreed to pay the Optionors the \$500,000 cash payment within 30 days of the Closing.

For details regarding the Purchase Agreement, see "*Business of the Meeting - The Purchase Agreement*".

### *Required Shareholder Approval for the Transaction*

At the Meeting, the Shareholders will be asked to consider, and if deemed appropriate, to pass a special resolution (the "Transaction Resolution") to approve the Transaction. The Transaction Resolution must be approved by not less than two-thirds (66⅔%) of the votes cast by Shareholders present in person or represented by proxy and entitled to vote on such resolution (the "Transaction Shareholder Approval")

### **The Arrangement**

The Arrangement will be effected pursuant to the terms of the Plan of Arrangement which provides for the distribution of FireFly Shares representing 90% of the total consideration shares issued by the Purchaser to the Shareholders, or such other number as may be determined by the Board. Each Eligible Shareholder will receive FireFly Shares on a pro-rata basis determined by each such Shareholder's ownership percentage of the total issued and outstanding Shares as at the Distribution Record Date. The U.S. Shareholders 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.

### *Required Shareholder Approval for the Arrangement*

At the Meeting, the Shareholders will be asked to consider, and if deemed appropriate, to pass a special resolution (the "**Arrangement Resolution**") to approve the Arrangement. The Arrangement Resolution must be approved by not less than two-thirds (66%) of the votes cast by Shareholders present in person or represented by proxy and entitled to vote on such resolution ("**Arrangement Shareholder Approval**").

### **Court Approval**

The Arrangement requires the granting by the Court of an order approving the Arrangement (the "**Court Order**"). The hearing in respect of the Court Order is expected to take place before the Supreme Court of British Columbia, in Vancouver, British Columbia as soon as counsel may be heard following the Meeting, at 800 Smithe Street, Vancouver, British Columbia, or in such other room or virtual hearing as the Court may determine. See "*Plan of Arrangement – Required Court Approval*".

### **Timing**

The Closing must occur prior to the Effective Date of the Arrangement, since the Company will need to be in control of the Firefly Shares prior to effecting the Arrangement. As such, if the Meeting is held as scheduled and is not adjourned and/or postponed, and the required Shareholder approvals are obtained, the Company intends on completing the Closing as soon as reasonably practicable following the Meeting. Subject to the Company receiving the Required Arrangement Approval, the Company will seek to obtain the Court Order while working with the Purchaser to close the Transaction, such that the Arrangement can be completed shortly after the Closing.

### **Procedure for Receipt of the Share Distribution or Cash Distribution**

Shareholders on the Distribution Record Date will be entitled to receive their portion of the Share Distribution or Cash Distribution, as applicable, pursuant to the Plan of Arrangement with no further action needed on their part. See "*Process for Receiving the Share Distribution and Cash Distribution*".

### **Parties**

*Gold Hunter Resources Inc.*

Gold Hunter 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. The Company was incorporated on October 30, 2019 under the laws of British Columbia and the Shares are listed on the Canadian Securities Exchange (the "CSE") under the symbol "HUNT". The head office of the Company is located at 75-8050

204th Street, Langley BC, V2Y 0X1 and the registered office is located at 3200-650 W Georgia, Vancouver, BC, V6B 4P7.

*FireFly Metals Inc.*

Firefly Metals Inc. is an emerging leader in the copper-gold sector, focusing on advancing the high-grade Green Bay Copper-Gold project in Newfoundland and Labrador, Canada, which FireFly acquired in 2023 for AUS\$65 million. Immediately after acquiring this project, they launched a 40,000-metre drill program, demonstrating an aggressive commitment to expanding the deposit. Additionally, FireFly holds a 70% interest in the high-grade Pickle Crow Project in the world-class Uchi sub-province of Ontario, Canada. FireFly has its head office located in Australia and is listed on the Australian Stock Exchange under the symbol "FFM".

**Dissent Rights**

Division 2 of Part 8 of the BCBCA provides Registered Shareholders of a corporation with the right to dissent from certain resolutions that effect extraordinary corporate transactions or fundamental corporate changes. Any Registered Shareholder who validly dissents from the Transaction Resolution in compliance with Division 2 of Part 8 of the BCBCA will be entitled, in the event the Transaction becomes effective, to be paid by the Company the fair value of the Shares held by such Dissenting Shareholder determined as of the close of business on the day before the Transaction Resolution is approved by the Shareholders.

Registered Shareholders will not be entitled to dissent rights for the Arrangement Resolution.

See "*Business of the Meeting - Dissent Rights*" for more information.

**Determinations and Recommendations of the Board**

The Board has, after receiving legal and financial advice, unanimously recommended that the Board approve the Purchase Agreement and the Plan of Arrangement, and that the Shareholders vote in favour of the Transaction Resolution and Arrangement Resolution.

**Certain Canadian Federal Income Tax Considerations**

This Circular contains a summary of certain Canadian federal income tax considerations generally applicable to certain Shareholders who, under the Arrangement, receive their pro-rata portion of the FireFly Shares through the Share Distribution or a cash payment through the Cash Distribution. All Shareholders are encouraged to seek their own tax advice.

**Risk Factors**

The securities of the Company and the Purchaser should be considered highly speculative investments and the transactions contemplated herein should be considered of a high-risk nature. Shareholders should carefully consider all of the information disclosed in this Circular prior to voting on the matters being put before them at the Meeting.

There are risks associated with the Transaction and the Arrangement that should be considered by Shareholders, including but not limited to: (i) market reaction to the Transaction and Arrangement and that the future trading prices of the Shares and of the FireFly Shares cannot be predicted; (ii) the Arrangement may give rise to significant adverse tax consequences to Shareholders and each Shareholder is urged to consult his, her or its own tax advisor; (iii) uncertainty as to whether the Transaction and Arrangement will

have a positive impact on the entities involved in the Transaction; and (iv) there is no assurance that required regulatory, stock exchange or court approvals will be received.

There are risks associated with the businesses of the Company and the Purchaser that should be considered by Shareholders, including but not limited to: (i) the speculative nature of exploration and the stages of the properties or assets of the Company and the Purchaser; (ii) the effect of changes in commodity prices; (iii) regulatory risks that development will not be acceptable for social, environmental or other reasons; (iv) reliance on management; (v) the potential for conflicts of interest; and (vi) other risks associated with either the Company or the Purchaser as described in greater detail elsewhere in this Circular.

Shareholders should review carefully the risk factors set forth under "*Risk Factors of the Transaction*" and "*Risk Factors of the Arrangement*".

## FREQUENTLY ASKED QUESTIONS

This Circular contains important information about the Transaction, the Arrangement, the Meeting and on how to vote at the Meeting. The following section provides answers to certain anticipated questions about the Meeting. Please note that this section may not address all issues that may be important to you. Accordingly, you should carefully read this entire Circular, including the appendices.

### **About the Meetings**

#### *Why did I receive this information package?*

The Purchaser has agreed to acquire, directly or indirectly, all of the issued and outstanding common shares of the Subsidiary in exchange for the FireFly Shares, a portion of which the Company intends to distribute to the Shareholders through the Arrangement. The Transaction and Arrangement are subject to, among other things, the Company obtaining approval of the Shareholders and the Court. As a Shareholder as at the close of business on the Record Date, you are entitled to receive notice of and vote at the Meeting, as applicable. Gold Hunter is soliciting your proxy, or vote, and providing this Circular in connection with that solicitation. In addition to the Transaction and Arrangement, the Company is soliciting your proxy, or vote, in relation to a number of other annual general meeting matters, as more fully described under "*Business of the Meeting*".

#### *Who is soliciting my proxy?*

Your proxy is being solicited by Management of Gold Hunter. If you have any questions or require any assistance with completing your proxy, please contact the TSX Trust Company at 1-866-600-5869 (toll-free within North America) or by email at [tsxtis@tmx.com](mailto:tsxtis@tmx.com).

#### *When is the Meeting and how is it being held?*

The Meeting will be held on March 15, 2024 at 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1 at 10:00 a.m. (Vancouver time) for the purposes indicated in the Notice of Annual General and Special Meeting of the Shareholders. At the Meeting, the Shareholders will be asked to consider and, if thought fit, to pass, with or without variation, the Transaction Resolution and the Arrangement Resolution.

#### *What are the voting requirements?*

The Transaction Resolution, as a special resolution, must be approved by not less than two-thirds (66⅔%) of the votes cast by the Shareholders present in person or represented by proxy at the Meeting and entitled to vote on such resolution. The Arrangement Resolution, as a special resolution, must be approved by at least two-thirds (66⅔%) of the votes cast by Shareholders present in person or represented by proxy at the Meeting and entitled to vote.

#### *Who is entitled to vote on the Resolutions and how will the votes be counted?*

Shareholders as at the close of business on the Record Date may vote on the Transaction Resolution and Arrangement Resolution. Only those Shareholders whose name appears on the register of the Company as the owner of the Shares (i.e. a Registered Shareholder) or duly-appointed proxyholders are entitled to vote in person at the Meeting. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by those Shareholders that do not hold their Shares in their own name and whose Shares are held through an Intermediary (each, a "Non-registered

Shareholder") in order to ensure that their Shares are voted at the Meeting, as applicable. See "General Proxy Matters – Advice to Beneficial Holders of the Shares".

As at January 31, 2024, the Record Date, there were 38,992,000 Shares issued and outstanding.

*What is the quorum for the Meetings?*

The quorum for the transaction of business at a meeting of shareholders is two shareholders, or one or more proxyholder representing two members, or one member and a proxyholder representing another member.

*Does the Board support the Transaction and Arrangement?*

Yes. Having undertaken a thorough review of, and carefully considered, information concerning the Transaction and the Arrangement, the Board has unanimously determined, after receiving legal and financial advice, that each of the Transaction and Arrangement is in the best interests of Gold Hunter and is fair to the Shareholders. After careful consideration, the Board **UNANIMOUSLY** recommends that the Shareholders vote **FOR** the Transaction Resolution and the Arrangement Resolution at the Meeting. In making their determinations and recommendations, the Board considered a number of factors which are more fully described in this Circular.

*Am I a Registered or Non-registered Shareholder?*

You are a Registered Shareholder if your name appears on a share certificate or a direct registration system statement confirming your holdings. If you are a Registered Shareholder, you have received a form of proxy for the Meeting. You are a Non-registered Shareholder if your Shares are not registered in your own name but are held in the name of an Intermediary, such as a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary or in the name of a clearing agency of which the Intermediary is a participant.

Gold Hunter will send materials relating to the Meeting directly to Non-registered Shareholders that are non-objecting beneficial owners. In addition, Gold Hunter will also send materials relating to the Meeting indirectly to Non-registered Shareholders that are objecting beneficial owners. In the case of objecting beneficial owners, the materials relating to the Meeting will be delivered through the Intermediaries of such Non-registered Shareholders in accordance with the arrangements between the Intermediary and the Non-registered Shareholders. Gold Hunter will bear the cost of delivery of materials relating to the Meeting to Non-registered Shareholders, including those which are non-objecting beneficial owners and objecting beneficial owners.

*How do I vote?*

If you are eligible to vote and your Shares are registered in your name, you can vote your Shares: (i) in person at the Meeting; (ii) by signing and returning your form of proxy in the envelope provided or if voting online, by appointing a proxyholder using the internet at [www.voteproxyonline.com](http://www.voteproxyonline.com); (iii) by voting using the internet at [www.voteproxyonline.com](http://www.voteproxyonline.com) using the 12-digit control number on your voting document; or (iv) by fax within North America to (416) 595-9593 and outside North America to +1 (416) 595-9593.

If your Shares are not registered in your name, but are held in the name of an Intermediary, your Intermediary is required to seek your instructions as to how to vote your Shares. Your Intermediary will have provided you with a package of information, including these meeting materials and either a proxy or a voting instruction form ("VIF"). Carefully follow the instructions accompanying the form of proxy or VIF. The Shares held by Intermediaries can only be voted (for or against resolutions) upon the instructions



of the Non-registered Shareholder. Without specific instructions, the Intermediary is prohibited from voting Shares for their clients.

Only Registered Shareholders of record as at the close of business on the Record Date or their proxyholders are entitled to vote at the applicable Meeting. If you are a Non-registered Shareholder and wish to vote in person at the applicable Meeting, insert your name in the space provided on the form of proxy or VIF sent to you by your Intermediary. In doing so you are instructing your Intermediary to appoint you as a proxyholder. Complete the form by following the return instructions provided by your Intermediary. You should report to a representative of TSX Trust Company upon arrival at the Meeting.

*Can I appoint someone other than individuals named in the enclosed form of proxy to vote my Shares?*

Yes, you have the right to appoint the Person of your choice, who does not need to be a Shareholder, to attend and act on your behalf at the Meeting. If you wish to appoint a Person other than the names that appear on the form of proxy, then strike out those printed names appearing on the form of proxy and insert the name of your chosen proxyholder in the space provided or submit another appropriate form of proxy permitted by Law, and in either case, send or deliver the completed proxy to the offices of TSX Trust Company before the above-mentioned deadline. You can also appoint the Person of your choice via the internet by following the instructions at [www.voteproxyonline.com](http://www.voteproxyonline.com).

It is important to ensure that any other Person you appoint is attending the Meeting and is aware that his or her appointment to vote your Shares has been made. Proxyholders should, on arrival at the Meeting, present themselves to a representative of TSX Trust Company.

*How do I submit a proxy?*

A proxy can be submitted to TSX Trust Company either in person, by mail or courier, to 301 - 100 Adelaide Street West, Toronto, ON M5H 4H1, or via the internet at [www.voteproxyonline.com](http://www.voteproxyonline.com). The proxy must be deposited with TSX Trust Company by no later than March 13, 2023 at 10:00 a.m. (Vancouver time), or if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the commencement of such adjourned or postponed Meeting.

*How will my Shares be voted if I vote by proxy?*

The Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. **IF A CHOICE IS NOT SO SPECIFIED, IT IS INTENDED THAT THE PERSON DESIGNATED BY MANAGEMENT IN THE ACCOMPANYING PROXY WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED ON THE PROXY.**

The proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to any matters identified in the Notices of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company knows of no such amendments, variations, or other matters to come before the Meeting.

*What if there are amendments or if other matters are brought before the Meeting?*

Your voting instructions provided by proxy give the persons named on it authority to use their discretion in voting on amendments or variations to matters identified in the enclosed notice of meeting (the "Notice of Meeting") or on any matter that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

As at the time of preparation of this Circular, the Board is not aware that any other matter is to be presented for action at the Meeting. If, however, other matters properly come before the Meeting, the Persons named in the proxy form will vote on them in accordance with their judgment, pursuant to the discretionary authority conferred by the proxy form with respect to such matters.

*What if I change my mind?*

A Shareholder who has given a Proxy may revoke it at any time before it is exercised by an instrument in writing (a) executed by the Shareholder or by their attorney authorized in writing, or, where the Shareholder is a corporation, by a duly authorized officer or attorney of the Company; and (b) returned to the TSX Trust Company, or to the registered office of the Company at 75-8050 204<sup>th</sup> Street, Langley, BC V2Y 0X1, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or to the Chair of the Meeting on the day of the Meeting or any adjournment thereof, before any vote in respect of which the Proxy is to be used shall have been taken, or in any other manner provided by law. Attendance at the Meeting and participation in a poll by a Shareholder will automatically revoke the Proxy.

*How are proxies solicited?*

Solicitations of proxies will be made by mail and may be supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokerage houses holding shares on behalf of clients) for the cost incurred in obtaining their authorization to execute forms of proxy. The cost of solicitation will be borne by the Company.

*Am I entitled to Dissent Rights?*

Pursuant to Division 2 of Part 8 of the BCBCA, Registered Shareholders will have the right to dissent in respect of the Transaction Resolution, but not the Arrangement Resolution.

For more information regarding the dissent rights, see "*Business of the Meeting - Dissenting Shareholders Rights*".

## GENERAL PROXY MATTERS

### **Solicitation of Proxies**

This Circular is provided to registered and beneficial owners of the Shares in connection with the solicitation of proxies by the management of the Company for use at the Meeting to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment(s) or postponement(s) thereof. This Circular and other proxy-related materials are not provided to registered or beneficial owners of Shares under the notice and access provisions of NI 54-101.

### **Persons or Companies Making the Solicitation**

**The enclosed instrument of proxy is solicited by Management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse Shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

None of the directors of the Company have advised Management in writing that they intend to oppose any action intended to be taken by Management as set forth in this Circular.

#### **Appointment and Revocation of Proxies**

This Circular is accompanied by a management instrument of proxy that permits Registered Shareholders who do not attend the Meeting in person to have their Shares voted at the Meeting by a proxyholder appointed by the Registered Shareholder. The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A Shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, the Shareholder must strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided or complete another instrument of proxy.**

**The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, TSX Trust Company, 301 - 100 Adelaide Street, Toronto, Ontario, M5H 1S3, at least 48 hours before the time of the Meeting or any adjournment(s) or postponement(s) thereof, excluding Saturdays, Sundays and holidays.**

The instrument of proxy must be signed by the Shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the Shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative. If the Shareholder is a corporation and voting in person through a duly authorized attorney, officer, or corporate representative, such person may be required to present the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies that do not strictly conform to the foregoing requirements.

In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment(s) or postponement(s) thereof, or (c) registering with the scrutineer at the Meeting as a Shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

#### **Voting of Shares and Exercise of Discretion Of Proxies**

On any poll, the persons named as proxyholder in the enclosed instrument of proxy will vote the Shares in respect of which they are appointed and, where directions are given by the Shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

**In the absence of any direction in the instrument of proxy, it is intended that such Shares will be voted in favour of the resolutions placed before the Meeting by Management and for the election of the management nominees for directors and auditor, as stated under the headings in this Circular. The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters that may be properly brought before the Meeting. At the time of printing of this Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or**

other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

#### **Advice to Beneficial Holders of the Shares**

The following information is of significant importance to Shareholders who do not hold their Shares in their own name. Beneficial shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the Registered Shareholder of the Shares).

If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Company. Such Shares will most likely be registered under the names of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from beneficial shareholders in advance of the Meetings. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for "Objecting Beneficial Owners") and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for "Non-Objecting Beneficial Owners").

The Company is taking advantage of the provisions of NI 54-101, which permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF from TSX Trust Company. These VIFs are to be completed and returned to the Transfer Agent in the envelope provided or by facsimile. In addition, TSX Trust Company provides internet voting options, as described in the VIF. TSX Trust Company will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions with respect to the Shares represented by the VIFs they receive.

The meeting materials are being sent to both Registered Shareholders and certain Non-Registered Shareholders of the Shares. If you are a Non-Registered Shareholder and the Company or its agent has sent these meeting materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Shares on your behalf.

By choosing to send these meeting materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for delivering these Meeting Materials to you and executing your proper voting instructions. Please return your voting instructions by completing and returning the enclosed VIF in accordance with the instructions contained in the VIF.

Beneficial shareholders who are OBOs will not receive the materials unless their Intermediary assumes the costs of delivery. In the event that voting instructions are requested from OBOs, such instructions will typically be sought by the Shareholder receiving either a form of proxy or a voting instruction form. If a form of proxy is supplied to you by your broker, it will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in Canada and the United States. Broadridge obtains voting instructions by mailing a voting instruction form (the "Broadridge VIF") which appoints the same persons as the Company's proxy to represent you at the Meeting. You have the right to appoint a person

(who need not be a beneficial shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

If you plan to vote in person at the Meeting:

- nominate yourself as the appointee to attend and vote at the Meeting by printing your name in the space provided on the enclosed voting instruction form. Your vote will be counted at the Meeting so do NOT complete the voting instructions on the form;
- sign and return the form, following the instructions provided by your nominee; and
- register with the scrutineer when you arrive at the Meeting.

You may also nominate yourself as appointee online, if available, by typing your name in the “Appointee” section on the electronic ballot.

If you bring your voting instruction form to the Meeting, your vote will not count. Your vote can only be counted if you have completed, signed and returned your voting instruction form in accordance with the instructions above and attend the Meeting and vote in person.

**VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

Each Share outstanding on the Record Date carries the right to one vote.

As at the Record Date, the Company had 38,992,000 Shares issued and outstanding.

To the knowledge of the directors and executive officers of the Company, as at January 31, 2024, no person beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of the combined voting rights attached to the issued and outstanding Shares, except as detailed below.

Name	Number Shares	Type of Ownership	Percentage of Class	Total Voting Power
Naughty, Blair Lawrence	4,580,000	Registered	11.75%	11.75%

**BUSINESS OF THE MEETING**

**FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended August 31, 2023 together with the auditor’s report thereon, will be presented to the Shareholders at the Meeting. The Company’s financial statements and management discussion and analysis are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

**NUMBER OF DIRECTORS**

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at five (5). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management of the Company recommends the approval of setting the number of directors of the Company at five (5).

**ELECTION OF DIRECTORS**

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name Province Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Shares Owned <sup>(1)</sup>
Sean Kingsley British Columbia, Canada  <i>President, Chief Executive Officer and Director</i>	President, CEO and director of the Company, Directorships of junior resource companies including Alpha Copper Corp., Pan American Energy Corp., Legacy Lithium Corp., and Vulcan Resources Inc. as well as the Principal of Mango Research and Management Inc.	June 15, 2023 to present	153,000 <sup>(3)</sup>
Richard Macey <sup>(2)</sup> Ontario, Canada  <i>Director</i>	Directorships of junior resource companies including Newfoundland Discovery Corp., and Silver Sands Resources Corp.	October 30, 2019 to present	500,000 <sup>(4)</sup>
Brandon Schwabe British Columbia, Canada  <i>Chief Financial Officer and Director</i>	Accountant and director and Chief Financial Officer of public and private companies in various industries including Metalsource Mining Inc., and Newfoundland Discovery Corp.	February 24, 2022 to present	40,000 <sup>(5)</sup>
Michael Williams <sup>(2)</sup> British Columbia, Canada  <i>Director</i>	President, Chief Executive Officer and directorships of junior resource companies, including Fremont Gold Ltd., York Harbour Metals Inc., Vendetta Mining Corp., Vortex Metals Inc., and Aftermath Silver Ltd.	October 30, 2019 to present	200,000 <sup>(6)</sup>
John Theobald <sup>(2)</sup> Greater London, United Kingdom  <i>Director</i>	President, Chief Executive Officer and directorships of junior resource companies including Highcliff Metals Corp. and Northwest Copper Corp.	October 30, 2019 to present	500,000 <sup>(7)</sup>

- (1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at January 31, 2024, based upon information furnished to the Company by the individual directors.
- (2) Member of the Audit Committee of the Company.
- (3) These Shares are held indirectly through Mango Research and Management Inc., a private company wholly owned by Sean Kingsley. Does not include 100,000 Shares issuable upon exercise of 100,000 warrants held indirectly through Mango Research and Management Inc., each of which is exercisable into one Share, at a price of \$0.35 per Share until November 2, 2025, all exercisable within 60 days.
- (4) Does not include 200,000 Shares issuable upon exercise of 200,000 options held directly, each of which is exercisable into one Share, exercisable at a price of \$0.50 per Share until October 1, 2030, all exercisable within 60 days.
- (5) Does not include 40,000 Shares issuable upon exercise of 40,000 warrants held directly, each of which is exercisable into one Share, at a price of \$0.35 per Share until November 2, 2025, all exercisable within 60 days.
- (6) Does not include 200,000 Shares issuable upon exercise of 200,000 options held directly, each of which is exercisable into one Share, exercisable at a price of \$0.50 per Share until October 1, 2030, all exercisable within 60 days.
- (7) Does not include 200,000 Shares issuable upon exercise of 200,000 options held directly, each of which is exercisable into one Share, exercisable at a price of \$0.50 per Share until October 1, 2030, all exercisable within 60 days.

**Management of the Company recommends the election of each of the nominees listed above as a director of the Company.**

#### *Orders*

To the best of Management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or 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 that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or 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 that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

#### *Bankruptcies*

To the best of Management's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 or made a proposal under any legislation relating to bankruptcies or insolvency.

#### *Penalties and Sanctions*

To the best of Management's knowledge, no proposed director of the Company 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 securityholder in deciding whether to vote for a proposed director.

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purpose of this Statement of Executive Compensation:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

- (a) each individual who served as CEO of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as CFO of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

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

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company:



Name and Position	Fiscal Year Ended August 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 (\$)
Sean Kingsley <sup>(2)</sup> President, CEO and Director	2023 2022	25,000 N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	25,000 N/A
Brandon Schwabe <sup>(3)</sup> CFO and Director	2023 2022	48,000 28,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	48,000 Nil
Richard Macey <sup>(4)</sup> Director and former CEO	2023 2022	77,000 84,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	77,000 84,000
Mark Lotz <sup>(5)</sup> Former CFO	2023 2022	Nil 64,240	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 64,240
Michael Williams <sup>(6)</sup> Director	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
John Theobald <sup>(6)</sup> Director	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

(1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

(2) Mr. Kingsley was appointed the CEO, President and a director of the Company on June 15, 2023.

(3) Mr. Schwabe was appointed the CFO and a director of the Company on February 24, 2022.

(4) Mr. Macey was the CEO and President of the Company from October 30, 2019 to June 15, 2023 and has been a director of the Company since October 30, 2019.

(5) Mr. Lotz was the CFO of the Company from October 30, 2019 to February 24, 2022.

(6) Messrs. Williams and Theobald have been directors of the Company since October 30, 2019.

### Stock Options and Other Compensation Securities

During the year ended August 31, 2023, the Company did not grant any compensation securities to its directors and NEOs.

As at August 31, 2023:

- Sean Kingsley, the President, CEO and a director of the Company, did not own any compensation securities;
- Brandon Schwabe, the CFO and a director of the Company, did not own any compensation securities;

- Richard Macey, a director and the former President and CEO of the Company, owned an aggregate of 200,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.50 per Share until October 1, 2030;
- Mark Lotz, the former CFO of the Company, did not own any compensation securities;
- Michael Williams, a director of the Company, owned an aggregate of 200,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.50 per Share until October 1, 2030; and
- John Theobald, a director of the Company, owned an aggregate of 200,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.50 per Share until October 1, 2030.

All of the options set out above vested immediately on the date of grant.

#### **Exercise of Compensation Securities by Directors and NEOs**

No compensation securities were exercised by directors and NEOs in the year ended August 31, 2023.

#### **Stock Option Plans and Other Incentive Plans**

The Company currently has a rolling 20% Omnibus Compensation Plan (the "Plan") consisting of 10% stock options and 10% restricted share units authorizing the issuance of up to 10% incentive stock options (the "Options") and up to 10% restricted share units (the "RSUs", and together with Options, the "Awards") to eligible persons up to an aggregate of 20% of the issued shares of the Company from time to time.

The Plan is intended to provide the Board with the ability to issue Options and/or RSUs to provide the employees, consultants, officers, and directors of the Company with long-term equity-based performance incentives which are a key component of the Company's executive compensation strategy. The Company believes it is important to align the interests of management and employees with Shareholder interests and to link performance compensation to enhancement of Shareholder value. This is accomplished through the use of Options and/or RSUs whose value over time is dependent on market value.

In accordance with the policies of the CSE, new compensation plans must be approved by Shareholders on implementation and then once every 3 years thereafter. The Plan was approved by the Shareholders at the annual general and special meeting held on November 15, 2023.

Options and RSUs under the Plan may be granted or awarded respectively by the Board to eligible persons, who are directors, officers or consultants of the Company or its subsidiaries (if any), or who are employees of a company providing management services to the Company, or who are eligible charitable organizations. Options may be granted under the Plan with a maximum exercise period of up to ten (10) years, as determined by the Board and similarly RSU's may be awarded under the Plan with a maximum exercise period of up to ten (10) years, as determined by the Board.

#### **Maximum Number of Shares.**

- (a) The maximum number of Shares reserved for issuance that are issuable pursuant to the new grants of Options shall be determined from time to time by the Committee but, in any case, shall not exceed, in the aggregate, 10% of the number of Shares then outstanding,

which is a rolling amount, of the total number of issued and outstanding Shares as at the date of any Option grant (the "Reserved Amount");

- (b) The maximum aggregate number of Shares reserved for issuance pursuant to the settlement of RSUs shall not exceed 10% of the number of Shares then outstanding, which is a rolling amount, of the total number of issued and outstanding Shares, as at the date of implementation of the Plan;
- (c) The maximum aggregate number of Shares reserved for issuance pursuant to Awards granted under the Plan in any 12-month period must not exceed 20% of the number of Shares then outstanding, calculated as at the date any Award is granted or issued to a Participant (as defined in the Plan), unless Shareholder approval is received in accordance with the policies of the Exchange;
- (d) The maximum aggregate number of Shares reserved for issuance pursuant to Awards granted to any one Participant in any 12-month period must not exceed 5% of the number of Shares then outstanding, calculated as at the date of Award is granted or issued to any Participant on the date of adoption of this Plan, unless Shareholder approval is received therefor in accordance with the policies of the Exchange; and
- (e) The maximum aggregate number of Shares reserved for issuance pursuant to Options granted to all Investor Relations Service Providers (as defined in the Plan) conducting Investor Relations Activities (as defined in the Plan) in any 12-month period must not exceed, in the aggregate, 2% of the issued and outstanding Shares, calculated as at the date any Option is granted to any such Investor Relations Service Provider. Options granted to all Participants performing Investor Relations Activities shall vest in stages over a 12-month period, with no more than ¼ of the Options vesting in any three-month period. For greater certainty, Investor Relations Service Provider is not entitled to receive any Awards or any other type of security based compensation other than Options. The directors shall, through the establishment of appropriate procedures, monitor the trading in the securities of the Company by all Participants performing Investor Relations Activities. No acceleration of the vesting provisions of Options granted to Investor Relations Service Provider is allowed without the prior acceptance of the Exchange.

For purposes of this disclosure, "the number of Shares then outstanding" shall mean the number of Shares outstanding on a non-diluted basis calculated at the date of the proposed grant of the applicable Award. All Shares reserved for issue upon the exercise of options outstanding under the previous stock option plan approved by the directors of the Company on October 1, 2020 (the "Prior Stock Option Plan"), shall be counted toward the maximum number of Shares permitted to be reserved for issue pursuant to any of the provisions of Section 2.07 of the Plan.

The foregoing is a summary of the Plan.

Shareholders are referred to the full text of the Plan, a copy of which has been posted on SEDAR+ and is available for inspection under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), for complete details.

#### **Employment, Consulting and Management Agreements**

Other than as set forth below, the Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

Pursuant to a consulting agreement dated February 24, 2022 with Brandon Schwabe the Company engaged Mr. Schwabe to serve as the chief financial officer of the Company. The agreement will continue until it is terminated pursuant to the provisions of the agreement. The Company or Mr. Schwabe may terminate the agreement at any time with the mutual written consent of the both parties; (ii) at any time by the Company, without prior notice to Mr. Schwabe, if at any time there has been a material breach of the terms of the agreement; or (iii) at any time by either party on providing 180 days written notice. Mr. Schwabe is compensated at a rate of \$4,000 per month plus GST and is eligible to receive compensation securities through the Company's stock option plan.

Pursuant to a consulting agreement dated June 15, 2023 with Mango Research and Management Inc. ("Mango Management"), a company of which Sean Kingsley is the principal, the Company engaged Mr. Kingsley to provide general management services and oversee day-to-day operations of the Company, seek out and negotiate strategic acquisitions, sources of capital and financing opportunities on behalf of the Company, provide business development services and identification of strategic direction, and provide support on other such management initiatives. The agreement will continue until it is terminated pursuant to the provisions of the agreement. The Company or Mango Management may terminate the agreement (i) at any time with the mutual written consent of the both parties; (ii) at any time by the Company, without prior notice to Mr. Schwabe, if at any time there has been a material breach of the terms of the agreement; or (iii) at any time by either party on providing 180 days written notice. Mango Management is compensated at a rate of \$10,000 per month plus GST and is eligible to receive compensation securities through the Company's stock option plan.

#### **Oversight and Description of Director and NEO Compensation**

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; instead, it relies mainly on discussions at the Board level.

The Company's executive compensation program has three principal components: base salary, incentive bonuses, Options and RSUs. The determination and administration of base salaries or incentive bonuses, or both, are discussed in greater detail below. When appropriate to do so, incentive bonuses in the form of cash payments, are designed to add a variable component of compensation, in addition to Options and RSUs, based on corporate and individual performances for NEOs, and may or may not be awarded in any financial year. The Company has no other forms of compensation for its NEOs, although payments may be made from time to time to individuals who are NEOs or companies they control, for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

The Company notes that it is in an exploration phase with respect to its properties and has to operate with limited financial resources and must control costs to ensure that funds are available to complete scheduled exploration programs and otherwise fund its operations. The Board has to consider the current and anticipated financial position of the Company at the time of any compensation determination. The Board has attempted to keep the cash compensation paid to the Company's NEOs relatively modest, while providing long-term incentives through the granting of Options and RSUs.

The Company's executive compensation program is administered by the Board and is designed to provide incentives for the enhancement of shareholder value. The overall objectives are to attract and retain qualified executives critical to the success of the Company, to provide fair and competitive compensation, to align the interest of management with those of the Shareholders and to reward corporate and individual performance. The Company's compensation package has been structured in order to link shareholder return, measured by the change in the share price, with executive compensation through the use of Options as the primary element of variable compensation for its NEOs. The Company does not currently offer long-term incentive plans or pension plans to its NEOs.

The Company bases the compensation for a NEO on the years of service with the Company, responsibilities of each officer and their duties in that position. The Company also bases compensation on the performance of each officer. The Company believes that Options and RSUs can create a strong incentive to the performance of each officer and is intended to recognize extra contributions and achievements towards the goals of the Company.

The Board, when determining cash compensation payable to a NEO, takes into consideration their experience in the mining industry, as well as their responsibilities and duties and contributions to the Company's success. NEOs receive a base cash compensation that the Company feels is in line with that paid by similar companies in North America, subject to the Company's financial resources; however no formal survey was completed by the Board.

In performing its duties, the Board has considered the implications of risks associated with the Company's compensation policies and practices. At its early stage of development and considering its current compensation policies, the Company has no compensation policies or practices that would encourage an executive officer or other individual to take inappropriate or excessive risks. An NEO or director is permitted for his or her own benefit and at his or her own financial risk, to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units or exchange funds, that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

#### *Option-Based and RSU Awards*

Options and RSUs are granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. The Company awards Options and/or RSUs to its executive officers based upon the recommendation of the Board, which recommendation is based upon the Board's review of a proposal from the CEO. Previous grants of Options and RSU's are taken into account when considering new grants.

#### **Pension Plan Benefits**

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

**Securities Authorized for Issuance Under Equity Compensation Plans**

The following table sets forth details of the Plan, being the Company's only equity compensation plan, as of August 31, 2023:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<sup>(1)</sup></b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by security holders	Options: 600,000	Options: \$0.50	Options: 2,331,200
	RSUs: Nil	RSUs: N/A	RSUs: 2,931,200
Equity compensation plans not approved by security holders	Nil	N/A	Nil
<b>Total</b>	Options: 600,000	Options: \$0.50	Options: 2,331,200
	RSUs: Nil	RSUs: N/A	RSUs: 2,931,200

<sup>(1)</sup> The Company does not have any warrants or rights outstanding under any equity compensation plans.

**APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Manning Elliott LLP, Chartered Professional Accountants, as auditors of the Company for the fiscal year ending August 31, 2024, and to authorize the Board to fix the remuneration to be paid to the auditors for the fiscal year ending August 31, 2024. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Manning Elliott LLP, Chartered Professional Accountants, have been the auditors of the Company since November 16, 2020.

Management of the Company recommends that Shareholders vote for the appointment of Manning Elliott LLP, Chartered Professional Accountants, as the Company's auditors for the Company's fiscal year ending August 31, 2024 and to authorize the Board to fix the remuneration to be paid to the auditors for the fiscal year ending August 31, 2024.

**Audit Committee Disclosure**

Under National Instrument 52-110 *Audit Committees* ("NI 52-110"), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the "Audit Committee").

**Audit Committee Charter**

The full text of the Audit Committee charter (the "Charter") is as follows:

**Audit Committee Charter**

- Purpose of the Committee**

- 1.1 The purpose of the Audit Committee is to assist the Board 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 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 must be "independent" as defined under NI 52-110, while the Company is in the developmental stage of its business.
3. **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. **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:
    - (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
    - (ii) 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. 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. 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. 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. 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. 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. Role and Responsibilities of the Internal Auditor**

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

**11. 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. Continuous Disclosure Requirements**

12.1 At this time, due to the Company's size and limited financial resources, the Company's Chief Executive Officer and Chief Financial Officer are responsible for ensuring that the Company's



continuous reporting requirements are met and in compliance with applicable regulatory requirements.

**13. Other Auditing Matters**

13.1 The Audit Committee may meet with the 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. 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. Independent Advisers**

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.

**Composition of the Audit Committee**

The Company's Audit Committee is currently comprised of three directors, consisting of Richard Macey, Michael Williams and John Theobald. As defined in NI 52-110, Mr. Macey, the Company's former CEO and President, is not "independent", as he was an officer of the Company within the last three years. Messrs. Williams and Theobald are "independent" as defined in NI 52-110.

All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as an understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries, and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

**Relevant Education and Experience**

All of the members of the Audit Committee are able to understand and interpret information related to financial statement analysis. Each of the members of the Audit Committee has a general understanding of the accounting principles used by the Company to prepare its financial statements and will seek clarification from the Company's auditors, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies. The relevant experience of the current members of the Audit Committee is as follows:

*John Theobald*

Mr. Theobald is a mining executive with over forty years international experience in gold, base metals, coal, and other minerals. He has served as a director for companies on the London Stock Exchange, TSX & TSXV and the ASX. Mr. Theobald is a Chartered Engineer (CEng) registered with the UK Engineering Council and a Fellow of the UK Institute of Materials, Minerals and Mining and a Member of the Institute of Directors (UK). Mr. Theobald has a Bachelor of Science with Honours in Geology from the University of Nottingham and a Diploma in Financial Markets and Instruments from Rand Afrikaans University. In addition to that of the Company, he currently serves as a director of Highcliff Metals Corp. and NorthWest Copper Corp.

*Michael Williams*

Mr. Williams is a businessman with at least 25 years of experience as a director and/or officer of numerous publicly traded companies. He currently serves as an executive officer, director, and a member of the audit committee of several reporting issuers.

*Richard Macey*

Mr. Macey has gained considerable financial and business experience through his involvement with various reporting issuers since 2009 in the natural resources sector. He has acted as a director and officer of several public companies and has also owned and operated his own business for over 25 years.

**Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

**Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-Audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

**Pre-Approval Policies and Procedures**

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and the Audit Committee, on a case-by-case basis as applicable.

**External Auditor Service Fees**

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company’s auditor, Manning Elliott LLP, Chartered Professional Accountants, for the fiscal years ended August 31, 2023 and August 31, 2022, by category, are as follows:

Financial Year Ended August 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2023	\$30,000	Nil	\$3,650	Nil
2022	\$27,950	Nil	\$3,650	Nil

**Exemption**

The Company is relying on the exemption provided by Section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company’s most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person 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 the Company or any of its subsidiaries.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set out in this Circular, no (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both carrying more than ten percent of the voting rights attached to the Shares outstanding (each, an “Insider”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares, where such person will receive no extra or special benefit or advantage not shared on a *pro rata* basis by all holders of the same class of Shares.

**MANAGEMENT CONTRACTS**

There were no management functions of the Company, which were, to any substantial degree, performed by persons other than the directors or executive officers of the Company.

## CORPORATE GOVERNANCE

### General

National Instrument 58-101 *Disclosure of Corporate Governance Practices*, as adopted by the Canadian Securities Administrators, prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

### Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through meetings of the Board.

Each of Mr. Kingsley, the Company's President and CEO, and Mr. Schwabe, the Company's CFO, are not considered to be independent as they each are officers of the Company. Messrs. Macey, Williams and Theobald are considered to be 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 respective director's ability to act with the best interests of the Company, other than the interests and relationships arising from being Shareholders.

### Directorships

The following table sets out information regarding other directorships presently held by directors of the Company with other reporting issuers (or the equivalent) in Canada or any foreign jurisdiction:

Name of Director	Names of Other Reporting Issuers	Securities Exchange
Sean Kingsley	Pan American Energy Corp. Alpha Copper Corp.	Canadian Securities Exchange Canadian Securities Exchange
Brandon Schwabe	None	
Richard Macey	Silver Sands Resources Corp. Newfoundland Discovery Corp.	Canadian Securities Exchange Canadian Securities Exchange
John Theobald	Highcliff Metals Corp. NorthWest Copper Corp.	NEX TSX Venture Exchange
Michael Williams	York Harbour Metals Inc. Full Metal Minerals Ltd. Aftermath Silver Ltd. Vortex Metals Inc. Silver X Mining Corp. Vendetta Mining Corp.	TSX Venture Exchange TSX Venture Exchange TSX Venture Exchange TSX Venture Exchange TSX Venture Exchange TSX Venture Exchange

### Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

### Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board believes that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate

legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

#### **Nomination of Directors**

The Company does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the members of the Board, including both formal and informal discussions among the members of the Board.

#### **Compensation**

The Company does not have a separate compensation committee, so the entire Board comprises the compensation committee, and the Board is responsible for, among other things, evaluating the performance of the Company's executive officers, determining or making recommendations with respect to the compensation of the Company's executive officers, making recommendations with respect to director compensation, incentive compensation plans and equity based plans, making recommendations with respect to the compensation policy for the employees of the Company or its subsidiaries and ensuring that the Company is in compliance with all legal requirements with respect to compensation disclosure. In performing its duties, the Board has the authority to engage such advisors, including executive compensation consultants, as it considers necessary.

#### **Other Board Committees**

The Board has no other committees, other than the Audit Committee.

#### **Assessments**

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

### **SALE OF ALL OR SUBSTANTIALLY ALL OF THE ASSETS**

#### **General Description of the Transaction**

On December 21, 2023, the Company entered into the Purchase Agreement pursuant to which the Purchaser agreed to acquire all of the issued and outstanding shares of the Subsidiary in exchange for the FireFly Shares at a deemed issue price of \$0.498 per FireFly Share, based on the value of the FireFly Shares at the time of entering into the Purchase Agreement, representing an aggregate value of \$15,000,000. Prior to closing the Transaction, the Company will complete a reorganization of its assets such that all of the Company's minerals claims in Newfoundland and Labrador, Canada comprised of 624 mineral claims on the Rambler Property and 52 minerals claims on the Tilt Cove Property will be transferred to the Subsidiary. As such, upon closing of the Transaction, the Purchaser will assume all related obligations and liabilities regarding the Claims and any royalties on the Claims. See Schedule "E" for a complete list of the Claims that will be transferred to the Subsidiary and subsequently acquired by the Purchaser.

Concurrently with entering into the Purchase Agreement, the Company also entered into an amendment agreement to the mineral property option agreement dated January 17, 2022, involving the Company and Unity Resources, along with individuals Gary Lewis, Jerry Jones, Nicholas Rodway, Aubrey Budgell, and Paul Delaney (the "Option Agreement") whereby the Company was granted the Option to acquire a 100% interest in the Marwan I claim group (the "Optioned Claims"). As per the amendment, dated December

21, 2023 (the "Amended Option Agreement"), the Company can fully exercise the Option upon the issuance of 6,000,000 Shares, which were issued on January 4, 2024, and a cash payment of \$500,000 to be paid no later than August 1, 2024. The Purchaser has agreed to make the \$500,000 payment upon closing of the Transaction in order to fully exercise the Option (the "Option Payment"). As such, the Purchaser will acquire the Optioned Claims as part of the Transaction.

### **Background to the Transaction**

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

Informal discussions took place in September 2023 regarding the possibility of a friendly business transaction between the Company and the Purchaser. In furtherance thereof, the Company and the Purchaser, entered into a confidentiality agreement on November 23, 2023. Over the next weeks and months, Mr. Kingsley, the Company's President and CEO, had a number of discussions in regards to the structure of a possible transaction. On December 21, 2023, the Company and the Purchaser executed the Purchase Agreement.

Following its strategic review, the Board has determined that the Transaction is currently 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 of pursuing other strategic acquisitions and other transactions.

The Board met on several occasions during which the Board discussed the reasons described below under "Reasons for the Transaction" and concluded that the Company move to finalize the Purchase Agreement. On December 21, 2023, the Board unanimously determined that the Company should enter into the Purchase Agreement and unanimously agreed to recommend that Shareholders vote their Common Shares FOR the Transaction Resolution. Gold Hunter and the Purchaser entered into the Purchase Agreement on December 21, 2023, and announced the Transaction prior to the opening of trading on the CSE on December 22, 2023.

### **Recommendation of the Board**

The Board has unanimously determined that the Transaction is in the best interests of the Company and the Shareholders and unanimously recommends that the Shareholders vote in favour of the Transaction Resolution.

In forming its recommendation, the Board considered a number of factors, including, without limitation, the factors listed below under "Reasons for the Transaction". The Board based its recommendation upon the totality of the information presented to and considered by it in light of the knowledge of the members of the Board of the business, financial condition and prospects of the Company and the Purchaser and after taking into account the advice of the Company's legal and other advisors and the advice and input of Management.

### **Reasons for the Transaction**

As described above, in making its recommendation, the Board carefully considered a number of factors, including those listed below.

The following is a summary of the material information and factors considered by the Board in its evaluation of the Transaction and is not intended to be exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the Transaction, the Board did not

find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to any of the specific factors considered in reaching its conclusions and recommendations. In addition, individual members of the Board may have assigned different weights to different factors.

1. *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.
2. *Other Opportunities:* The Board considered the resulting Purchase Price will allow the Company to pursue other opportunities that the Board believes will provide Shareholders with increased value.
3. *Voting and Support:* The officers, directors, and certain Shareholders have agreed to vote in favour of the Transaction Resolution.
4. *Dissent Rights:* The availability of dissent rights to the registered Shareholders with respect to the Transaction Resolution.
5. *Shareholder Approval Requirement:* The requirement that the Transaction Resolution be passed by at least two-thirds of the votes cast at the Meeting in person or by proxy by the Shareholders.
6. *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 reasonable in the judgement of the Board.

#### **The Purchase Agreement**

*The following is a summary of certain material terms of the Purchase Agreement, which is qualified in its entirety by reference to the terms of the Purchase Agreement, a copy of which is available on the Company's company profile on SEDAR+ (at [www.sedarplus.ca](http://www.sedarplus.ca)). This summary and the other information regarding the Purchase Agreement and the Transaction are not exhaustive. Shareholders should read the Purchase Agreement carefully and in its entirety.*

#### *Purchase Price and Adjustments*

The purchase price for all of the issued and outstanding shares of the Subsidiary is comprised of 30,290,624 FireFly Shares to be issued to the Company at a price of AUS\$0.5519, which equated to CAD\$0.498, at the time of entering into the Purchase Agreement, for an aggregate value of \$15,000,000 (the "Purchase Price"). The deemed price per FireFly Share represents an amount equal to the twenty-day volume weighted average price of the FireFly Shares on the ASX ending on the date that was one Business Day prior to the date of the Purchase Agreement.

#### *The Claims and Assumed Royalties*

The Claims are comprised of 624 mineral claims on the Rambler Property and 52 minerals claims on the Tilt Cove Property. Please see Schedule "E" for a complete list of minerals claims that will be acquired by the Purchaser through the acquisition of the Subsidiary.

The Company is currently a party to several royalty agreements with the original vendors of the Claims. Upon the Closing of the Transaction, the Purchaser will assume the following royalty agreements from the Company (the "Assumed Royalties"):

- (a) Net Smelter Returns Royalty Agreement between Fair Haven Resources Inc. and Gold Hunter Resources Inc. dated February 1, 2022, as amended on June 5, 2023;
- (b) Royalty Agreement between Gold Hunter Resources Inc. and Darrin Hicks dated July 12, 2023;
- (c) Royalty Agreement between Gold Hunter Resources Inc., and Triassic Properties Ltd. dated July 12, 2023;
- (d) Royalty Agreement among Gold Hunter Resources Inc., Mark Stockley, Jenille Stockley and Stephen Stockley Agriculture and Fabrication Inc. dated July 12, 2023;
- (e) Royalty Agreement among Gold Hunter Resources Inc., Aubrey Budgell, Donna Lewis, and Paul Delaney dated July 12, 2023;
- (f) Royalty Agreement among Gold Hunter Resources Inc., Neal Blackmore, Bill Kennedy, G2B Gold Inc. and Grassroots Prospecting & Prospect Generation Inc. dated July 12, 2023;
- (g) Net Smelter Returns Royalty Agreement between Gold Hunter Resources Inc. and Puddle Pond Resources Inc. dated July 12, 2023; and
- (h) Royalty Agreement among Gold Hunter Resources Inc., Robert Snook, and Alexander S. Duffitt dated July 12, 2023.

#### *Representations and Warranties*

The Purchase Agreement contains certain customary representations and warranties of the Company to the Purchaser relating to, among other things: (a) the due incorporation and existence, and corporate power and authority, of Gold Hunter to enter into the Purchase Agreement and to complete the Transaction; (b) Gold Hunter being the sole beneficial owner of the shares of the Subsidiary being sold by it and the delivery of unencumbered title at Closing to those shares; (c) the absence of conflicts arising out of any contract, indenture, mortgage, lease, agreement, obligation, instrument, organizational document, or law or government authorization; (d) the capitalization of the Company; (e) the operations and assets of the Company; (f) regulatory and consent matters; (g) the absence of any undisclosed liabilities; (h) the absence of any litigation; (i) the Company's mining rights; (j) permits; (k) the absence of any proceedings against non-governmental organizations and community groups; (l) the mining claims being subject to a protected cultural or archaeological site, (m) the Company's material contracts; (n) non-arm's length transactions related to the Claims; (o) insurance; (p) the delivery or availability of books and records; (q) environmental matters; (r) employment matters; (s) tax matters; (t) compliance with Business Integrity Laws; (u) the involvement of brokers in the Transaction; (v) the Company's knowledge, experience, and intent in connection with receiving the FireFly Shares and (w) collection of the Company's personal information.

The Purchase Agreement contains certain customary representations and warranties provided by the Purchaser to the Company relating to, among other things: (a) the due incorporation and existence, and corporate power and authority, of the Purchaser to enter into the Purchase Agreement and to complete the Transaction; (b) the absence of conflicts; (c) regulatory approvals; (d) financial ability to complete any obligations under the Transaction; (e) the issuance of the FireFly Shares; (f) compliance with all applicable laws; (g) compliance with all Business Integrity Laws in relation to the Purchase Agreement; (h) absence of litigation and claims that could impact the Transaction; and (i) winding up and receivership proceedings.

The representations and warranties contained in the Purchase Agreement for the Company and the Purchaser shall survive and shall not merge following the Closing, the execution and delivery of any share



or security transfer instruments related to the shares of the Subsidiary, or the payment of the FireFly Shares, for the same period during which an obligation to indemnify exists for the Company or the Purchaser, as further described below.

#### *Indemnities*

##### Indemnification by the Company

The Company has agreed to indemnify the Purchaser and each of its directors, officers, agents, employees, and shareholders (the "**Purchaser Indemnified Parties**") from and against all Losses, whether or not arising due to third party claims, that any Purchaser Indemnified Parties may suffer or incur, directly or indirectly as a result of: (i) any non-fulfillment or breach of covenant by the Company; (ii) any misrepresentation or any incorrectness in or breach of a representation contained in the Purchase Agreement; (iii) any claims, obligations, or liabilities arising from the Pre-Closing Reorganization; and (iv) any claims, obligations, or liabilities related to the Assigned Contracts relating to the period prior to the Closing Date. The Company's obligation to indemnify the Purchaser Indemnified Parties shall terminate 12 months following the Closing Date, except with respect to any liabilities arising out of the Pre-Closing Reorganization or as set forth in a notice provided by the Purchaser to the Company regarding any Losses incurred by the Purchaser Indemnified Parties prior to the date of such notices.

The Company shall not be required to pay any amount with respect to any claims made by the Purchaser Indemnified Parties until the aggregate of all Losses exceeds \$250,000 (the "**Threshold**"). The Company shall not be required to pay any amounts with respect to Losses of any individual claim of less than \$100,000 (provided that claims based on the same action, event or course of conduct will be treated as an individual claim). In any event, the aggregate liability of the Company for Losses shall not exceed the Purchase Price. Moreover, the amount of Losses for which indemnification is provided will be net of any insurance proceeds or tax benefits realized as a result of the Losses.

##### Indemnification by the Purchaser

The Purchaser has agreed to indemnify the Company and each of its directors, officers, agents, employees, and shareholders (the "**Gold Hunter Indemnified Parties**") from and against all Losses, whether or not arising due to third party claims, that any Gold Hunter Indemnified Parties may suffer or incur, directly or indirectly as a result of: (i) any non-fulfillment or breach of covenant by the Purchaser; (ii) any misrepresentation or any incorrectness in or breach of a representation contained in the Purchase Agreement; and (iii) any claims, obligations, or liabilities arising from the Assumed Royalties. The Purchaser's obligation to indemnify the Gold Hunter Indemnified Parties shall terminate 12 months following the Closing Date, except with respect to any liabilities set forth in a notice provided by the Purchaser to the Company regarding any Losses incurred by the Gold Hunter Indemnified Parties prior to the date of such notices. The monetary limitations of the Purchaser's obligation to indemnify the Gold Hunter Indemnified Parties are identical to those of the Company's obligations to indemnify the Purchaser, as detailed above under "*Indemnification by the Company*".

##### *Conditions to Closing of the Transaction in Favour of the Purchaser*

The obligation of the Purchaser to complete the Transaction is subject to the satisfaction of, or compliance with, a number of conditions precedent prior to the Closing Date. The conditions include:

- (a) The Purchaser shall have received a certificate from a senior officer of the Company confirming on behalf of the Company that, as of the Closing Time, the representations and warranties of the Company set forth in the Purchase Agreement are true and correct in all respects (disregarding for the purposes of this condition any materiality or Material

Adverse Effect qualification contained in any such representation and warranty), provided that any such representation and warranty that by its terms speaks specifically as of the date of the Purchase Agreement or another date shall be true and correct in all respects as of such date, except where the failure to be true and correct in all respects, individually or in the aggregate, has not and would not result in a Material Adverse Effect.

- (b) The Purchaser shall have received a certificate from a senior officer of the Company confirming that, as of the Closing Time, the Company is not in breach of, or non-compliant with, any of the covenants, agreements and conditions under the Purchase Agreement, except where such breach or non-compliance has not resulted and would not result in a Material Adverse Effect.
- (c) The Company shall have received the necessary approval for the Transaction.
- (d) The Company shall have completed the Pre-Closing Reorganization in accordance with all applicable Laws and upon receipt of, and in accordance with the terms of, all Required Reorganization Consents, such that (i) the Subsidiary shall be the registered or recorded and legal and beneficial owner of a 100% interest in and to the Claims, free and clear of all Encumbrances, other than Permitted Encumbrances; and (ii) the Claims shall be the only assets of the Subsidiary, and the Subsidiary shall have no liabilities other than Permitted Encumbrances (if any).
- (e) The Company shall have assigned to the Subsidiary the Option Agreement as part of the Pre-Closing Reorganization, and all obligations of the Company under the Option Agreement (including any amendments thereto) shall have been satisfied in full prior to the Closing Date other than the obligation to pay the Option Payment within 30 days of the Closing Date.
- (f) The Purchaser shall have received:
  - (i) certificate(s) representing the Shares duly endorsed in blank for transfer or accompanied by duly signed powers of attorney for transfer in blank;
  - (ii) duly executed resignation and release letters, effective as of the Closing, of all individuals who are currently directors or officers of the Subsidiary, in a form satisfactory to the Purchaser and the Company, acting reasonably;
  - (iii) a certificate of status (or equivalent thereof) of each of the Company and the Subsidiary dated no more than one Business Day prior to the Closing Date;
  - (iv) a certificate from an officer of the Company certifying: (i) the Organizational Documents of the Company; (ii) the incumbency of certain officers of the Company; and (iii) the resolutions of the board of directors of the Company relating to the Purchase Agreement and the Transactions;
  - (v) a certificate from an officer of the Subsidiary certifying: (i) the Organizational Documents of the Subsidiary; (ii) the incumbency of the officers of the Subsidiary and (iii) any applicable corporate authorizations of the Subsidiary relating to the Purchase Agreement and the Transactions;
  - (vi) the certificates contemplated by (a) and (b) above;

- (vii) evidence of the CSE Approval;
  - (viii) evidence satisfactory to the Purchaser that the Transaction Approval has been received in accordance with all applicable Law;
  - (ix) evidence satisfactory to the Purchaser that the Pre-Closing Reorganization has been completed in accordance with the terms set forth in the Purchase Agreement, all applicable Law and that all Required Reorganization Consents have been obtained, in all cases, on terms and conditions satisfactory to the Purchaser, acting reasonably;
  - (x) evidence satisfactory to the Purchaser, acting reasonably, that the Option Payment has been made and that the Option Agreement is valid and subsisting agreement and that the Company and the Subsidiary are not in default thereunder;
  - (xi) executed assignment and assumption agreements, on terms satisfactory to the Purchaser, acting reasonably in respect of each of the Assigned Contracts;
  - (xii) all Required Closing Consents;
  - (xiii) all Books and Records; and
  - (xiv) all such other documentation or evidence as is necessary to establish the consummation of the Transactions and the taking of all required corporate Proceedings by the Company in connection with the Transactions, as reasonably requested by the Purchaser.
- (g) The ASX Approval and CSE Approval shall have been duly obtained, made, given or waived and shall be in full force and effect, and all terminations or expirations of applicable waiting periods, if any, imposed by any Governmental Authority necessary for the consummation of the Transactions shall have occurred.
- (h) There shall not be in effect on the Closing Date any Order or Law restraining, enjoining or otherwise prohibiting or making illegal, and there shall be no pending Claim of a Governmental Authority which if successful would reasonably be expected to restrain, enjoin or otherwise prohibit, the consummation of the Transactions.
- (i) The Company shall have delivered to the Purchaser a title opinion, in form and substance satisfactory to the Purchaser, acting reasonably, from external legal counsel to the Company, that indicates that the Subsidiary is the registered or recorded and legal and beneficial owner of a 100% interest in and to the Claims (or, in the case of the Claims subject to the Option Agreement, the Subsidiary has an exclusive right to acquire a 100% interest, free and clear of all Encumbrances, other than Permitted Encumbrances.

*Conditions to Closing of the Transaction in Favour of the Company*

The obligation of the Company to complete the Transaction is subject to the satisfaction of, or compliance with, a number of conditions precedent prior to the Closing Date. The conditions include:

- (a) The Company shall have received a certificate from a senior officer of the Purchaser confirming on behalf of the Purchaser that, as of the Closing Time, the representations and warranties of the Purchaser as set forth in the Purchase Agreement are true and correct in

all respects (disregarding for the purposes of this condition any materiality or Material Adverse Effect qualification contained in any such representation and warranty), provided that any such representation and warranty that by its terms speaks specifically as of the date of the Purchase Agreement or another date shall be true and correct in all respects as of such date, except where the failure to be true and correct in all respects, individually or in the aggregate, has not and would not result in a Material Adverse Effect.

- (b) The Company shall have received a certificate from a senior officer of the Purchaser confirming that, as of the Closing Time, the Purchaser is not in breach of, or non-compliant with, any of the covenants, agreements and conditions under the Purchase Agreement, except where such breach or noncompliance has not resulted and would not result in a Purchaser Material Adverse Effect.
- (c) The Company shall have received:
  - (i) a holding statement representing the FireFly Shares;
  - (ii) a certificate of status (or equivalent thereof) of the Purchaser dated no more than one Business Day prior to the Closing Date;
  - (iii) a certificate from a senior officer of the Purchaser certifying: (i) the Organizational Documents of the Purchaser; (ii) the incumbency of certain officers of the Purchaser; and (iii) any applicable corporate authorizations of the Purchaser relating to the Purchase Agreement and the Transactions and including, without limitation, the issuance of the FireFly Shares;
  - (iv) the certificates contemplated by (a) and (b) above;
  - (v) evidence that the Purchaser has applied to ASX to have the FireFly Shares admitted to quotation on the ASX, including by the Purchaser lodging an Schedule 2A and Schedule 3B with ASX; and
  - (vi) all such other documentation or evidence as is necessary to establish the consummation of the Transactions and the taking of all required corporate Proceedings by the Purchaser in connection with such Transactions, as reasonably requested by the Company.
- (d) There shall not be in effect on the Closing Date any Order or Law restraining, enjoining or otherwise prohibiting or making illegal, and there shall be no pending or threatened Claim of a Governmental Authority which if successful would reasonably be expected to restrain, enjoin or otherwise prohibit, the consummation of the Transactions.
- (e) The ASX Approval and CSE Approval shall have been duly obtained, made, given or waived and shall be in full force and effect, and all terminations or expirations of applicable waiting periods if any, imposed by any Governmental Authority necessary for the consummation of the Transactions shall have occurred.

*Covenants Until Closing*

Operation of Business Prior to Closing

Between the date of the Purchase Agreement and Closing (the "Interim Period"), except: (i) as otherwise expressly required or permitted by the Purchase Agreement, (B) as required by Law, or (C) with the prior written consent of the Purchaser (such consent not to be unreasonably withheld, conditioned, or delayed), the Company shall promptly advise the Purchaser in writing of any fact or any change in the business, operations, assets, liabilities, capitalization or financial condition of the Subsidiary, or any change in or to the Property that would reasonably be expected to result in any of the condition precedent of the Purchaser set out in the Purchase Agreement not being met prior to the Outside Date.

Furthermore, the Company and the Subsidiary are restricted from a number of specific actions, including:

- (a) sell, transfer, dispose of, lease, encumber, relinquish, reduce, modify, abandon or grant any royalty, option to purchase, right of first offer/refusal or promise to enter into any contract capable of becoming any of the foregoing over the Claims;
- (b) enter into any contract or other arrangement that would constitute a Material Contract;
- (c) amend, modify or renew any Material Contract;
- (d) waive any material benefits under any Material Contract or grant any consent or release in respect of any matters related to any Material Contract;
- (e) terminate (either partially or completely) or cancel any Material Contract (other than terminations in the ordinary course upon the expiration of such Material Contract);
- (f) cause or permit any acceleration of any material terms under any Material Contract;
- (g) create or permit to exist any new Encumbrance (other than Permitted Encumbrances) upon the Claims, whether tangible or intangible;
- (h) institute, settle, cancel or compromise any Proceeding whose determination may result in modification or change to or affect in any way the perimeter, surface or any other right comprising the Claims;
- (i) other than in connection with the Pre-Closing Reorganization, make or change any tax election, change an annual accounting period, adopt or change any tax accounting method, file any amended tax return, settle any tax claim or assessment, waive or agree to extend the statute of limitations for the assessment of any tax, surrender any right to claim a refund of taxes or otherwise take any similar action; or
- (j) authorize or enter into any agreement, contract or commitment to do any of the foregoing or authorize, take or agree to take (or fail to take) any action with respect to the foregoing.

*Access for Investigation and Search Authorizations*

The Company and the Subsidiary will give effect to provisions relating to access to information and records and other cooperation between the parties to assist with the Purchaser's planning for the transition of ownership and integration of the Subsidiary following Closing.

*Area of Interest*

The Company agreed that as a material inducement to the Purchaser to enter into and perform its obligations under the Purchase Agreement, the Company must not, and must procure that each of its Affiliates and Associates do not, without the prior written consent of the Purchaser, at any time during the period beginning on the date of the Purchase Agreement and ending on the second anniversary of the Closing Date (the "Restrictive Period") acquire, other than from the Purchaser or its Affiliates, any interest in any mineral concessions, claims, leases, licenses, permits, access rights and other rights and interests to explore for, develop, mine, produce, process or refine, minerals, concentrates or ores ("AOI Rights") within a twenty-five (25) kilometer radius of the outermost boundaries of the Property (the "Area of Interest") without the Purchaser's prior written consent. In the event that the Company or its Affiliate or Associate acquires an AOI Right in the Area of Interest without obtaining the Purchaser's consent, the Company shall, or shall procure that its Affiliate or Associate (as applicable), within 30 days of such acquisition offer to the Purchaser in writing the right to acquire such acquired AOI Rights without cost to the Purchaser. The Purchaser shall have 30 days after receipt of such offer to accept it. In the event that an entity (the "New Member") that is not as of the date of the Purchase Agreement an Affiliate or Associate of the Vendor becomes an Affiliate or Associate of the Company and such New Member holds any AOI Rights within the Area of Interest as of the date of becoming an Affiliate or Associate of the Company, such ownership shall not constitute a breach of the AOI Rights provided that such New Member did not acquire such AOI Rights in specific contemplation of becoming an Affiliate or Associate of the Company. The AOI Rights shall survive the completion of the Transaction.

*Notice by the Parties of Certain Matters*

Prior to the Closing, each of the Purchaser, the Vendor and their respective Affiliates shall promptly notify the other Party of:

- (a) any notice or other communication from:
  - (i) any Governmental Authority in connection with this Agreement or the Transactions; or
  - (ii) any Person (a) alleging that the consent of such Person is or may be required in connection with the Transactions; or (b) threatening, requesting or delivering an Order restraining or enjoining the execution of any Related Documents or the consummation of the Transactions;
- (b) any failure by it to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied under this Agreement;
- (c) with respect to the Vendor, any material Proceeding (including, for this purpose, by or before a taxing authority) commenced relating to the Vendor or any of its Affiliates in connection with the Property; and
- (d) with respect to the Purchaser, any material Proceedings (including, for this purpose, by or before a taxing authority) commenced relating to the Purchaser.

*Wrong Pockets*

If, after the Closing Date, the Purchaser in good faith identifies any property, right, asset, license, claim, interest or otherwise ("Wrong Pocket Item") owned by the Company that is a mining claim, mining concession, application for mining concession, mining lease, option agreement, mining right, agreement

and/or authorization providing for access and use of the area where the Property is located, including leases and easements, that should have been, but inadvertently was not previously, transferred by the Company to the Purchaser, the Company shall transfer or cause to be transferred such Wrong Pocket Item to the Purchaser or its designee for no additional consideration. If, after the Closing Date, the Company in good faith identifies any Wrong Pocket Item that should not have been, but inadvertently was previously, transferred by the Company to the Purchaser or of which the Purchaser is otherwise in possession, then the Purchaser shall transfer or cause to be transferred such Wrong Pocket Item to the Company or its designee for no consideration. Prior to any such transfer, the Company or the Purchaser, as applicable, shall, or shall cause its Affiliates to, hold such asset in trust for the Company or the Purchaser, as applicable.

*Assumed Royalties on the Property*

From and after the Closing Time, the Purchaser or the Subsidiary, as applicable, shall be liable for any and all Claims, obligations or liabilities relating to the Assumed Royalties relating to the period after the Closing Date.

*Other Covenants*

The Purchase Agreement contains additional covenants related to notice by the parties of certain matters, confidentiality, actions to satisfy closing conditions, preservation of records, the Company's release of the Subsidiary effective as of the Closing Time, public notices, as well as tax matters. For full particulars of the covenants contained in the Purchase Agreement, please refer to the full text of the Purchase Agreement available on the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

*Termination*

The Purchase Agreement may be terminated:

- (a) by the written agreement of the Purchaser and the Company;
- (b) by the Purchaser or the Company, if the Shareholders fail to approve the Transaction;
- (c) by the Purchaser, if the Company has breached any of the Company's representations, warranties or covenants contained in the Purchase Agreement such that the conditions set forth in Section 5.1 and Section 5.2 of the Purchase Agreement are incapable of being satisfied on or before the Outside Date, provided that the Purchaser is not also then in breach of the Purchase Agreement such that any condition in Section 6.1 and Section 6.2 of the Purchase Agreement is incapable of being satisfied on or before the Closing Date, and provided further that the Purchaser may not terminate the Purchase Agreement under the termination provisions set forth in the Purchase Agreement if capable of being cured, such breach remains uncured for 20 Business Days after written notice of such breach is given to the Company by the Purchaser, or (ii) such breach is not capable of being cured;
- (d) by the Company, if the Purchaser has breached any of the Purchaser's representations, warranties or covenants contained in the Purchase Agreement such that the conditions set forth in Section 6.1 and Section 6.2 of the Purchase Agreement are incapable of being satisfied on or before the Outside Date, provided that the Company is not also then in breach of the Purchase Agreement such that any condition in Section 5.1 and Section 5.2 of the Purchase Agreement is incapable of being satisfied on or before the Closing Date, and provided further that the Company may not terminate the Purchase Agreement under Section 7.1(d) of the Purchase Agreement unless (i) if capable of being cured, such breach

remains uncured for 20 Business Days after written notice of such breach is given to the Purchaser by the Company, or (ii) such breach is not capable of being cured;

- (e) by either the Purchaser or the Company if the Closing Date has not occurred or on before the Outside Date, except that the right to terminate the Purchase Agreement under Section 7.1(e) of the Purchase Agreement shall not be available to any Party whose failure to fulfill any of its obligations or breach of any of its representations and warranties under the Purchase Agreement has been the cause of, or resulted in, the failure of the Closing Date to occur by the Outside Date; or
- (f) by either the Purchaser or the Company if, after the date of the Purchase Agreement, any Law or Order has come into effect that prohibits or makes illegal the consummation of the Transaction, and in the case of an Order, such Order has become final and nonappealable,

in each case, with immediate effect upon delivery of written notice of termination or upon entering into a mutual agreement, as the case may be.

### **Ancillary Agreements**

#### *Marwan I Option Agreement*

On December 21, 2023, the Company entered into the Amended Option Agreement with the Optionors in order to, among other things, expediate the option exercise terms of the Option Agreement. Pursuant to the Amended Option Agreement, the Company can now fully exercise the Option upon the issuance of the Marwan Option Shares, which were issued on January 4, 2024, and a cash payment of \$500,000 to be paid within 30 days of the Closing Date. The Company will assign the Amended Option Agreement to the Subsidiary prior to Closing, such that following the Closing, the Purchaser will assume the \$500,000 cash payment in order to fully exercise the Option. The Marwan Option Shares are currently held in escrow pursuant to a voluntary escrow agreement (the "**Marwan Escrow Agreement**") dated January 4, 2024. Under the Marwan Escrow Agreement, the Marwan Option Shares will be held in escrow until the Closing Date.

#### *Amended Finder's Fee Agreement*

On January 16, 2024, the Company entered into an amending and restated finder's fee agreement (the "**Amended Finder's Fee Agreement**") to the finder's fee agreement originally dated January 17, 2022 (the "**Original Finder's Fee Agreement**") among the Company, Sean Kingsley, and Canal Front. The Original Finder's Fee Agreement was entered into in order to provide the Company, Sean Kingsley and Canal Front a finder's fee in connection with the Option Agreement and it was payable in instalments based on the milestones set forth in the Option Agreement. The purpose of the Amended Finder's Fee Agreement was to align the payment terms of the finder's fee with the new option exercise price and timeline set forth in the Amended Option Agreement. Pursuant to the Amended Finder's Fee Agreement, Sean Kinglsey and Canal Fronts will receive an aggregate of \$40,000 in cash and 480,000 in Shares upon completion of the Transaction.

#### *Finder's Fee Agreement with Kluane Capital FZCO*

On September 28, 2023, the Company entered into a finder's fee agreement with Kluane Capital FZCO ("**Kluane Capital**") (the "**Kluane Agreement**") whereby the Company agreed to pay a finder's fee to Kluane Capital as consideration for the Company completing a transaction with a person or entity that Kluane Capital introduces to the Company, with respect to any direct or indirect interest in one or more mineral properties of the Company. The Company agreed to pay a finder's fee equal to 10% of any cash



consideration paid in connection with such transaction and 10% of any consideration paid in securities in connection with such transaction, payable in Shares on the date that the Company completes the transaction (together, the "Finder's Fee"). The Transaction qualifies as a subject transaction under the Kluane Agreement and as such, the Company will pay the Finder's Fee to Kluane Capital. The Kluane Agreement will be assigned to the Purchaser upon Closing.

#### **Transaction Resolution**

The sale of the Subsidiary pursuant to the Purchase Agreement would be a sale of substantially all of the Company's assets or undertaking. The Company currently exists under the BCBCA and Section 301 of the BCBCA requires that the Company obtain the approval of the sale of all or substantially all of its undertaking by way of special resolution.

At the Meeting, Shareholders will be asked to consider, and if deemed appropriate, to pass, the Transaction Resolution to approve the sale of all or substantially all of the Company's assets, as set out below. Pursuant to the Articles of the Company and the provisions of the BCBCA concerning special resolutions, the Transaction Resolution must be approved by 66 2/3% of the votes cast by Shareholders who are entitled to vote and are present in person or by proxy at the Meeting. Please see Schedule "B" for the Transaction Resolution.

**To be effective, the Transaction Resolution must be approved by 66 2/3% of the votes cast by Shareholders who are entitled to vote and are present in person or by proxy at the Meeting.**

The Board has determined that the Transaction Resolution is in the best interests of the Company and its Shareholders and accordingly, the Board recommends that Shareholders vote FOR the Transaction Resolution.

**Unless such authority is withheld, the Management proxy nominees named in the accompanying proxy intend to vote "for" the approval of the Transaction Resolution as disclosed in this Circular.**

#### **Dissent Rights**

The following is only a summary of the rights ("Dissent Rights") and the provisions of the BCBCA relating to the dissent and appraisal rights in respect of the Transaction Resolution of a Registered Shareholder. The statutory provisions dealing with the right of dissent are technical and complex. Any Registered Shareholders considering exercising Dissent Rights should seek independent legal advice, as failure to comply strictly with the provisions of Division 2 of Part 8 of the BCBCA may result in the loss of all Dissent Rights.

Division 2 of Part 8 of the BCBCA provides Registered Shareholders of a corporation with the right to dissent from certain resolutions that effect extraordinary corporate transactions or fundamental corporate changes. Any Registered Shareholder who validly dissents from the Transaction Resolution in compliance with Division 2 of Part 8 of the BCBCA will be entitled, in the event the Transaction becomes effective, to be paid by the Company the fair value of the Shares held by such Dissenting Shareholder determined as of the close of business on the day before the Transaction Resolution is approved by the Shareholders.

In many cases, Shares beneficially owned by a Non-registered Shareholder are registered either: (a) in the name of an Intermediary that the Non-registered Shareholder deals with in respect of the Shares; or (b) in the name of a depository (such as CDS & Co.) of which the Dissent Rights directly (unless the Shares are re-registered in the Non-registered Shareholder's name). A Non-registered Shareholder that wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-registered Shareholder deals in respect of its Shares and either (i) instruct the Intermediary to exercise the Dissent

Rights on the Non-registered Shareholder's behalf (which, if the Shares are registered in the name of CDS & Co. or other clearing agency, may require that such Shares first be re-registered in the name of the Intermediary), or (ii) instruct the Intermediary to re-register such Shares in the name of the Non-registered Shareholder, in which case the Non-registered Shareholder would be able to exercise the Dissent Rights directly. In addition, pursuant to Section 238 of the BCBCA, a Dissenting Shareholder may not exercise Dissent Rights in respect of only a portion of such Dissenting Shareholder's Shares but may dissent only with respect to all Shares held by such Dissenting Shareholder.

The Dissent Procedures require that a Registered Shareholder who wishes to dissent with respect to all Shares held must send a notice (the "Notice of Dissent") to the Company c/o, Sean Kingsley, CEO and President of the Company, at 75 - 8050 204<sup>th</sup> Street, Langley, BC V2Y 0X1 to be received by no later 10:00 a.m. (Vancouver time) on March 13, 2024 or, in the case of any adjourned or postponed Meeting, by no later than 10:00 a.m. (Vancouver time) on the Business Days that is two Business Days prior to the date of the adjourned or postponed Meeting, and must otherwise strictly comply with the Dissent Procedures described in this Circular.

A Registered Shareholder who wishes to dissent must deliver a written Notice of Dissent to the Company as set forth above and such Notice of Dissent must strictly comply with the requirements of Section 242 of the BCBCA. Non-registered Shareholders who wish to exercise Dissent Rights must cause each Shareholder holding their Shares to deliver the Notice of Dissent, or, alternatively, make arrangements to become a Registered Shareholder.

**Any failure by a Shareholder to fully comply with the provisions of the BCBCA may result in the loss of that holder's Dissent Rights. The Dissent Rights are set out in their entirety in Schedule "D" attached to this Circular. A Shareholder considering exercising Dissent Rights should seek independent legal advice.**

If the Transaction Resolution is approved by the Shareholders, and the Company notifies a registered holder of Shares in respect of which such holder has given Notice of Dissent (the "Notice Shares") of the Company's intention to act upon the authority of the Transaction Resolution pursuant to Section 243 of the BCBCA in order to exercise Dissent Rights, such Registered Shareholder must, within one month after the Company gives such notice, send to the Company or its transfer agent, a written notice that such holder requires the purchase of all of the Notice Shares in respect of which such holder has given Notice of Dissent. Such written notice must be accompanied by the certificate or certificates representing those Notice Shares (including a written statement prepared in accordance with Sections 244(1)(c) and 244(2) of the BCBCA if the dissent is being exercised by the Registered Shareholder on behalf of a Non-registered Shareholder), whereupon, subject to the provisions of the BCBCA relating to the termination of Dissent Rights, the Registered Shareholder becomes a Dissenting Shareholder, and is deemed to have sold to the Company and the Company is deemed to have purchased, the Notice Shares. Such Dissenting Shareholder may not vote, or exercise or assert any rights of a Shareholder in respect of such Notice Shares, other than the rights set forth in Sections 237 to 247 of the BCBCA.

If a Registered Shareholder fails to comply with Section 244(1) of the BCBCA, unless the Court orders otherwise, the right of the Registered Shareholder to dissent terminates and ceases to apply to such Registered Shareholder.

Each Registered Shareholder as at the Record Date who duly exercises its Dissent Rights and who:

- (a) is ultimately entitled to be paid fair value by the Company for the Shares in respect of which they have exercised Dissent Rights: (i) will be deemed not to have participated in the Transaction; (ii) will be entitled to be paid the fair value of such Shares by the Company, which fair value, notwithstanding anything to the contrary contained in Section

245 of the BCBCA, will be determined as of the close of business on the Business Day immediately preceding the date on which the Transaction Resolution is adopted; and (iii) will be deemed to have transferred and assigned their Shares (free and clear of all Liens) to the Company in consideration for such fair value; or

- (b) is ultimately not entitled, for any reason, to be paid fair value for the Shares in respect of which they have exercised Dissent Rights, will be deemed to have participated in the Transaction on the same basis as a Shareholder who has not exercised Dissent Rights.

In no case will the Purchaser, the Company or any other Person be required to recognize any Dissenting Shareholder as a holder of Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer of the Shares held by the Dissenting Shareholder to the Company, and each Dissenting Shareholder will cease to be entitled to the rights of a Shareholder in respect of the Shares in respect of which they have exercised Dissent Rights. The name of such Dissenting Shareholder will be removed from the register of Shareholders as to those Shares in respect of which Dissent Rights have been validly exercised at the same time as the transfer of the Shares held by the Dissenting Shareholder to the Company. In addition to any other restrictions under Division 2 of Part 8 of the BCBCA, none of the following persons are entitled to exercise Dissent Rights: (i) any holder of incentive securities (but only in respect of those incentive securities); (ii) any Shareholder who votes or has instructed a proxyholder to vote any of such Shareholder's Shares in favour of the Transaction Resolution; or (iii) any Non-registered Shareholder.

If a Registered Shareholder as at the Record Date is ultimately entitled to be paid by the Company for their Shares, such Dissenting Shareholder may enter into an agreement with the Company for the fair value of such Dissenting Shareholder's Shares. If such Dissenting Shareholder does not reach an agreement with the Company, such Dissenting Shareholder, or the Company, may apply to the Court, and the Court may (a) determine the payout value of the Dissenting Shareholder's Shares or order that the payout value of the Dissenting Shareholder's Shares be established by arbitration or by reference to the registrar, or a referee or a court, and (b) make consequential orders and give directions as the Court considers appropriate. There is no obligation on the Company to make an application to the Court. The Dissenting Shareholder will be entitled to receive the fair value that the Shares had as of the close of business on the Business Day immediately preceding the date on which the Transaction Resolution is adopted. After a determination of the fair value of the Dissenting Shareholder's Shares, the Company must then promptly pay that amount to the Dissenting Shareholder.

Dissent Rights with respect to Notice Shares will terminate and cease to apply to the Dissenting Shareholder if, before full payment is made for the Notice Shares, (a) the Transaction is abandoned or by its terms will not proceed, (b) the Transaction Resolution is not passed by the requisite number of votes by Shareholders, (c) the Transaction Resolution is revoked before the Effective Time, (d) a court permanently enjoins or sets aside the Transaction, (e) the Dissenting Shareholder consents to, or votes in favour of, the Transaction Resolution, (f) the Dissenting Shareholder withdraws the Notice of Dissent with the Company's written consent, or (g) the Court determines that the Dissenting Shareholder is not entitled to dissent. If any of these events occur, the Company must return the share certificate(s) or DRS advice representing the Shares to the Dissenting Shareholder, the Dissenting Shareholder regains the ability to vote and exercise its rights as a Shareholder and the Dissenting Shareholder must return any money that the Company paid to the Dissenting Shareholder in respect of the Dissenting Shareholder's Shares.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. A Shareholder who intends to exercise Dissent Rights must strictly adhere to the procedures established in Sections 237 to 247 of the BCBCA and failure to do so may result in the loss of all Dissent Rights.

Each Shareholder wishing to avail himself, herself or itself of the Dissent Rights should carefully consider and comply with the provisions of Sections 237 to 247 of the BCBCA, which are attached to this Circular as Schedule "D", respectively, and seek his, her or its own legal advice.

#### **Risk Factors for the Transaction**

In evaluating the Transaction, Shareholders should carefully consider the following risk factors relating to the Transaction. The following risk factors are not a definitive list of all risk factors associated with the Transaction. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Company, may also adversely affect the Shares. For a discussion of such additional risks, see the section titled "Risk Factors" in the Company's in the Company's Management Discussion and Analysis for the year ended August 31, 2023 available under the Company's profile at [www.searplus.ca](http://www.searplus.ca). The risk factors enumerated below should be considered in conjunction with the other information included in this Circular.

#### *The Purchase Agreement may be terminated in certain circumstances*

The Company and the Purchaser has the right to terminate the Purchase Agreement in certain circumstances. Accordingly, there is no certainty, nor can the Company provide any assurance, that the Purchase Agreement will not be terminated by the Purchaser before the completion of the Transaction. If the Purchase Agreement is terminated and the Transaction is not completed, then the market price of the Shares may decline to the extent that the market price currently reflects a market assumption that the Transaction will be completed.

#### *There can be no certainty that all conditions precedent to the Transaction will be satisfied*

The completion of the Transaction is subject to a number of conditions precedent, certain of which are outside the control of the Company. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Transaction is not completed and the Board decides to seek another sale, merger or business transaction, 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 Purchase Price to be paid pursuant to the Transaction.

#### *There can be no certainty that Shareholder Approval will be obtained*

If the Transaction Resolution is not approved by at least two-thirds (66 2/3%) of Shareholders at the Meeting, voting in person or by proxy, the Transaction will not be completed. There can be no certainty, nor can the Company provide any assurance, that the requisite Shareholder approval for the Transaction Resolution will be obtained. There is no assurance that there will not be dissenting Shareholders.

#### *Potential Payments to Shareholders who exercise dissent rights could have an adverse effect on the Company's financial condition*

Registered Shareholders have the right to exercise dissent rights and to demand payment equal to the fair value of their Shares in cash. If dissent rights are validly exercised in respect of a significant number of Shares, a substantial cash payment may be required to be made to such Shareholders, which would have an adverse effect on the Company's financial condition and cash resources.

#### *The Company will have discretion in the use of certain of the net proceeds of the Transaction*

The Company will have discretion over the use of certain of the net proceeds from the Transaction. Because of the number and variability of factors that will determine the Company's use of such proceeds, the

Company's ultimate use might vary from its planned use of such proceeds. Shareholders may not agree with how the Company determines to allocate or spend the proceeds from the Transaction.

## PLAN OF ARRANGEMENT

### Background to the Plan of Arrangement

Subject to obtaining the approval of the Shareholders for the Transaction and upon closing of the Transaction, the Company will receive 30,290,624 FireFly Shares from the Purchaser representing an aggregate value of \$15,000,000 (based on the value of the FireFly Shares at the time of entering into the Purchase Agreement). The Company is proposing to distribute approximately 90% of the FireFly Shares, or such other number as may be determined by the Board, or where applicable, the cash equivalent of such FireFly Shares, as a distribution on a pro-rata basis to the Shareholders based on their ownership percentage of the total issued and outstanding Shares of the Company as at the Distribution Record Date. Pursuant to the Plan of Arrangement, the Eligible Shareholders shall be entitled to receive their distribution through the Share Distribution, whereas the U.S. Shareholders will be entitled to receive the Cash Distribution.

Under the *Securities Act* (British Columbia), 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 41-106 - *Prospectus Exemptions*. As such, 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.

Similarly, under the U.S. Securities Act of 1933 (the "U.S. Securities Act"), the Company needs to rely on an exemption from the registration requirements in order to conduct the Share Distribution for any Shareholders resident in the United States. The Company explored the exemption available under Section 3(a)(10) (the "3(a)(10) Exemption") of the U.S. Securities Act which allows for a distribution of securities which are issued in exchange for one or more bona fide outstanding securities, where the terms and conditions of such issuance and exchange are approved by any court. However, the Company ultimately determined that it could not rely on the 3(a)(10) Exemption because doing so would require an exchange of securities, which would cause the Purchaser to be deemed a reporting issuer (as such term is defined in the *Securities Act* (British Columbia)). Becoming a reporting issuer does not align with the strategic goals of the Purchaser at this time.

Therefore, the Company is relying on the U.S. Accredited Investor exemption, as defined in Rule 501(a) of Regulation D, to distribute the FireFly Shares to any Shareholders who are resident in the United States and are U.S. Accredited Investors. For those U.S. Shareholders who are not U.S. Accredited Investors, the Company shall pay a cash amount equivalent in value to what other Shareholders will be receiving under the Arrangement. For more information regarding the calculation of the Cash Distribution for each U.S. Shareholder, see "*Arrangement Mechanics*" below.

### Reasons for the Determination and Recommendations of the Board

The Board, with the assistance of financial and legal advisors, carefully reviewed the proposed Arrangement and the terms and conditions of the Plan of Arrangement and all related agreements and documents, and in making their respective determinations and recommendations, the Board considered and relied upon a number of substantive factors. Primarily, the Board determined 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.

#### **Required Shareholder Approval**

At the Meeting, the Arrangement Resolution must be approved by not less than two-thirds (66⅔%) of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote on such resolution.

#### **Required Court Approval**

The BCBCA provides that an arrangement requires Court approval. Subject to the terms of the Plan of Arrangement, if the Transaction Resolution and the Arrangement Resolution is approved by the Shareholders at the Meeting, the Company will take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Court Order pursuant to Section 291 of the BCBCA, as soon as reasonably practicable. The application for the Court Order approving the Arrangement is expected to take place before the Supreme Court of British Columbia, sitting in the City of Vancouver, British Columbia.

The Company has been advised by Clark Wilson LLP, its counsel, that the Court has broad discretion under the BCBCA when making orders with respect to plans of arrangement and that the Court will consider, among other things, the 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 in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

#### **Arrangement Mechanics**

##### *The Arrangement*

Assuming that the Shareholders approve the Arrangement at the Meeting, the Arrangement will be implemented by way of a statutory plan of arrangement under the BCBCA pursuant to the terms of the Plan of Arrangement. The following procedural steps must be taken in order for the Arrangement to become effective:

- (a) the Shareholders approve the Arrangement;
- (b) the Court must grant the Court Order approving the Arrangement; and
- (c) all conditions precedent to the Purchase Agreement must be satisfied or waived (if permitted) by the appropriate party, such that the FireFly Shares are issued to the Company.

As such, the Arrangement will become effective on the date determined by the Board which date is after (i) the date on which the Company obtains the Court Order; and (ii) the date on which FireFly issues the FireFly Shares to the Company upon closing of the transactions contemplated by the Purchase Agreement (the "Effective Date").

##### *Steps to Implementing the Arrangement and Timing*

Under the Plan of Arrangement, the following events shall occur and shall be deemed to occur concurrently as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at the Effective Date.

1. Share Distribution to the Eligible Shareholders: The Company shall finalize the number of FireFly Shares to be distributed and distribute such FireFly Shares to the Eligible Shareholders on a pro-rata basis determined by each such shareholder's ownership percentage of the total issued and outstanding Shares as at the Distribution Record Date. For example, if an Eligible Shareholder is holding 5% of the total issued and outstanding Shares as at the Distribution Record Date, such Eligible Shareholder will be entitled to receive 5% of the FireFly Shares being distributed pursuant to the Share Distribution.
2. Cash Distribution to U.S Shareholders: The Company shall make a cash payment 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 had the U.S. Shareholder been an Eligible Shareholder.

#### *Dissent Rights*

The Eligible Shareholders and the U.S. 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.

#### **Process for Receiving the Share Distribution or Cash Distribution**

Eligible Shareholders are not required to take any action to receive the FireFly Shares on the Effective Date. On or after the Effective Date, Computershare, a nominee acting as the distribution agent for the Arrangement, will arrange the distribution of the FireFly Shares to the Eligible Shareholder in book-entry form (i.e. uncertificated). An issuer sponsored statement, which is the Australian equivalent of a direct registration statement, representing the FireFly Shares to which the Eligible Shareholder is entitled to receive under the Share Distribution will be issued by FireFly's Share Registry to the Eligible Shareholder's registered address. Similarly, Computershare will act as the distribution agent for the Cash Distribution and the U.S. Shareholders will not be required to take any further action to receive their entitlement under the Cash Distribution.

#### **Effect of the Arrangement**

Subject to the successful completion of the Arrangement and distribution of the FireFly Shares, the Eligible Shareholders will hold an equity interest in both the Company and in FireFly. As such, the Eligible Shareholders will share in the value of the Transaction and they will have an opportunity to participate in the success experienced by FireFly including any success FireFly has in the exploration and development of the Claims. The U.S. Shareholders receiving the Cash Distribution will continue to hold an equity interest in the Company, while also sharing in the financial benefits of the Transaction.

#### **Arrangement Resolution**

At the Meeting, Shareholders will be asked to consider, and if deemed appropriate, to pass, the Arrangement Resolution to approve the Plan of Arrangement. Pursuant to Section 289 of the BCBCA, an arrangement is adopted if the shareholders approve the arrangement by a special resolution, which according to the Company's Articles and the provisions of the BCBCA, requires at least 66 2/3% of the votes cast on the resolution. As such, the Arrangement Resolution must be approved by 66 2/3% of the votes cast by Shareholders who are entitled to vote and are present in person or by proxy at the Meeting. Please see Schedule "C" for the Arrangement Resolution.

**To be effective, the Arrangement Resolution must be approved by 66 2/3% of the votes cast by Shareholders who are entitled to vote and are present in person or by proxy at the Meeting.**

The Board has determined that the Arrangement Resolution is in the best interests of the Company and its Shareholders and accordingly, the Board recommends that Shareholders vote FOR the Arrangement Resolution.

**Unless such authority is withheld, the Management proxy nominees named in the accompanying proxy intend to vote "for" the approval of the Arrangement Resolution as disclosed in this Circular.**

#### **Risk Factors for the Arrangement**

In evaluating the Arrangement, 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 the Company, may also adversely affect the Shares. For a discussion of such additional risks, see the section titled "Risk Factors" in the Company's Management Discussion and Analysis for the year ended August 31, 2023 available under the Company's profile at <http://www.sedarplus.ca/>. The risk factors enumerated below should be considered in conjunction with the other information included in this Circular.

#### *There can be no certainty of the Market Price for the FireFly Shares*

The trading price of FireFly Shares on the Effective Date may vary from the price as at the date of execution of the Purchase Agreement, the date of this Circular and the date of the Meeting and may fluctuate in the future depending on investors' perceptions of the merits of the Arrangement and the future prospects of FireFly.

#### *Completion of the Arrangement*

There is no assurance that the Arrangement can be completed as proposed, or of if the Required Arrangement Approval or Court Order will be obtained.

#### *Continuation of FireFly's Business*

There is no assurance that the businesses of the Company or FireFly after completing the Arrangement, will be successful. As such, the equity interest held by the Eligible Shareholders in the Company and FireFly is not guaranteed to create positive economic benefits in the future.

#### *No assurances for resale restrictions on the FireFly Shares*

While the Company believes that the FireFly Shares to be issued to Eligible Shareholders pursuant to the Arrangement will not be subject to any resale restrictions save securities held by control persons, there is no assurance that this is the case and each Eligible Shareholder is urged to obtain appropriate legal advice regarding applicable securities legislation.

#### *The Arrangement may create adverse tax consequences for Eligible Shareholders*

The Arrangement may give rise to significant adverse tax consequences to Eligible Shareholders and each such Eligible Shareholder is urged to consult his, her or its own tax advisor.



*Costs related to the Arrangement will remain payable by the Company*

Certain costs related to the Arrangement, such as legal and accounting fees, must be paid by the Company even if the Arrangement is not completed.

### SECURITIES LAW CONSIDERATIONS

The following is a brief summary of the securities law considerations applicable to the transactions contemplated herein.

#### Canadian Securities Laws and Resale of Securities

Each Shareholder is urged to consult such holder's professional advisors to determine the Canadian conditions and restrictions applicable to trades in the FireFly Shares to be issued pursuant to the Arrangement.

The issuance of the FireFly Shares to the Arrangement will constitute a distribution of securities, which is exempt from the prospectus requirements of pursuant Canadian securities legislation. The FireFly Shares issued to Shareholders may be resold in each of the provinces and territories of Canada provided the holder is not a 'control person' as defined in the applicable Securities Legislation, no unusual effort is made to prepare the market or create a demand for those securities and no extraordinary commission or consideration is paid in respect of that sale.

#### U.S. Securities Laws

##### *Status Under U.S. Securities Laws*

Each of the Company and FireFly is a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act. FireFly Shares are not listed or quoted for trading in the United States, nor does the Company or FireFly intend to seek such a listing or quotation at this time.

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to U.S. Securityholders. All U.S. Securityholders are urged to consult with their own legal counsel to ensure that any subsequent resale of the FireFly Shares issued to them under the Plan of Arrangement complies with applicable securities legislation.

##### *Exemption from the Registration Requirements of the U.S. Securities Act*

The FireFly Shares to be issued to Eligible Shareholders pursuant to the Plan of 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, but will be issued in reliance upon the U.S. Accreditor Exemption as defined in Regulation D under the U.S. Securities Act and exemptions provided under the securities laws of each state of the United States in which U.S. Accredited Investors reside.

The foregoing discussion is only a general overview of the requirements of United States securities laws for the resale of the FireFly Shares received pursuant to the Plan of Arrangement. Holders of FireFly Shares are urged to seek legal advice prior to any resale of such securities to ensure that the resale is made in compliance with the requirements of applicable securities legislation.

### CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

THE TAX CONSEQUENCES OF THE ARRANGEMENT MAY VARY DEPENDING UPON THE PARTICULAR CIRCUMSTANCES OF EACH SHAREHOLDER AND OTHER FACTORS.

**ACCORDINGLY, SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE ARRANGEMENT.**

The following fairly summarizes the principal Canadian federal income tax consequences under the Tax Act generally applicable to Shareholders in respect of the distribution of FireFly Shares pursuant to the Arrangement.

In this summary, an otherwise undefined term that first appears in quotation marks has the meaning ascribed to it in the Tax Act.

Comment is restricted to Shareholders who, for purposes of the Tax Act, (i) will hold their FireFly Shares solely as "capital property", and (ii) deal at "arm's length" with and are not "affiliated" with the Company or the Purchaser (each such Shareholder, a "Holder").

Generally, a Holder's FireFly Share will be considered to be capital property of the Holder provided that the Holder does not hold the share in the course of carrying on a business of buying and selling securities and has not acquired the share in one or more transactions considered to be an "adventure in the nature of trade".

A Resident Holder (as defined below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada*") whose FireFly Shares might not otherwise be capital property may in certain circumstances irrevocably elect under subsection 39(4) of the Tax Act to have those shares, and all other "Canadian securities" held by the Resident Holder in the taxation year of the election or in any subsequent taxation year treated as capital property. Resident Holders should consult their own tax advisers regarding the advisability of making such an election.

This summary does not apply to a Holder that:

- (a) is a "financial institution" for the purposes of the mark-to-market rules in the Tax Act or a "specified financial institution";
- (b) has elected to report its Canadian federal income tax results in a currency other than Canadian currency;
- (c) has entered or will enter into a "derivative forward agreement", a "synthetic disposition arrangement", or a "synthetic equity arrangement"; or
- (d) is a person or partnership an interest in which is a "tax shelter investment".

Each such Holder should consult the Holder's own tax advisers with respect to the consequences of the Arrangement.

This summary is based on the current provisions of the Tax Act, the regulations thereunder and counsel's understanding of the current published administrative practices and policies of the CRA. This summary takes into account all specific proposals to amend the Tax Act and Regulations (the "**Proposed Amendments**") announced by the Minister of Finance (Canada) prior to the date. It is assumed that the Proposed Amendments will be enacted as currently proposed and that there will be no other change in law or administrative or assessing practice, whether by legislative, governmental, or judicial action or decision, although no assurance can be given in these respects. This summary does not take into account provincial, territorial or foreign income tax considerations, which may differ materially from the Canadian federal income tax considerations discussed below.

Additional considerations, not discussed in this summary, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes, or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of FireFly Shares, controlled by a non-resident corporation for purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act. Such Holders should consult their Canadian tax advisers with respect to the consequences of the Arrangement.

**This summary is of a general nature only and is not and should not be construed as legal or tax advice to any particular person. Each person who may be affected by the Arrangement should consult the person's own tax advisers with respect to the person's particular circumstances.**

#### **Holders Resident in Canada**

This portion of this summary applies solely to Holders each of whom is or is deemed to be resident solely in Canada for the purposes of the Tax Act and any applicable income tax treaty or convention (each a "Resident Holder").

#### *Distribution of FireFly Shares*

A Resident Holder who receives FireFly Shares from the Company pursuant to the Arrangement will be deemed to have received a taxable dividend paid by the Company at the time of the distribution in an amount equal to the fair market value of the FireFly Shares distributed to the Resident Holder pursuant to the Arrangement, and will be deemed to have acquired such FireFly Shares at a cost for tax purposes equal to the same amount.

A Resident Holder who is an individual (other than certain trusts) will be required to take into account the deemed receipt of such a dividend pursuant to the Arrangement in computing their income for the year for purposes of the Tax Act, subject to the dividend gross-up and tax credit rules applicable to taxable dividends received by a Canadian resident individual from a "taxable Canadian corporation".

A Resident Holder that is a corporation will be required to include in income for the year the amount of such a dividend deemed received pursuant to the Arrangement, but generally will be entitled to deduct an equivalent amount in computing its taxable income. A Resident Holder that is a "private corporation" or a "subject corporation" may be liable under Part IV of the Tax Act to pay a tax of 38 1/3% (refundable in certain circumstances) on any such dividends.

#### *Disposition of FireFly Shares after the Arrangement*

A Resident Holder who disposes or is deemed to dispose of a FireFly Share after completion of the Arrangement generally will realize a capital gain (or capital loss) equal to the amount, if any, by which their proceeds of disposition thereof are greater (or less) than the "adjusted cost base" of the share to the Resident Holder, less reasonable costs of disposition.

A Resident Holder who realizes a capital gain or capital loss in a taxation year on an actual or deemed disposition of a FireFly Share generally will be required to include one-half of any such capital gain (a "taxable capital gain") in income for the year, and entitled to deduct one-half of any such capital loss (an "allowable capital loss") from taxable capital gains realized in the year and, to the extent not so deductible, in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances specified in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on an actual or deemed disposition of a FireFly Share may be reduced by the amount of dividends received or deemed to have been

received by it on the share (or on a share substituted therefor) to the extent and in the circumstances described in the Tax Act. Similar rules may apply where the corporation is a member or beneficiary of a partnership or trust that held the share, or where a partnership or trust of which the corporation is a member or beneficiary is itself a member of a partnership or a beneficiary of a trust that held the share.

A Resident Holder that is a "Canadian-controlled private corporation" throughout the relevant taxation year may be liable to pay an additional tax of 10 2/3% (refundable in certain circumstances) on its "aggregate investment income", which includes taxable capital gains, for the year.

#### *Alternative Minimum Tax on Individuals*

A Resident Holder who is an individual (including certain trusts) and receives a taxable dividend on, or realizes a capital gain on the disposition of, a FireFly Share may thereby be liable for alternative minimum tax to the extent and in the circumstances set out in the Tax Act.

#### **Holders Not Resident in Canada**

This portion of this summary applies solely to Holders each of whom at all material times for the purposes of the Tax Act (i) has not been and is not resident or deemed to be resident in Canada for purposes of the Tax Act, and (ii) does not and will not use or hold FireFly Shares in connection with carrying on a business in Canada (each a "Non-resident Holder").

Special rules, which are not discussed in this summary, may apply to a Non-resident Holder that is an insurer carrying on business in Canada and elsewhere, or an "authorized foreign bank". Such Non-resident Holders should consult their own tax advisers with respect to the Arrangement.

#### *Delivery of the FireFly Shares or Cash Distribution*

As in the case of a Resident Holder, a Non-Resident Holder who receives FireFly Shares from the Company pursuant to the Arrangement will be deemed to have received a taxable dividend paid by the Company at the time of the distribution in an amount equal to the fair market value of the FireFly Shares distributed to the Resident Holder pursuant to the Arrangement, and will be deemed to have acquired such FireFly Shares at a cost for tax purposes equal to the same amount.

The amount of such a dividend received by a Non-resident Holder will be subject to Canadian withholding tax at a rate of 25% of the gross amount of the dividend, or such lower rate as may be available under any applicable income tax convention. The rate of withholding tax under *The Canada- US Income Tax Convention* (1980) (the "Treaty") applicable to a Non-resident Holder who is entitled to all of the benefits under the Treaty, and who holds less than 10% of the voting stock of the Purchaser (as applicable), will be 15%. The payor of the dividend will be required to withhold the Canadian withholding tax from the dividend and remit the withheld amount to the CRA for the Non-resident Holder's account.

#### *Disposition of FireFly Shares after the Arrangement*

A Non-resident Holder will not be subject to Canadian federal income tax in respect of any capital gain arising on an actual or deemed disposition of a FireFly Share after completion of the Arrangement unless at the time of disposition the share is "taxable Canadian property" and is not "treaty-protected property".

Generally, a FireFly Share of the Non-resident Holder will not be taxable Canadian property of the Non-resident Holder at any time at which the share is listed on a designated stock exchange (which includes the ASX) unless, at any time during the 60 months immediately preceding the disposition of the share,

- (e) the Non-resident Holder, one or more persons with whom the Non-resident Holder does not deal at arm's length, partnerships in which the Non-resident Holder or persons with whom the Non-resident Holder does not deal at arm's length hold a membership interest in directly or indirectly through one or more partnerships, or any combination thereof, owned 25% or more of the issued shares of any class of the capital stock of the Purchaser, as applicable, and
- (f) the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real property situated in Canada, "Canadian resource properties", "timber resource properties", and interest, rights or options in or in respect of any of the foregoing.

Shares may also be deemed to be taxable Canadian property under other provisions of the Tax Act.

Generally, a FireFly Share will be treaty-protected property of a Non-resident Holder at the time of disposition if at that time any income or gain of the Non-resident Holder from the disposition of the share would be exempt from Canadian income tax under Part I of the Tax Act because of a tax treaty between Canada and another country.

A Non-resident Holder who disposes or is deemed to dispose of a FireFly Share that, at the time of disposition, is taxable Canadian property and is not treaty-protected property will realize a capital gain (or capital loss) equal to the amount, if any, by which the Non-resident Holder's proceeds of disposition of the share exceeds (or is exceeded by) the Non-resident Holder's adjusted cost base in the share and reasonable costs of disposition. The Non-resident Holder generally will be required to include one half of any such capital gain (taxable capital gain) in the Non-resident Holder's taxable income earned in Canada for the year of disposition, and be entitled to deduct one half of any such capital loss (allowable capital loss) against taxable capital gains included in the Non-resident Holder's taxable income earned in Canada for the year of disposition and, to the extent not so deductible, against such taxable capital gains realized in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances set out in the Tax Act. A Non-resident Holder disposing of a FireFly Share that is taxable Canadian property and not treaty-protected property to them should consult their own Canadian and other tax advisors as to the application of these rules in their particular circumstances.

#### INDEBTEDNESS OF OFFICERS AND DIRECTORS TO THE CORPORATION

Other than as disclosed elsewhere in this Circular, no Director, executive officer, or employee of the Company or any of its subsidiaries, former Director, executive officer, or employee of the Company or any of its subsidiaries, proposed nominee for election as Director, or any associate of any of the foregoing, has been or is indebted to the Company or any of its subsidiaries, at any time during its last completed financial year or has had any indebtedness to another entity which has been the subject of a guarantee, support agreement, letter of credit, or other similar arrangement provided by the Company or any of its subsidiaries.

#### INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed below and as may be described elsewhere in this Circular, none of the Directors or executive officers of the Company, no proposed nominee for election as a Director of the Company, none of the persons who have been Directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Conditional on the full exercise of the Option, Sean Kingsley, the Company's President and Chief Executive Officer, will receive \$20,000 in cash and 240,000 Shares pursuant to the Amended Finder's Fee Agreement. See "Ancillary Documents - Amended Finder's Fee Agreement" for more information.

#### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this Circular, to the knowledge of the Company, after reasonable enquiry, no Director or executive officer of the Company, proposed nominee for election as Director of the Company, principal Shareholder of the Company (or any Director or officer thereof), or any associate or affiliate of any of the foregoing had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, and no proposed nominee for election as a Director, or associate of any of the foregoing, has any material interest, direct or indirect, in any matter to be acted upon at the Meeting (other than the election of Directors or the appointment of the auditors).

#### AUDITOR

As of the date of this Circular, the auditor of the Company is Manning Elliott LLP, Chartered Professional Accountants ("Manning Elliott").

#### OTHER BUSINESS

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy, to vote the shares represented thereby in accordance with their best judgement on such matter.

#### ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders may contact the Company at its office at 75-8050 204<sup>th</sup> Street, Langley, BC V2Y 0X1, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's comparative annual financial statements and MD&A for its most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available at [www.sedarplus.ca](http://www.sedarplus.ca).

#### APPROVAL BY DIRECTORS

The contents of this Circular and the sending, communication or delivery thereof to the Shareholders have been approved by the Board of the Company. A copy of this Circular has been sent to each Director and to each Shareholder entitled to notice of the Meeting.

DATED as of the 14 day of February 2024.

(signed) "Sean Kingsley"

Sean Kingsley

## GLOSSARY OF TERMS

Unless the context otherwise requires or where otherwise provided, the following words and terms will have the meanings set out below when read in this Circular. Certain of these terms may not conform to defined terms used in the appendices to this Circular.

**"3(a)(10) Exemption"** has the meaning ascribed to such term under *"Plan of Arrangement – Background to the Plan of Arrangement"*;

**"Affiliate"** in relation to another company means any company that:

- (a) holds a majority of the voting rights in the other,
- (b) is a member, shareholder or equity holder of the other and has the right to appoint or remove a majority of its board of directors,
- (c) is a member, shareholder or equity holder of the other and controls, alone or pursuant to an agreement with other shareholders or members, a majority of the voting rights in the other; or
- (d) is an Affiliate of a company that is itself an Affiliate of the other;

**"Allowable Capital Loss"** has the meaning ascribed to such term under *"Certain Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Firefly Shares After the Arrangement"*;

**"Amended Finder's Fee Agreement"** has the meaning ascribed to such term under *"The Purchase Agreement – Ancillary Agreement – Amended Finder's Fee Agreement"*;

**"Amended Option Agreement"** has the meaning ascribed to such term under *"Business of the Meeting – Sale of All or Substantially all of the Assets – General Description of the Transaction"*;

**"AOI Rights"** has the meaning ascribed to such term under *"The Purchase Agreement – Area of Interest"*;

**"Assigned Contracts"** means the Amended Option Agreement, the Assumed Royalties, and the Klwane Finder's Fee Agreement;

**"Assumed Royalties"** has the meaning ascribed to such term under *"Business of the Meeting – Sale of All or Substantially all of the Assets – The Purchase Agreement – The Claims and Assumed Royalties"*;

**"ASX"** means Australian Securities Exchange;

**"ASX Approval"** means the approval of the ASX with respect to the Purchaser in connection with the transactions contemplated by the Purchase Agreement;

**"Area of Interest"** has the meaning ascribed to such term under *"The Purchase Agreement – Area of Interest"*;

**"Arrangement Shareholder Approval"** has the meaning ascribed to such term under *"Summary – Required Shareholder Approval for the Arrangement"*;

**"Arrangement Resolution"** has the meaning ascribed to such term under *"Summary – Required Shareholder Approval for the Arrangement"*;

**"Audit Committee"** has the meaning ascribed to such term under *"Audit Committee Disclosure"*;

**"Awards"** means RSUs and Options;

**"Books and Records"** means that part of the books and records of the Company which relates exclusively to the Claims, including financial, corporate, operations books, records, and books of account, but excluding any minutes of the deliberations of the Company's or its Subsidiaries' boards of directors (or any committee of any such board) in connection with the acquisition of the Claims, the Transaction, or the evaluation of possible alternatives to the Transaction, or any materials provided to such boards of directors (or any such committee) in connection with such deliberations;

**"Broadridge"** means Broadridge Financial Solutions, Inc.;

**"Broadridge VIF"** has the meaning ascribed to such term under *"General Proxy Matters – Advice to Beneficial Holders of the Shares"*;

**"Business Day"** means any day, other than a Saturday or Sunday, on which commercial banks located in Vancouver, British Columbia and Perth, Australia are open for banking business during normal banking hours;

**"Business Integrity Laws"** means all applicable Laws, rules, regulations or other legally binding measures of any jurisdiction, including but not limited to Australia and Canada, that relate to the prevention of bribery, corruption, money laundering, dealings with the proceeds of crime, the facilitation of tax evasion, or fraud, and other similar Laws and regulations;

**"Canadian Shareholder"** has the meaning ascribed to such term under *"Summary – The Arrangement"*;

**"Cash Distribution"** has the meaning ascribed to such term under *"Summary – The Arrangement"*;

**"CEO"** means Chief Executive Officer;

**"CFO"** means Chief Financial Officer;

**"Charter"** has the meaning ascribed to such term under *"Audit Committee Disclosure"*;

**"Circular"** means this Information Circular dated February 14, 2024;

**"Claim"** means claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, including loss of value, professional fees, including fees and disbursements of legal counsel on a partial indemnity basis, and all actual and documented costs incurred in investigating or pursuing any of the foregoing or any Proceeding relating to any of the foregoing, excluding exemplary, aggravated, punitive, incidental, special or consequential damages or lost profits, unless pursuant to third party Claims;

**"Claims"** has the meaning ascribed to such term under *"Summary – The Transaction"*;

**"Closing"** has the meaning ascribed to such term in the opening section of this Circular under *"Forward-Looking Information"*;

**"Closing Date"** means the date the Closing occurs;

**"Closing Time"** means 9:00 a.m. on the Closing Date;



“**Company**” or “**Gold Hunter**” means Gold Hunter Resources Inc.;

“**Computershare**” means Computershare Investor Services Inc., nominee for the purposes of acting as the distribution agent for the Arrangement;

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

“**Court Order**” has the meaning ascribed to such term under “*Summary – Court Approval*”;

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

“**CSE Approval**” the approval or non-objection, as applicable, of the CSE with respect to the transactions contemplated by the Purchase Agreement;

“**Deemed Issue Price**” has the meaning ascribed to such term under “*Summary – The Transaction*”;

“**Dissent Rights**” has the meaning ascribed to such term under “*The Purchase Agreement – Dissent Rights*”;

“**Dissenting Shareholder**” means a Shareholder who has exercised their dissent rights pursuant to Division 2 of Part 8 of the BCBCA;

“**Distribution Record Date**” has the meaning ascribed to such term in the opening section of this Circular under “*Forward-Looking Information*”;

“**Eligible Shareholder**” has the meaning ascribed to such term under “*Summary – The Arrangement*”;

“**Encumbrances**” means any lien, charge, hypothecation, pledge, mortgage, royalties, title retention agreement, covenant, condition, lease, license, security interest of any nature, claim, exception, reservation, easement, encroachment, right of occupation, right-of-way, right-of-entry, matter capable of registration against title, promise, option, assignment, right of pre-emption, privilege or any other encumbrance or charge or title defect of any nature whatsoever, regardless of form, whether or not registered or registrable and whether or not consensual or arising by Law, or any contract to create any of the foregoing;

“**Finder’s Fee**” has the meaning ascribed to such term under “*The Purchase Agreement – Ancillary Agreements – Finder’s Fee Agreement with Kluane Capital FZCO*”;

“**FireFly Share**” has the meaning ascribed to such term in the opening section of this Circular under “*Forward-Looking Information*”;

“**Gold Hunter Indemnified Parties**” has the meaning ascribed to such term under “*Business of the Meeting – Sale of All or Substantially all of the Assets – Purchase Agreement – Indemnification by the Purchaser*”;

“**Governmental Authority**” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:

- (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
- (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"Holder" has the meaning ascribed to such term under "*Certain Canadian Federal Income Tax Considerations*";

"Insider" has the meaning ascribed to such term under "*Interest of Informed Persons in Material Transactions*";

"Interim Period" means the time period between the date of the Purchase Agreement and Closing;

"Intermediary" means a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary which holds Shares of Non-registered Shareholders;

"Law" means applicable laws (including common law or civil law), statutes, by-laws, rules, regulations, Orders, ordinances, judgments, moratoria, awards or requirements, in each case of any Governmental Authority having the force of law;

"Losses" means all actually suffered or incurred and paid judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, including loss of value, professional fees, including fees and disbursements of legal counsel on a partial indemnity basis, and all actual and documented costs incurred in investigating or pursuing any of the foregoing or any Proceeding relating to any of the foregoing, excluding exemplary, aggravated, punitive, incidental or special damages or lost profits, unless pursuant to third party Claims;

"Kluane Capital" means Kluane Capital FZCO;

"Kluane Capital Agreement" has the meaning ascribed to such term under "*The Purchase Agreement - Ancillary Agreements - Finder's Fee Agreement with Kluane Capital FZCO*";

"Management" means the management team of the Company;

"Market Price" means, at any date, the volume weighted average trading price per FireFly Share at which FireFly Shares have traded on the ASX during the 10 consecutive Trading Days before such date;

"Marwan Escrow Agreement" has the meaning ascribed to such term under "*The Purchase Agreement - Ancillary Agreement - Marwan I Option Agreement*";

"Marwan Option Agreement" has the meaning ascribed to such term under "*Summary - Required Shareholder Approval for the Transaction*";

"Material Adverse Effect" means any change, effect, event or occurrence that, either individually or in the aggregate with any other change, effect, event or occurrence,

- (a) has, or is reasonably likely to have a material and adverse effect on the Property; or
- (b) would be reasonably likely to prevent or materially impair the ability of the Vendor to consummate the transactions contemplated by this Agreement,

provided that none of the following (or the results thereof), either alone or in combination with any other changes, effects, events or occurrences, shall constitute or contribute to a Material Adverse Effect:

- (a) any change in applicable accounting principles or any adoption, proposal, implementation or change in Law (including any Law in respect of Taxes) or any interpretation thereof by any Governmental Authority;

- (b) any change in global, national or regional political conditions (including protests, strikes, riots, acts of terrorism or war) or in general global, national or regional economic, business, regulatory, political or market conditions or in national or global financial or capital markets (including any such conditions or markets in Canada or Australia);
- (c) acts of God, natural disasters, blackout, brownout or other force majeure event;
- (d) any epidemic, pandemic or disease outbreak;
- (e) the negotiation, execution, announcement, consummation or pendency of the transactions contemplated hereby, the identity of the Purchaser, the disclosure of the fact that the Purchaser is the prospective acquirer of the Property, or any communication by the Purchaser or any of its Affiliates, including communications regarding the plans or intentions of the Purchaser with respect to the Property, including, the impact thereof, if any, on relationships with existing employees, Governmental Authorities and any other Person with whom the Vendor and its Affiliates have a business relationship in connection with the Property;
- (f) any change generally affecting the global gold and/or copper industries and market sectors relevant to the Property, including shortage or price changes with respect to gold and/or copper;
- (g) any actions (or the effects of any action) taken (or omitted to be taken) upon the written request or instruction of, or with the written consent of, the Purchaser, consistent with the terms hereof, to consummate the transactions contemplated hereby; or
- (h) any action (or the effects of any action) taken (or omitted to be taken) as required pursuant to this Agreement,

except in the cases of clauses (i), (ii) and (iii) to the extent such change (or any results thereof) has a materially disproportionate effect on the Property taken as a whole compared with other similar mining properties operating in the industries relevant to the Property;

**"Material Contract"** means Contracts (i) involving aggregate payments in any fiscal year in excess of \$100,000 in connection with the operations at the Property, (ii) that relate to the acquisition or disposition of any material business (whether by merger, sale of shares, sale of assets or otherwise) conducted at the Property, or (iii) if terminated, would have a Material Adverse Effect in respect of the Property;

**"Meeting"** means the Annual General and Special Meeting of the Shareholders to be held on March 15, 2024;

**"NEO"** means Named Executive Officer;

**"New Member"** has the meaning ascribed to such term under *"The Purchase Agreement – Area of Interest"*;

**"NI 52-110"** means National Instrument 52 - 110 *Audit Committees*;

**"NOBOs"** or **"Non-Objecting Beneficial Owners"** has the meaning ascribed to such term under *"General Proxy Matters – Advice to Beneficial Holders of the Shares"*;

**"Non-resident Holder"** has the meaning ascribed to such term under *"Certain Federal Income Tax Considerations – Holders Not Resident in Canada"*;

**"Non-registered Shareholder"** means Shareholders that do not hold their Shares in their own name and whose Shares are held through an Intermediary;

**"Notice of Dissent"** has the meaning ascribed to such term under *"The Purchase Agreement – Dissent Rights"*;

**"Notice of Meeting"** has the meaning ascribed to such term under *"Frequently Asked Questions – What if there are amendments or if other matters are brought before the Meeting"*;

**"Notice Shares"** has the meaning ascribed to such term under *"The Purchase Agreement – Dissent Rights"*;

**"OBOs" or "Objecting Beneficial Owners"** has the meaning ascribed to such term under *"General Proxy Matters – Advice to Beneficial Holders of the Shares"*;

**"Option"** has the meaning ascribed to such term under *"Summary – Required Shareholder Approval for the Transaction"*;

**"Option Agreement"** has the meaning ascribed to such term under *"Business of the Meeting – Sale of All or Substantially all of the Assets – General Description of the Transaction"*;

**"Option Payment"** has the meaning ascribed to such term under *"Sale of all or Substantially All of the Assets – General Description of the Transaction"*;

**"Optioned Claims"** has the meaning ascribed to such term under *"Business of the Meeting – Sale of All or Substantially all of the Assets – General Description of the Transaction"*;

**"Options"** means the incentive stock options of the Company;

**"Optionors"** has the meaning ascribed to such term under *"Summary – The Transaction"*;

**"Orders"** means orders, injunctions, judgments, administrative complaints, decrees, rulings, awards, assessments, directions, instructions, penalties or sanctions issued, filed or imposed by any Governmental Authority or arbitrator;

**"Original Finder's Fee Agreement"** has the meaning ascribed to such term under *"The Purchase Agreement – Ancillary Agreement – Amended Finder's Fee Agreement"*;

**"Organizational Documents"** means, with respect to an entity, its certificate of incorporation, articles of incorporation, bylaws, articles of association, memorandum of association, certificate of trust, trust agreement, partnership agreement, limited partnership agreement, certificate of formation, limited liability company agreement or operating agreement, or other similar instrument, as applicable, in each case, including all amendments thereto;

**"Outside Date"** means July 1, 2024;

**"Party"** means the Company, on the one hand, and the Purchaser, on the other hand;

**"Permitted Encumbrances"** means: (i) any inchoate right, lien or interest of a Governmental Authority; (ii) Encumbrances for Taxes not yet due and payable and accrued in the ordinary course of business; (iii) statutory Encumbrances in favour of municipalities or public utilities; (iv) permits, servitudes, easements or other similar real property rights, as well as encroachments and other minor imperfections of title which do not impair, detract from the value of or impair the use of the property in any material respect, including limiting the ability to access the Property or conduct any operations thereon as currently conducted; (v)

with respect to the Company, the Assumed Royalties and any royalties payable to a Governmental Authority, payable by the Company or any of its Subsidiaries in respect of the Property; (vi) restrictions on the transfer of the securities arising under applicable Law or the Organizational Documents of the applicable Person; and (vii) any reservations or exceptions contained in or implied by statute in the original dispositions from a Governmental Authority and grants made by a Governmental Authority of any kind or interest reserved therein and disclosed in company's disclosure letter;

"Person" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including a Governmental Authorities), syndicate or other entity, whether or not having legal status;

"Plan" means the Company's Omnibus Compensation Plan;

"Pre-Closing Reorganization" has the meaning ascribed to such term under "*Summary - The Transaction*";

"Prior Stock Option Plan" has the meaning ascribed to such term under has the meaning ascribed to such term under "*Statement of Executive Compensation - Maximum Number of Shares*";

"Proceeding" means any investigations (including any audit or examination), actions, claims, suits or proceedings (public or private) by or before a Governmental Authority or any arbitrator;

"Property" means the area covered by the Claims;

"Proposed Amendments" has the meaning ascribed to such term under "*Certain Federal Income Tax Considerations*";

"Purchase Agreement" means the share purchase and sale agreement between the Company and FireFly dated December 21, 2023;

"Purchase Price" has the meaning ascribed to such term under "*Business of the Meeting - Sale of All or Substantially all of the Assets - The Purchase Agreement - Purchase Price and Adjustments*";

"Purchaser" or "FireFly" means FireFly Metals Ltd.;

"Purchaser Material Adverse Effect" means a state of facts, event, change, effect or circumstance that, when considered either individually or in the aggregate together with all other changes, effects or circumstances with respect to which such phrase is used in the Purchase Agreement, is materially adverse to, or would reasonably be expected to have a material adverse effect on, the Purchaser or its ability to consummate the Transaction;

"Purchaser Indemnified Parties" has the meaning ascribed to such term under "*Business of the Meeting - Sale of All or Substantially all of the Assets - Purchase Agreement - Indemnification by the Company*";

"Record Date" means January 31, 2024;

"Registered Shareholder" means the Person shown as the holder of the Shares on the books or records of the Company;

"Regulation D" means Regulation D as promulgated by the United States Securities and Exchange Commission under the U.S. Securities Act;

**"Reserved Amount"** has the meaning ascribed to such term under *"Statement of Executive Compensation – Maximum Number of Shares"*;

**"Resident Holder"** has the meaning ascribed to such term under *"Certain Federal Income Tax Considerations – Holders Resident in Canada"*;

**"Restrictive Period"** has the meaning ascribed to such term under *"The Purchase Agreement – Area of Interest"*;

**"Required Closing Consent"** means the consents, approvals and authorizations required in order to complete the sale of the Subsidiary to the Purchaser in accordance with the Purchase Agreement;

**"Required Reorganization Consents"** means the consents, approvals and authorizations required in order to complete the Pre-Closing Reorganization;

**"RSUs"** means Restricted Share Units;

**"Shares"** means the common shares in the capital of Gold Hunter;

**"Shareholders"** means the registered and beneficial owners of the Shares;

**"Share Distribution"** has the meaning ascribed to such term under *"Summary – The Arrangement"*;

**"Subsidiary"** means 1451366 B.C. Ltd., a wholly-owned subsidiary of the Company;

**"Tax Act"** means the *Income Tax Act* (Canada);

**"Taxable Capital Gain"** has the meaning ascribed to such term under *"Certain Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Firefly Shares After the Arrangement"*;

**"Trading Day"** means a day on which a stock exchange is open for the transaction of business;

**"Treaty"** has the meaning ascribed to such term under *"Certain Federal Income Tax Considerations – Holders Not Resident in Canada – Delivery of the FireFly Shares or Cash Distribution"*;

**"Threshold"** has the meaning ascribed to such term under *"Business of the Meeting – Sale of All or Substantially all of the Assets – Purchase Agreement – Indemnification by the Company"*;

**"Transfer Agent"** means TSX Trust Company;

**"Transaction"** has the meaning ascribed to such term in the opening section of this Circular under *"Forward-Looking Information"*;

**"Transaction Shareholder Approval"** has the meaning ascribed to such term under *"Summary – The Transaction – Required Shareholder Approval for the Transaction"*;

**"Transaction Resolution"** has the meaning ascribed to such term under *"Summary – Required Shareholder Approval for the Transaction"*;

**"U.S. Accredited Investor"** has the meaning ascribed to such term under *"Summary – The Arrangement"*;

**"U.S. Securities Act"** means the U.S. Securities Act of 1933;

"U.S. Shareholders" has the meaning ascribed to such term under "*Summary - The Arrangement*";

"VIF" means Voting Instruction Form; and

"Wrong Pocket Item" has the meaning ascribed to such term under "*The Purchase Agreement - Wrong Pockets*".

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.

## SCHEDULE B

## TRANSACTION RESOLUTION

## BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The share purchase and sale agreement dated December 21, 2023 between Gold Hunter Resources Inc. (the "Company") and FireFly Metals Ltd. ("FireFly") (the "Purchase Agreement") and all of the transactions contemplated therein, which transactions constitute the disposition of all or substantially all of the undertaking of the Company for the purposes of section 301 of the *Business Corporations Act* (British Columbia), and any amendments thereto, and the actions of the directors and officers of the Company in executing and delivering the Purchase Agreement and any amendments thereto, are hereby confirmed, ratified, authorized and approved in all respects.
2. Any director or officer of the Company is hereby authorized, for and on behalf and in the name of the Company, to execute and deliver, all such agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments (collectively, the "Transaction Documents") 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 Purchase Agreement, the Transaction Documents, and the completion of the transactions contemplated thereunder, including, without limitation, all actions required to be taken by or on behalf of the Company, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities, 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; and the execution, delivery and performance of any and all Transaction Documents are hereby authorized, ratified and approved in all respects.
3. Notwithstanding that these resolutions have been passed, the directors of the Company are hereby authorized and empowered, without further notice to, or approval of, any securityholders of the Company: (a) to amend the Purchase Agreement to the extent permitted by the Purchase Agreement; or (b) subject to the terms of the Purchase Agreement, not to proceed with the transactions contemplated thereunder.

## SCHEDULE C

## ARRANGEMENT RESOLUTION

## BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

4. The arrangement (the "Arrangement") pursuant to Section 288 of the *Business Corporations Act* (British Columbia) (the "BCBCA") of Gold Hunter Resources Inc. (the "Company"), as more particularly described and set forth in the Plan of Arrangement (as the same may be, or may have been, amended, modified or supplemented, the "Plan") set forth in Schedule A to the management information circular of the Corporation dated February 14, 2024, be and is hereby authorized, approved and adopted.
1. Notwithstanding the passing of this resolution or the passing of similar resolutions or the approval of the British Columbia Supreme Court, the board of directors of the Company, without further notice to, or approval of, the securityholders of the Company, are hereby authorized and empowered to
  - (i) amend the Plan, to the extent permitted by the Plan; and
  - (ii) subject to the terms of the Plan, to determine not to proceed with the Arrangement at any time prior to the Arrangement becoming effective pursuant to the provisions of the BCBCA.
2. Any director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company (whether under corporate seal or otherwise), to execute and deliver, or cause to be executed, under the seal of the Company or otherwise, any and all documents, agreements and instruments and to perform, or cause to be performed, such other acts and things, as in such person's opinion may be necessary or desirable to give full effect to these resolutions and the matters authorized hereby, including the transactions required and/or contemplated by the Arrangement, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the doing of any such act or thing.
3. The proper officers and authorized signatories of TSX Trust Company and Computershare Investor Services Inc., or where applicable, Computershare Investor Services Pty Limited, be and are hereby authorized and directed to execute and deliver all documents and instruments and to take such other actions as they may deem necessary or desirable to implement these resolutions and the matters authorized hereby, including the transactions required and/or contemplated by the Arrangement, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the taking of such actions.



## SCHEDULE D

DISSENT RIGHTS UNDER DIVISION 2 OF PART 8 OF THE *BUSINESS CORPORATIONS ACT*  
(BRITISH COLUMBIA)

## Definitions and application

237 (1) In this Division:

“**dissenter**” means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

“**notice shares**” means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

“**payout value**” means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or
- (d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

- (a) the court orders otherwise, or
- (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

## Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder’s shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles
  - (i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on,

- (ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91, or
- (iii) without limiting subparagraph (i), in the case of a benefit company, to alter the company's benefit provision;
- (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
- (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
- (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
- (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
- (g) in respect of any other resolution, if dissent is authorized by the resolution;
- (h) in respect of any court order that permits dissent.

(1.1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent under section 51.995 (5) in respect of a resolution to alter its notice of articles to include or to delete the benefit statement.

(2) A shareholder wishing to dissent must

- (a) prepare a separate notice of dissent under section 242 for
  - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
  - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
- (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
- (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

- (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

**Waiver of right to dissent**

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must
  - (a) provide to the company a separate waiver for
    - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
    - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
  - (b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

- (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
- (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

**Notice of resolution**

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

- (a) a copy of the proposed resolution, and
- (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can

be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

- (a) a copy of the proposed resolution, and
- (b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

- (a) a copy of the resolution,
- (b) a statement advising of the right to send a notice of dissent, and
- (c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

#### Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

- (a) a copy of the entered order, and
- (b) a statement advising of the right to send a notice of dissent.

#### Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) or (1.1) must,

- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
- (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
- (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
  - (i) the date on which the shareholder learns that the resolution was passed, and

- (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.
- (2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company
- (a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
  - (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.
- (3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company
- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
  - (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.
- (4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:
- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
  - (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
    - (i) the names of the registered owners of those other shares,
    - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
    - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
  - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
    - (i) the name and address of the beneficial owner, and
    - (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial

owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

#### Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
  - (i) the date on which the company forms the intention to proceed, and
  - (ii) the date on which the notice of dissent was received, or
- (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

- (a) be dated not earlier than the date on which the notice is sent,
- (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
- (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

#### Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
- (b) the certificates, if any, representing the notice shares, and
- (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
- (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
  - (i) the names of the registered owners of those other shares,
  - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

- (iii) that dissent is being exercised in respect of all of those other shares.
- (3) After the dissenter has complied with subsection (1),
- (a) the dissenter is deemed to have sold to the company the notice shares, and
  - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.
- (4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.
- (5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.
- (6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

#### Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

- (a) promptly pay that amount to the dissenter, or
  - (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may
- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
  - (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
  - (c) make consequential orders and give directions it considers appropriate.
- (3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

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- (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
  - (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),
- (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
  - (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.
- (5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that
- (a) the company is insolvent, or
  - (b) the payment would render the company insolvent.

#### Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
- (b) the resolution in respect of which the notice of dissent was sent does not pass;
- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;



- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

**Shareholders entitled to return of shares and rights**

**247** If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE E  
LIST OF CLAIMS

License Number	Property Name	Claim Name	Title Holder	# of Claims	Royalty Holder
<b>Rambler Claims</b>					
035654M	Rambler expansion	Puddle Pond	Gold Hunter Resources Inc	145	Puddle Pond Resources (2%)
025853M	Rambler expansion	Marwan II	Mark Stockley	10	Mark Stockley (2%)
034282M	Rambler	Planet X	Wesley Keats	14	Neal Blackmore, Bill Kennedy, G2B Gold, Grassroots Prospecting and Prospect Generation (2%)
034271M	Rambler	Planet X	Wesley Keats	7	Neal Blackmore, Bill Kennedy, G2B Gold, Grassroots Prospecting and Prospect Generation (2%)
034366M	Rambler expansion	Snook	Gold Hunter Resources Inc	15	Robert Snook and Alexander Duffitt (2%)
036297M	Rambler expansion	Painted Dory	Gold Hunter Resources Inc	224	Puddle Pond Resources (2%)
031375M	Rambler expansion	Hicks	Gold Hunter Resources Inc	4	Darren Hicks (2%)
035201M	Rambler expansion	Marwan II	Stephen Stockley Agriculture and	20	Jenille Stockley and Stephen Stockley Agriculture and Fabrication Inc. (2%)
011507M	Rambler	Fair Haven	Gold Hunter Resources Inc	10	Fairhaven (2%)

026769M	Rambler expansion	Marwan II	Paul Delaney	4	Aubrey Budgell, Donna Lewis, Paul Delaney (2%)
026770M	Rambler expansion	Planet X	Shane Dyer	4	Neal Blackmore, Bill Kennedy, G2B Gold, Grassroots Prospecting and Prospect Generation (2%)
023732M	Rambler expansion	Snook	Gold Hunter Resources Inc	11	Robert Snook and Alexander Duffitt (2%)
035487M	Rambler expansion	Puddle Pond	Gold Hunter Resources Inc	2	Puddle Pond Resources (2%)
034399M	Rambler expansion	Marwan II	Jenille Stockley	1	Jenille Stockley and Stephen Stockley Agriculture and Fabrication Inc. (2%)
034902M	Rambler expansion	Marwan II	Jenille Stockley	2	Jenille Stockley and Stephen Stockley Agriculture and Fabrication Inc. (2%)
023708M	Rambler expansion		Triassic Properties Ltd.	3	Triassic Properties Ltd (2%)
019026M	Rambler	Fair Haven	Gold Hunter Resources Inc	6	Fairhaven (2%)
019060M	Rambler	Fair Haven	Gold Hunter Resources Inc	5	Fairhaven (2%)
025549M	Rambler	Marwan	Gary E. Lewis	24	Unity Resources Inc., Gary Lewis, Jerry Jones, Nicholas Rodway, Aubrey Budgell, and Paul Delaney (2.5%)
025548M	Rambler	Fair Haven	Gold Hunter Resources Inc	32	Fairhaven (2%)
032685M	Rambler	Planet X	Wesley Keats	3	Neal Blackmore, Bill Kennedy, G2B Gold, Grassroots Prospecting and Prospect Generation (2%)

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025546M	Rambler	Marwan II	Unity Resources Inc.	1	Aubrey Budgell, Donna Lewis, and Paul Delaney (2%)
025552M	Rambler	Marwan	Gary E. Lewis	6	Unity Resources Inc., Gary Lewis, Jerry Jones, Nicholas Rodway, Aubrey Budgell, and Paul Delaney (2.5%)
031800M	Rambler	Fair Haven	Gold Hunter Resources Inc	23	Fairhaven (2%)
030871M	Rambler	Fair Haven	Gold Hunter Resources Inc	27	Fairhaven (2%)
025547M	Rambler	Marwan	Unity Resources Inc.	19	Unity Resources Inc., Gary Lewis, Jerry Jones, Nicholas Rodway, Aubrey Budgell, and Paul Delaney (2.5%)
027500M	Rambler expansion	Marwan II	Mark Stockley	2	Mark Stockley (2%)
<b>Total Rambler Claims</b>				<b>624</b>	
<b>Tilt Cove Claims</b>					
019158M	Tilt Cove	Fair Haven	Gold Hunter Resources Inc	9	Fairhaven (2%)
020510M	Tilt Cove	Fair Haven	Gold Hunter Resources Inc	13	Fairhaven (2%)
032148M	Tilt Cove	Fair Haven	Gold Hunter Resources Inc	30	Fairhaven (2%)
<b>Total Tilt Cove Claims</b>				<b>52</b>	

This is Exhibit "G" referred to in the affidavit of

SEAN KINGSLEY sworn (or affirmed)

before me on 03/APR/2024 [dd/mmm/yyyy]

"Sean Tessarolo"

.....  
A Commissioner for taking Affidavits  
within British Columbia



**GOLD HUNTER  
RESOURCES INC**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

NOTICE is hereby given that the Annual General and Special Meeting (the "**Meeting**") of the shareholders ("**Shareholders**") of Gold Hunter Resources Inc. (the "**Company**" or "**Gold Hunter**") will be held on March 15, 2024, at 10:00 a.m., Pacific Daylight Time. The Meeting will take place in person at the offices of Clark Wilson LLP located at 900 – 885 W Georgia Street, Vancouver, British Columbia, V6C 3H1 for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended August 31, 2023, and the accompanying report of the auditors;
2. to set the number of directors of the Company at five (5);
3. to elect 5 as directors of the Company;
4. to appoint Manning Elliott LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending August 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending August 31, 2024;
5. consider and, if deemed advisable, pass a special resolution to approve the sale of substantially all of the Company's assets (the "**Transaction**"), as more particularly set out below and in the accompanying management information circular (the "**Circular**");
6. consider, and if deemed advisable, pass a special resolution to approve the Arrangement (as defined herein) whereby 90% of the common shares (the "**FireFly Shares**") of FireFly Metals Ltd. ("**FireFly** or the "**Purchaser**"), or such other number as is determined by the Board of Directors of the Company (the "**Board**"), will be distributed to the Shareholders, with the Eligible Shareholders (as hereinafter defined) receiving a distribution equal to their pro-rata share of the FireFly Shares and the U.S. Shareholders (as defined herein) receiving a cash distribution (in a currency to be determined by the Board) in the amount equal to the number of FireFly Shares they would otherwise be eligible to receive; and
7. transact such other business as may properly be brought before the Meeting and any postponement or adjournment thereof.

On December 21, 2023, the Company entered into a share purchase and sale agreement with FireFly pursuant to which the Purchaser agreed to acquire, subject to certain terms and conditions, all of the issued and outstanding shares in the capital of the Company's wholly-owned subsidiary, 1451366 B.C. Ltd. (the "**Subsidiary**"), in exchange for the issuance of 30,290,624 FireFly Shares representing an aggregate value of \$15,000,000 (based on the value of the FireFly Shares at the time of entering into the Purchase Agreement) (the "**Transaction**"). Prior to completing the Transaction, the Company will transfer to the Subsidiary all of the Company's mineral claims and assets in Newfoundland and Labrador, Canada (collectively, the "**Claims**") comprised of 624 mineral claims on the Company's Rambler Property and 52 on the

Company's Tilt Cove Property (the "Pre-Closing Reorganization"). As such, the sale by the Company of its shares in the capital of the Subsidiary constitutes a sale of substantially all of the Company's assets.

Following the completion of the Transaction and subject to obtaining the necessary shareholder and court approvals, the Company will distribute 90% of the FireFly Shares, or such other number as determined by the Board, to the Shareholders of the Company (the "Distribution") through a statutory plan of arrangement (the "Arrangement") under section 288 of the *Business Corporations Act* (British Columbia) ("BCBCA"). Pursuant to the Arrangement, Shareholders resident in Canada (each, a "Canadian Shareholder") and those who qualify as accredited investors in the United States (each, a "U.S. Accredited Investor" and together with the Canadian Shareholders, the "Eligible Shareholders"), as such term is defined in Rule 501(a) of Regulation D of the United States Securities Act of 1933, will receive FireFly Shares on a pro-rata basis determined by each such Shareholder's ownership percentage of the total issued and outstanding Shares as at the record date determined by the Board (the "Distribution Record Date"). Shareholders resident in the United States who are not U.S. Accredited Investors (the "U.S. Shareholders") will receive a cash distribution (in a currency to be determined by the Board) equivalent in value to the FireFly Shares that such U.S. Shareholders would have been entitled to receive had they been Eligible Shareholders.

The Board has fixed the close of business on January 31, 2024 as the record date (the "Record Date") for determining the Shareholders entitled to receive notice of, and to vote at, the Meeting and any postponement or adjournment of the Meeting. The Company has prepared a list, as of the close of business on the Record Date, of the holders of common shares (the "Shares") in the capital of the Company. A holder of record of the Shares whose name appears on such list is entitled to vote the Shares shown opposite such holder's name on such list at the Meeting.

Shareholders are cordially invited to attend the Meeting. Shareholders are urged to complete and return the enclosed proxy or voting instruction form promptly. Alternatively, Shareholders can vote online by following the instructions on their proxy or voting instruction form. To be effective, the proxies must be received at the Toronto office of TSX Trust Company ("TSX Trust"), the Company's registrar and transfer agent, located at 301 - 100 Adelaide Street West, Toronto, Ontario, Canada M5H 4H1, by 10:00 a.m. Pacific Daylight Time on March 13, 2024, or 48 hours (excluding Sundays, Saturdays and holidays) prior to any adjourned or postponed Meeting. Shareholders whose Shares are held by a nominee will receive either a voting instruction form or form of proxy and should follow the instructions provided by the nominee.

Registered Shareholders of the Company have the right to dissent with respect to the Transaction to be considered at the Meeting, as more particularly described in the accompanying Circular. Those registered Shareholders who validly exercise dissent rights will be entitled to be paid fair value of their Shares. In order to validly exercise dissent rights, registered Shareholders must strictly comply with the dissent procedures as set out in Sections 237 to 247 of the BCBCA, a copy of which is set out in the accompanying Circular as Schedule "D" and as more particularly described in the accompanying Circular.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

DATED at Vancouver, British Columbia this 14 day of February, 2024.

BY ORDER OF THE BOARD

(signed) "Sean Kingsley"

Sean Kingsley

President and Chief Executive Officer

Registered Shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope. If you are a non-registered Shareholder and receive these materials through your broker or through another Intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other Intermediary. Failure to do so may result in your Shares not being eligible to be voted by proxy at the Meeting.



This is Exhibit "H" referred to in the affidavit of

SEAN KINGSLEY sworn (or affirmed)

before me on 08/APR/2024 [dd/mmm/yyyy]

"Sean Tessarolo"

.....  
A Commissioner for taking Affidavits  
within British Columbia

**GOLD HUNTER RESOURCES INC.**  
(the "Corporation")

**Annual General and Special Meeting**  
**March 15, 2024 at 10:00 AM (Canada/Pacific Standard)**  
Clark Wilson LLP located at 900 - 885 W Georgia Street, Vancouver, British Columbia, V6C 3H1  
@10am PT  
(the "Meeting")



**GOLD HUNTER**  
**RESOURCES INC**

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**Proxy Voting - Guidelines and Conditions**

1. **THIS PROXY IS SOLICITED BY OR ON BEHALF OF THE MANAGEMENT OF THE CORPORATION.**
2. **THIS PROXY SHOULD BE READ IN CONJUNCTION WITH THE MEETING MATERIALS PRIOR TO VOTING.**
3. **If you appoint the Management Nominees indicated on the reverse to vote on your behalf, they must also vote in accordance with your instructions or, if no instructions are given, in accordance with the Voting Recommendations highlighted for each Resolution on the reverse. If you appoint someone else to vote your securities, they will also vote in accordance with your instructions or, if no instructions are given, as they in their discretion choose.**
4. This proxy confers discretionary authority on the person named to vote in his or her discretion with respect to amendments or variations to the matters identified in the Notice of the Meeting accompanying the proxy or such other matters which may properly come before the Meeting or any adjournment or postponement thereof.
5. **The securityholder has a right to appoint a person or company to represent the securityholder at the meeting other than the person or company designated in the form of proxy.** Such right may be exercised by inserting, on the reverse of this form, in the space labeled "Please print appointee name", the name of the person to be appointed, who need not be a securityholder of the Corporation.
6. To be valid, this proxy must be signed. Please date the proxy. If the proxy is not dated, it is deemed to bear the date of its mailing to the securityholders of the Corporation.
7. To be valid, this proxy must be filed using one of the **Voting Methods** and must be received by *TSX Trust Company* before the **Filing Deadline for Proxy**, noted on the reverse or in the case of any adjournment or postponement of the Meeting not less than 48 hours (Saturdays, Sundays and holidays excepted) before the time of the adjourned or postponed meeting. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.
8. If the holder is a corporation, the proxy must be executed by an officer or attorney thereof duly authorized, and the holder may be required to provide documentation evidencing the signatory's power to sign the proxy.
9. Guidelines for proper execution of the proxy are available at [www.stac.ca](http://www.stac.ca). Please refer to the Proxy Protocol.

**Electronic Delivery**  
If you are a registered securityholder and wish to enroll for electronic delivery for future issuer communications including meeting related materials, financial statements, DRS, etc., where applicable, you may do so:  
1. After you vote online at [www.voteproxyonline.com](http://www.voteproxyonline.com) using your control number.  
2. Through TSX Trust's online portal, Investor InSite. You may log in or enroll at <https://www.tsxtrust.com/investor-login>  
For details go to [www.tsxtrust.com/consent-to-electronic-delivery](http://www.tsxtrust.com/consent-to-electronic-delivery)

VOTING METHOD	
<b>Internet</b>	Go to <a href="http://www.voteproxyonline.com">www.voteproxyonline.com</a> and enter the 12 digit control number 
<b>FACSIMILE</b>	416-595-9593
<b>MAIL or HAND DELIVERY</b>	TSX Trust Company 301-100 Adelaide Street West Toronto, Ontario, M5H 4H1

**Investor inSite**  
TSX Trust Company offers at no cost to holders, the convenience of secure 24-hour access to all data relating to their account including summary of holdings, transaction history, and links to valuable holder forms and Frequently Asked Questions.  
To register, please visit: <https://tsxtrust.com/t/investor-hub/forms/investor-insite-registration> and complete the registration form.  
For assistance, please contact TSX TRUST INVESTOR SERVICES.  
**Mail:** 301 - 100 Adelaide Street West Toronto, ON, M5H 4H1  
**Tel:** 1-866-600-5869  
**Email:** [tsxtis@tmx.com](mailto:tsxtis@tmx.com)

**FORM OF PROXY ("PROXY")**

**GOLD HUNTER RESOURCES INC.**  
(the "Corporation")

**CONTROL NUMBER: «CONTROL\_NUMBER»**

Annual General and Special Meeting  
March 15, 2024 at 10:00 AM  
(Canada/Pacific Standard)  
Clark Wilson LLP located at 900 - 885 W  
Georgia Street, Vancouver, British Columbia,  
V6C 3H1 @10am PT

**SECURITY CLASS: Common Shares**

**RECORD DATE: Jan. 31, 2024**

**FILING DEADLINE FOR PROXY:**

**March 13, 2024 at 10:00 AM  
(Canada/Pacific Standard)**

**APPOINTEES**

The undersigned hereby appoints **Sean Kingsley, CEO** whom failing **Penilla Klomp, Corporate Secretary** (the "Management Nominees") or instead of any of them, the following Appointee

PLEASE PRINT APPOINTEE NAME

as proxyholder on behalf of the undersigned with the power of substitution to attend, act and vote for and on behalf of the undersigned in respect of all matters that may properly come before the Meeting and at any adjournment(s) or postponement(s) thereof, to the same extent and with the same power as if the undersigned were personally present at the said Meeting or such adjournment(s) or postponement(s) thereof in accordance with voting instructions, if any.

- SEE VOTING GUIDELINES ON REVERSE -

RESOLUTIONS - VOTING RECOMMENDATIONS ARE INDICATED BY HIGHLIGHTED TEXT ABOVE THE BOXES

1. Number of Directors	FOR	AGAINST	2. Election of Directors	FOR	WITHHOLD
To set the number of Directors at 5	<input type="checkbox"/>	<input type="checkbox"/>	A) Sean Kingsley	<input type="checkbox"/>	<input type="checkbox"/>
			B) Richard Macey	<input type="checkbox"/>	<input type="checkbox"/>
			C) Brandon Schwabe	<input type="checkbox"/>	<input type="checkbox"/>
			D) Michael Williams	<input type="checkbox"/>	<input type="checkbox"/>
			E) John Theobald	<input type="checkbox"/>	<input type="checkbox"/>
3. Appointment of Auditor	FOR	WITHHOLD	4. Sale of Substantially all of the Assets	FOR	AGAINST
To appoint Manning Elliott LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending August 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending August 31, 2024	<input type="checkbox"/>	<input type="checkbox"/>	To consider and, if deemed advisable, pass a special resolution to approve the sale of substantially all of the Company's assets, as more particularly set out in the accompanying management information circular	<input type="checkbox"/>	<input type="checkbox"/>
5. Plan of Arrangement	FOR	AGAINST			
To consider, and if deemed advisable, pass a special resolution to approve a statutory plan of arrangement pursuant to Section 288 of the Business Corporations Act (British Columbia) whereby 90% of the common shares of FireFly (the "FireFly Shares"), or such other number as is determined by the Board, will be distributed to the shareholders of the Company, with Shareholders resident in Canada and U.S. Accredited Investors (as defined in Rule 501(a) of Regulation D of the U.S. Securities Act) receiving a pro-rata distribution of FireFly Shares determined by each such Shareholder's ownership percentage of the total issued and outstanding common shares of the Company as at the record date determined by the Board, and in the case of Shareholders resident in the United States who are not U.S. Accredited Investors, receive a cash distribution in lieu of the FireFly Shares	<input type="checkbox"/>	<input type="checkbox"/>			

The Proxy revokes and supersedes all earlier dated proxies and **MUST BE SIGNED**

PLEASE PRINT NAME

Signature of registered owners

Date (MM/DD/YYYY)

**Interim Financial Statements** - Mark this box if you would like to receive Interim Financial Statements and Management's Discussion and Analysis.

**Annual Financial Statements** - Mark this box if you would like Annual Financial Statements and Management's Discussion and Analysis.

If you are casting your vote online and wish to receive financial statements, please complete the online request for financial statements following your voting instructions. If the cut-off time has passed, please fax this side to 416-595-9593

This is Exhibit "1" referred to in the affidavit of

...SEAN KINGSLEY..... sworn (or affirmed)

before me on 08/ APR / 2024 [dd/mmm/yyyy]

"Sean Tessarolo"

.....  
A Commissioner for taking Affidavits  
within British Columbia

**GOLD HUNTER RESOURCES INC.**  
(the "Corporation")

**Annual General and Special Meeting**  
**March 15, 2024 at 10:00 AM (Canada/Pacific Standard)**  
**Clark Wilson LLP located at 900 - 885 W Georgia Street, Vancouver, British Columbia, V6C 3H1**  
**@10am PT**  
(the "Meeting")



**GOLD HUNTER**  
**RESOURCES INC**

#### Voting Instructions - Guidelines and Conditions

The Corporation is providing you the enclosed proxy-related materials for their securityholder Meeting. Your name, address and information about your security holdings have been obtained in accordance with applicable securities regulations from the intermediary holding them on your behalf (which is identified by name, code or identifier in the information on the top right corner on the reverse). The Voting Instruction Form ("VIF") is to enable your vote to be submitted on the stated matters. Please complete, sign, date and return the VIF. Unless you appoint yourself or a delegate to attend the Meeting and vote, your securities can be voted only by Management Nominees in accordance with your instructions.


**We are prohibited from voting these securities on any of the matters to be acted upon at the Meeting without your specific voting instructions.** In order for these securities to be voted at the meeting, **it will be necessary for us to have your specific voting instructions.** Please complete and return the information requested in this form to provide your voting instructions to us promptly.

By providing voting instructions as requested, you are acknowledging that you are the beneficial owner of, and are entitled to instruct us with respect to the voting of, these securities.

**THIS VOTING INSTRUCTION FORM SHOULD BE READ IN CONJUNCTION WITH THE MEETING MATERIAL. YOUR VOTING INSTRUCTIONS MUST BE RECEIVED NO LATER THAN THE FILING DEADLINE NOTED ON THE REVERSE OF THE VIF OR THE EQUIVALENT TIME BEFORE THE TIME AND DATE OF ANY ADJOURNMENT OR POSTPONEMENT OF THE MEETING.**

#### Voting Instructions and Authority - Notes

1. THIS VOTING INSTRUCTION FORM IS SOLICITED BY THE CORPORATION.
2. If you appoint the Management Nominees indicated on the reverse to vote your securities, they will vote in accordance with your instructions or, if no instructions are given, in accordance with the Voting Recommendation highlighted for each Resolution on the reverse. If you appoint someone else to vote your securities, they will also vote in accordance with your instructions or, if no instructions are given, as they in their discretion choose.
3. The appointment of the Management Nominees or another Appointee gives them discretion to vote on any other matters that may properly come before the Meeting.
4. If internet voting is available, you can provide your voting instructions on the website (see "Internet" section under "Voting Method").
5. To be valid, this VIF must be signed. Please date the VIF. If the VIF is not dated, it is deemed to bear the date of mailing to the securityholders of the Corporation.
6. **This form does not convey any right to vote in person at the Meeting. We urge you to read the above instructions, and the Information Circular prior to completing, signing and returning the VIF so that your securities can be voted. If you want to attend the meeting and vote in person, write your name in the place provided for that purpose on the reverse of this form. You can also write the name of someone else whom you wish to attend the meeting and vote on your behalf. Unless prohibited by law, the person whose name is written in the space provided will have full authority to present matters to the meeting and vote on all matters that are presented at the meeting, even if those matters are not set out in this form or the information circular. Consult a legal advisor if you wish to modify the authority of that person in any way. If you require help, contact your advisor.**
7. Guidelines for proper execution of the VIF are available at [www.stac.ca](http://www.stac.ca). Please refer to the Proxy Protocol.

VOTING METHOD	
Internet	Go to <a href="http://www.voteproxyonline.com">www.voteproxyonline.com</a> and enter the 12 digit control number 
FACSIMILE	416-595-9593
MAIL or HAND DELIVERY	TSX Trust Company 301-100 Adelaide Street West Toronto, Ontario, M5H 4H1
For assistance, please contact TSX TRUST INVESTOR SERVICES. Mail: 301 - 100 Adelaide Street West Toronto, ON, M5H 4H1 Tel: 1-866-600-5869 Email: <a href="mailto:tsxtls@tmx.com">tsxtls@tmx.com</a>	

**VOTING INSTRUCTION FORM ("VIF")**

**GOLD HUNTER RESOURCES INC.**  
(the "Corporation")

**CONTROL NUMBER: «CONTROL\_NUMBER»**

**Annual General and Special Meeting**  
**March 15, 2024 at 10:00 AM**  
(Canada/Pacific Standard)  
Clark Wilson LLP located at 900 - 885 W  
Georgia Street, Vancouver, British Columbia,  
V6C 3H1 @10am PT

**SECURITY CLASS: Common Shares**

**RECORD DATE: Jan. 31, 2024**

**FILING DEADLINE FOR PROXY:**

**March 13, 2024 at 10:00 AM**  
(Canada/Pacific Standard)

**APPOINTEES**

The undersigned hereby appoints **Sean Kingsley, CEO** whom failing **Penilla Klomp, Corporate Secretary** (the "Management Nominees") or instead of any of them, the following Appointee

PLEASE PRINT APPOINTEE NAME

as proxyholder on behalf of the undersigned with the power of substitution to attend, act and vote for and on behalf of the undersigned in respect of all matters that may properly come before the Meeting and at any adjournment(s) or postponement(s) thereof, to the same extent and with the same power as if the undersigned were personally present at the said Meeting or such adjournment(s) or postponement(s) thereof in accordance with voting instructions, if any.

- SEE VOTING GUIDELINES ON REVERSE -

RESOLUTIONS - VOTING RECOMMENDATIONS ARE INDICATED BY HIGHLIGHTED TEXT ABOVE THE BOXES

	FOR	AGAINST		FOR	WITHHOLD
<b>1. Number of Directors</b>			<b>2. Election of Directors</b>		
To set the number of Directors at 5	<input type="checkbox"/>	<input type="checkbox"/>	A) Sean Kingsley	<input type="checkbox"/>	<input type="checkbox"/>
			B) Richard Macey	<input type="checkbox"/>	<input type="checkbox"/>
			C) Brandon Schwabe	<input type="checkbox"/>	<input type="checkbox"/>
			D) Michael Williams	<input type="checkbox"/>	<input type="checkbox"/>
			E) John Theobald	<input type="checkbox"/>	<input type="checkbox"/>
<b>3. Appointment of Auditor</b>	FOR	WITHHOLD	<b>4. Sale of Substantially all of the Assets</b>	FOR	AGAINST
To appoint Manning Elliott LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending August 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending August 31, 2024	<input type="checkbox"/>	<input type="checkbox"/>	To consider and, if deemed advisable, pass a special resolution to approve the sale of substantially all of the Company's assets, as more particularly set out in the accompanying management information circular	<input type="checkbox"/>	<input type="checkbox"/>
<b>5. Plan of Arrangement</b>	FOR	AGAINST			
To consider, and if deemed advisable, pass a special resolution to approve a statutory plan of arrangement pursuant to Section 288 of the Business Corporations Act (British Columbia) whereby 90% of the common shares of FireFly (the "FireFly Shares"), or such other number as is determined by the Board, will be distributed to the shareholders of the Company, with Shareholders resident in Canada and U.S. Accredited Investors (as defined in Rule 501(a) of Regulation D of the U.S. Securities Act) receiving a pro-rata distribution of FireFly Shares determined by each such Shareholder's ownership percentage of the total issued and outstanding common shares of the Company as at the record date determined by the Board, and in the case of Shareholders resident in the United States who are not U.S. Accredited Investors, receive a cash distribution in lieu of the FireFly Shares	<input type="checkbox"/>	<input type="checkbox"/>			

The VIF revokes and supersedes all earlier dated VIF and **MUST BE SIGNED**

PLEASE PRINT NAME

Signature of registered owner(s)

Date(MM/DD/YYYY)

**Interim Financial Statements** - Mark this box if you would like to receive Interim Financial Statements and Management's Discussion and Analysis.  **Annual Financial Statements** - Mark this box if you would like Annual Financial Statements and Management's Discussion and Analysis.

If you are casting your vote online and wish to receive financial statements, please complete the online request for financial statements following your voting instructions. If the cut-off time has passed, please fax this side to 416-595-9593

This is Exhibit "J" referred to in the affidavit of

SEAN KINGSLEY sworn (or affirmed)

before me on 08 APR 2024 [dd/mmm/yyyy]

"Sean Tessarolo"

A Commissioner for taking Affidavits  
within British Columbia

**MINUTES OF THE ANNUAL GENERAL & SPECIAL MEETING OF  
SHAREHOLDERS OF  
GOLD HUNTER RESOURCES INC.**

MINUTES of the Annual General and Special Meeting (the “Meeting”) of the Members of Gold Hunter Resources Inc. (the “Company”) held at Clark Wilson LLP, 900 - 885 West Georgia Street, Vancouver, BC, V6C 3H1, Canada at 10:00 am. (Vancouver time) on March 15, 2024.

**CHAIRPERSON & SECRETARY**

The Meeting was called to order at 10:00 a.m. by Sean A. Kingsley, CEO and President of the Company, who acted as Chairman and Penilla Klomp acted as Recording Secretary of the Meeting. The Chairman introduced Manveer Sall, legal counsel, to the Company and, with the consent of the Meeting, asked Manveer Sall to take conduct of and attend to the formalities of the Meeting.

**SCRUTINEER**

Katie Tsui of TSX Trust Company was appointed Scrutineer of the Meeting.

**Others in Attendance:**

Manveer Sall, Legal Counsel

James Rogers (via Conference call)

**QUORUM**

The Chairman advised that pursuant to the Company’s articles, there was a Quorum for the transaction of business of the Meeting. The Chairman stated that the number of common shares represented at the Meeting was as follows:

Number of Registered Shareholders and duly appointed Proxyholders present:	1 holder represented in person or by proxy 4,830,000
Shareholders by Proxy, Representing:	62 Management Proxies received representing 20,843,122
Total Securities represented at the Meeting:	65.842% or 25,673,122

Outstanding voting securities: **38,992,000** issued and outstanding common shares of the Company as at the record date, **January 31, 2024**.



The Chairman then declared that a quorum was present and that the Meeting was regularly called, duly constituted and ready for the transaction of business.

### **NOTICE OF MEETING**

Counsel stated that he had received the declaration of TSX Trust Company, Transfer Agent for the Company, attesting to the due mailing on February 22, 2024 of the Notice and Information Circular, Proxy with Request for Financial Statements, VIF and Proxy Return Envelope. He asked the Secretary to table the declarations of mailing and the Notice of Meeting and Information Circular and append them to the minutes of this Meeting. In view of this, Counsel moved to dispense with calling for reading of the Notice and asked the Secretary to file the declaration as to mailing with the minutes of this meeting.

On motion duly made and carried, **BE IT RESOLVED** that the reading of the Notice calling this Meeting be dispensed with and that the Notice be taken as if read and approved.

### **EXPLANATION OF VOTING PROCEDURES**

Counsel stated that Voting on the business to be transacted at the Meeting will be conducted by a show of hands unless a person entitled to vote at the Meeting has demanded a ballot or a ballot is otherwise required. Each shareholder present in person or represented by proxy shall have one vote for each share held or represented.

### **DIRECTORS' REPORT, FINANCIAL STATEMENTS, AND AUDITORS' REPORT**

Counsel advised that the Report of the Directors, the Financial Statements of the Company for the fiscal year ended August 31, 2023, and the Report of the Auditors thereon had been filed on SEDAR. Counsel asked if there was any discussion on the Financial Statements. There was no discussion.

On motion duly made and carried, **BE IT RESOLVED** that the financial statements for the fiscal year ending August 31, 2023 comprising the statements of financial position as at August 31, 2023 and the statements of comprehensive loss, changes in equity and cash flows for the year ended August 31, 2023 together with the notes and the auditors report be received.

### **APPOINTMENT OF AUDITORS**

Counsel stated that the next item of business is the appointment of the auditor as set out in the Information Circular mailed to shareholders with respect to the Meeting. Management is proposing that Manning Elliott LLP, Chartered Professional Accountants, be appointed as auditors for the Company for the fiscal year ending August 31, 2024. Accordingly, Counsel asked for a motion that Manning Elliott LLP, Chartered Professional Accountants, be appointed as auditor of the Company for the fiscal year ending August 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending August 31, 2024.

On motion duly made and carried, **BE IT RESOLVED** that Manning Elliott, LLP, be appointed Auditors of the Company for the fiscal year ending August 31, 2024 and that the directors be authorized to fix the remuneration of the Auditors.

The one holder represented in person at the Meeting voted FOR the motion.

### **NUMBER OF DIRECTORS**

Counsel asked for a motion to set the number of directors at five (5) as set out in the Notice and Information Circular.

On motion duly made and carried, **BE IT RESOLVED** that the number of directors of the Company be fixed at five (5).

The one holder represented in person at the Meeting voted FOR the motion.

### **ELECTION OF DIRECTORS**

Counsel stated that the next item of business is the election of directors. The Board presently consists of five (5) directors whose terms of office are deemed to have expired today pursuant to the Articles of the Company. The Information Circular contains the names of the five (5) individuals who are proposed by Management for election as directors at this Meeting, being five (5) of the current directors, who are as follows:

Richard Macey  
Brandon Schwabe  
Michael Williams  
John Theobald  
Sean Kingsley

On motion duly made and carried, **BE IT RESOLVED** that **Richard Macey** be elected as a director of the Company to hold office until the next Annual General Meeting or until his successor is duly elected or appointed.

On motion duly made and carried, **BE IT RESOLVED** that **Brandon Schwabe** be elected as a director of the Company to hold office until the next Annual General Meeting or until his successor is duly elected or appointed.

On motion duly made and carried, **BE IT RESOLVED** that **Michael Williams** be elected as a director of the Company to hold office until the next Annual General Meeting or until his successor is duly elected or appointed.

On motion duly made and carried, **BE IT RESOLVED** that **John Theobald** be elected as a director of the Company to hold office until the next Annual General Meeting or until his successor is duly elected or appointed.

On motion duly made and carried, **BE IT RESOLVED** that **Sean Kingsley** be elected as a director of the Company to hold office until the next Annual General Meeting or until his successor is duly elected or appointed.

The one holder represented in person at the Meeting voted FOR each of the aforementioned motions.

### **APPROVAL OF SALE OF SUBSTANTIALLY ALL OF THE COMPANY'S ASSETS**

Counsel declared that the next item of business is the Approval of the Sale of substantially all of the Company's Assets as set out in the Meeting's Information Circular dated February 14, 2024. The resolution must be approved by 66 2/3% of the votes cast by Shareholders who are entitled to vote and are present in person or by proxy at the Meeting.

On motion duly made and carried, shareholders of the Company passed the following special resolution approving the sale of substantially all of the Company's assets, with the one holder represented in person voting FOR the special resolution.

**"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:**

1. The share purchase and sale agreement dated December 21, 2023 between Gold Hunter Resources Inc. (the "Company") and FireFly Metals Ltd. ("FireFly") (the "Purchase Agreement") and all of the transactions contemplated therein, which transactions constitute the disposition of all or substantially all of the undertaking of the Company for the purposes of section 301 of the *Business Corporations Act* (British Columbia), and any amendments thereto, and the actions of the directors and officers of the Company in executing and delivering the Purchase Agreement and any amendments thereto, are hereby confirmed, ratified, authorized and approved in all respects.
2. Any director or officer of the Company is hereby authorized, for and on behalf and in the name of the Company, to execute and deliver, all such agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments (collectively, the "Transaction Documents") 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 Purchase Agreement, the Transaction Documents, and the completion of the transactions contemplated thereunder, including, without limitation, all actions required to be taken by or on behalf of the Company, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities, 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; and the execution, delivery and performance of any and all Transaction Documents are hereby authorized, ratified and approved in all respects.
3. Notwithstanding that these resolutions have been passed, the directors of the Company are hereby authorized and empowered, without further notice to, or approval of, any securityholders of the Company: (a) to amend the Purchase Agreement to the extent permitted by the Purchase Agreement; or (b) subject to the terms of the Purchase Agreement, not to proceed with the transactions contemplated thereunder."

## **APPROVAL OF THE PLAN OF ARRANGEMENT**

Counsel stated that the next item of business is the approval of the Plan of Arrangement pursuant to section 288 of the *Business Corporations Act*, whereby 90% of the common shares (the "Firefly Shares") of FireFly Metals Ltd. ("FireFly"), or such other number as is determined by the board of directors of the Company (the "Board"), will be distributed to the Shareholders, with the eligible shareholders receiving a distribution equal to their pro-rata share of the FireFly Shares and the US shareholders receiving a cash distribution (in a currency to be determined by the Board) in the amount equal to the number of FireFly Shares they would otherwise be eligible to receive.

On motion duly made and carried, shareholders of the Company passed the following SPECIAL resolution approving the Plan of Arrangement, with the one holder represented in person voting FOR the special resolution.

### **"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:**

1. The arrangement (the "**Arrangement**") pursuant to Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") of Gold Hunter Resources Inc. (the "**Company**"), as more particularly described and set forth in the Plan of Arrangement (as the same may be, or may have been, amended, modified or supplemented, the "**Plan**") set forth in Schedule A to the management information circular of the Corporation dated February 14, 2024, be and is hereby authorized, approved and adopted.
2. Notwithstanding the passing of this resolution or the passing of similar resolutions or the approval of the British Columbia Supreme Court, the board of directors of the Company, without further notice to, or approval of, the securityholders of the Company, are hereby authorized and empowered to
  - (i) amend the Plan, to the extent permitted by the Plan; and
  - (ii) subject to the terms of the Plan, to determine not to proceed with the Arrangement at any time prior to the Arrangement becoming effective pursuant to the provisions of the BCBCA.
3. Any director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company (whether under corporate seal or otherwise), to execute and deliver, or cause to be executed, under the seal of the Company or otherwise, any and all documents, agreements and instruments and to perform, or cause to be performed, such other acts and things, as in such person's opinion may be necessary or desirable to give full effect to these resolutions and the matters authorized hereby, including the transactions required and/or contemplated by the Arrangement, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the doing of any such act or thing.
4. The proper officers and authorized signatories of TSX Trust Company and Computershare Investor Services Inc., or where applicable, Computershare Investor Services Pty Limited, be and are hereby authorized and directed to execute and deliver all documents and instruments and to take such other actions as they may deem necessary or desirable to implement these resolutions and the matters authorized hereby, including the transactions required and/or contemplated by the

Arrangement, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the taking of such actions."

**CONCLUSION AND TERMINATION OF MEETING**

The Chairman asked if there was any other business to be brought forth. There being no further business, on motion duly made and carried, it was resolved that the Meeting be terminated.

*signed:*

"Sean Kingsley"

\_\_\_\_\_  
Sean A. Kingsley  
Chairman of the Meeting

*signed:*

"Penilla Klomp"

\_\_\_\_\_  
Penilla Klomp  
Recording Secretary of the Meeting

This is Exhibit "K" referred to in the affidavit of

SEAN KINGSLEY sworn (or affirmed)

before me on 08 APR 2024 [dd/mmm/yyyy]

"Sean Tessarolo"

.....  
A Commissioner for taking Affidavits  
within British Columbia

# GOLD HUNTER RESOURCES INC.

178

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
MARCH 15, 2024

TSX Trust Company  
hereby reports that:

<u>1</u>	Holder(s) represented in person or by proxy	<u>4,830,000</u>	shares
<u>62</u>	Management proxies received representing	<u>20,843,122</u>	shares

<b>Total represented at the meeting</b>	<u>25,673,122</u>	shares
<b>Percentage of 38,992,000 outstanding</b>	<u>65.842</u>	%

---

## MANAGEMENT PROXY VOTES

### TO SET THE NUMBER OF DIRECTORS AT 5

<u>20,843,122</u>	shares represented by proxy VOTED FOR	( 100.000% )
<u>0</u>	shares represented by proxy VOTED AGAINST	( 0.000% )

### SEAN KINGSLEY AS DIRECTOR

<u>20,843,122</u>	shares represented by proxy VOTED FOR	( 100.000% )
<u>0</u>	shares represented by proxy VOTED WITHHOLD	( 0.000% )

### RICHARD MACEY AS DIRECTOR

<u>20,843,122</u>	shares represented by proxy VOTED FOR	( 100.000% )
<u>0</u>	shares represented by proxy VOTED WITHHOLD	( 0.000% )

### BRANDON SCHWABE AS DIRECTOR

<u>20,843,122</u>	shares represented by proxy VOTED FOR	( 100.000% )
<u>0</u>	shares represented by proxy VOTED WITHHOLD	( 0.000% )

### MICHAEL WILLIAMS AS DIRECTOR

<u>20,843,122</u>	shares represented by proxy VOTED FOR	( 100.000% )
<u>0</u>	shares represented by proxy VOTED WITHHOLD	( 0.000% )

### JOHN THEOBALD AS DIRECTOR

<u>20,843,122</u>	shares represented by proxy VOTED FOR	( 100.000% )
<u>0</u>	shares represented by proxy VOTED WITHHOLD	( 0.000% )





This is Exhibit "L" referred to in the affidavit of  
SEAN KINGSLEY sworn (or affirmed)  
before me on 08/APR/2024 [dd/mmm/yyyy]  
"Sean Tessarolo"  
-----  
A Commissioner for taking Affidavits  
within British Columbia

## TRANSACTION RESOLUTION

## BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The share purchase and sale agreement dated December 21, 2023 between Gold Hunter Resources Inc. (the "Company") and FireFly Metals Ltd. ("FireFly") (the "Purchase Agreement") and all of the transactions contemplated therein, which transactions constitute the disposition of all or substantially all of the undertaking of the Company for the purposes of section 301 of the *Business Corporations Act* (British Columbia), and any amendments thereto, and the actions of the directors and officers of the Company in executing and delivering the Purchase Agreement and any amendments thereto, are hereby confirmed, ratified, authorized and approved in all respects.
  2. Any director or officer of the Company is hereby authorized, for and on behalf and in the name of the Company, to execute and deliver, all such agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments (collectively, the "Transaction Documents") 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 Purchase Agreement, the Transaction Documents, and the completion of the transactions contemplated thereunder, including, without limitation, all actions required to be taken by or on behalf of the Company, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities, 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; and the execution, delivery and performance of any and all Transaction Documents are hereby authorized, ratified and approved in all respects.
  3. Notwithstanding that these resolutions have been passed, the directors of the Company are hereby authorized and empowered, without further notice to, or approval of, any securityholders of the Company: (a) to amend the Purchase Agreement to the extent permitted by the Purchase Agreement; or (b) subject to the terms of the Purchase Agreement, not to proceed with the transactions contemplated thereunder.
-

This is Exhibit "M" referred to in the affidavit of

SEAN KINGSLEY sworn (or affirmed)

before me on 08/APR/2024 [dd/mmm/yyyy]

"Sean Tessarolo"

~~.....~~  
A Commissioner for taking Affidavits  
within British Columbia

## ARRANGEMENT RESOLUTION

## BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The arrangement (the "Arrangement") pursuant to Section 288 of the *Business Corporations Act* (British Columbia) (the "BCBCA") of Gold Hunter Resources Inc. (the "Company"), as more particularly described and set forth in the Plan of Arrangement (as the same may be, or may have been, amended, modified or supplemented, the "Plan") set forth in Schedule A to the management information circular of the Corporation dated February 14, 2024, be and is hereby authorized, approved and adopted.
2. Notwithstanding the passing of this resolution or the passing of similar resolutions or the approval of the British Columbia Supreme Court, the board of directors of the Company, without further notice to, or approval of, the securityholders of the Company, are hereby authorized and empowered to:
  - i. amend the Plan, to the extent permitted by the Plan; and
  - ii. subject to the terms of the Plan, to determine not to proceed with the Arrangement at any time prior to the Arrangement becoming effective pursuant to the provisions of the BCBCA.
3. Any director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company (whether under corporate seal or otherwise), to execute and deliver, or cause to be executed, under the seal of the Company or otherwise, any and all documents, agreements and instruments and to perform, or cause to be performed, such other acts and things, as in such person's opinion may be necessary or desirable to give full effect to these resolutions and the matters authorized hereby, including the transactions required and/or contemplated by the Arrangement, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the doing of any such act or thing.
4. The proper officers and authorized signatories of TSX Trust Company and Computershare Investor Services Inc., or where applicable, Computershare Investor Services Pty Limited, be and are hereby authorized and directed to execute and deliver all documents and instruments and to take such other actions as they may deem necessary or desirable to implement these resolutions and the matters authorized hereby, including the transactions required and/or contemplated by the Arrangement, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the taking of such actions.

This is Exhibit "N" referred to in the affidavit of  
SEAN KINGSLEY sworn (or affirmed)  
before me on 08/APR/2024 [dd/mmm/yyyy]  
"Sean Tessarolo"  
A Commissioner for taking Affidavits  
within British Columbia



**GOLD HUNTER  
RESOURCES INC**

**Gold Hunter Resources Inc.**

**Condensed Consolidated Interim Financial Statements**

**For the three months ended November 30, 2023 and 2022**

(Expressed in Canadian Dollars)  
(Unaudited)

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**Notice of No Auditor Review**

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The condensed consolidated interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of interim financial statements and are in accordance with International Accounting Standard 34 - Interim Financial Reporting.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.



# Gold Hunter Resources Inc.

## Condensed Consolidated Interim Statements of Financial Position

As at November 30, 2023 and August 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

	November 30, 2023	August 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 81,808	\$ 70,779
Amounts receivable	7,493	9,552
Prepaid expenses	89,917	2,750
	179,218	83,081
<b>Non-current assets</b>		
Investments (note 4)	130,000	190,000
Exploration and evaluation assets (note 6)	2,451,178	2,409,966
	\$ 2,760,396	\$ 2,683,047
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 8)	\$ 63,711	\$ 306,301
Loans and notes payable (note 5, 6)	-	152,500
	63,711	458,801
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (note 7)	5,769,111	4,898,580
Reserves	133,954	272,193
Accumulated other comprehensive loss	(170,000)	(110,000)
Deficit	(3,036,380)	(2,836,527)
	2,696,685	2,224,246
	\$ 2,760,396	\$ 2,683,047

NATURE OF BUSINESS AND CONTINUING OPERATIONS (note 1)

COMMITMENTS (note 11)

SUBSEQUENT EVENTS (note 12)

Approved on behalf of the Board:

"Michael Williams"

Director

"Richard Macey"

Director

The accompanying notes and schedules are an integral part of these condensed consolidated interim financial statements

# Gold Hunter Resources Inc.

## Condensed Consolidated Interim Statements of Loss and Comprehensive Loss For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended November 30, 2023	Three months ended November 30, 2022
<b>EXPENSES</b>		
Consulting fees	\$ 67,896	\$ 37,500
Investor relations and shareholder information	10,000	-
Listing and filing fees	8,492	5,525
Management fees (note 8)	66,000	42,000
Office expense	1,142	3,489
Professional fees (note 8)	6,774	-
Rent	10,500	10,500
Travel and accommodation	2,757	3,790
	(173,561)	(102,804)
<b>OTHER EXPENSES</b>		
Financing fee (note 5)	(26,292)	-
<b>NET LOSS</b>	<b>(199,853)</b>	<b>(102,804)</b>
<b>OTHER COMPREHENSIVE LOSS</b>		
Unrealized loss on investments (note 4)	(60,000)	-
<b>COMPREHENSIVE LOSS</b>	<b>\$ (259,853)</b>	<b>\$ (102,804)</b>
<b>LOSS PER SHARE</b> (basic and diluted)	<b>\$ (0.01)</b>	<b>\$ (0.00)</b>
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</b> (basic and diluted)	<b>30,388,044</b>	<b>25,826,500</b>

The accompanying notes and schedules are an integral part of these condensed consolidated interim financial statements

# Gold Hunter Resources Inc.

## Condensed Consolidated Interim Statements of Changes in Equity

For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

	Common shares		Reserves	Accumulated Other Comprehensive Loss	Deficit	Total
	Number	Amount				
<b>As at August 31, 2022</b>	<b>25,826,500</b>	<b>\$ 4,049,567</b>	<b>\$ 120,881</b>	<b>\$ -</b>	<b>\$ (1,024,486)</b>	<b>\$ 3,145,962</b>
Net loss for the period	-	-	-	-	(102,804)	(102,804)
<b>As at November 30, 2022</b>	<b>25,826,500</b>	<b>\$ 4,049,567</b>	<b>\$ 120,881</b>	<b>\$ -</b>	<b>\$ (1,127,290)</b>	<b>\$ 3,043,158</b>
<b>As at August 31, 2023</b>	<b>29,312,000</b>	<b>\$ 4,898,580</b>	<b>\$ 272,193</b>	<b>\$ (110,000)</b>	<b>\$ (2,836,527)</b>	<b>\$ 2,224,246</b>
Shares and warrants issued for cash	2,880,000	691,200	28,800	-	-	720,000
Shares issued for exploration and evaluation assets	800,000	200,000	(200,000)	-	-	-
Share issuance costs	-	(20,669)	6,669	-	-	(14,000)
Bonus warrants issued (note 5)	-	-	26,292	-	-	26,292
Net loss for the period	-	-	-	-	(199,853)	(199,853)
Other comprehensive loss						
Unrealized loss on investments (note 4)	-	-	-	(60,000)	-	(60,000)
<b>As at November 30, 2023</b>	<b>32,992,000</b>	<b>\$ 5,769,111</b>	<b>\$ 133,954</b>	<b>\$ (170,000)</b>	<b>\$ (3,036,380)</b>	<b>\$ 2,696,685</b>

The accompanying notes and schedules are an integral part of these condensed consolidated interim financial statements.

# Gold Hunter Resources Inc.

## Condensed Consolidated Interim Statements of Cash Flows

For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended November 30, 2023	Three months ended November 30, 2022
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (199,853)	\$ (102,804)
Item not involving cash:		
Financing fee	26,292	-
	(173,561)	(102,804)
Changes in non-cash working capital balances:		
Amounts receivable	2,059	520
Prepaid expenses	(87,167)	(4,150)
Accounts payable	(242,590)	(46,881)
Cash used in operating activities	(501,259)	(153,315)
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation assets	(41,212)	(27,798)
Cash used in investing activities	(41,212)	(27,798)
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares and warrants, net	706,000	-
Repayment of loans and notes (note 5)	(152,500)	-
Cash provided by financing activities	553,500	-
<b>CHANGE IN CASH AND CASH EQUIVANTS</b>	11,029	(181,113)
<b>CASH AND CASH EQUIVANTS, BEGINNING OF PERIOD</b>	70,779	297,055
<b>CASH AND CASH EQUIVANTS, END OF PERIOD</b>	\$ 81,808	\$ 115,942
Interest and income taxes paid	\$ -	\$ -

The accompanying notes and schedules are an integral part of these condensed consolidated interim financial statements

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

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#### 1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Gold Hunter Resources Inc. ("the Company") was incorporated on October 30, 2019 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 75 – 8050 204th Street, Langley, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at November 30, 2023, the Company has not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

The Company had an accumulated deficit of \$3,036,380 as at November 30, 2023, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying value is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be 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 these condensed consolidated interim financial statements.

#### 2. BASIS OF PREPARATION

##### Statement of Compliance

These condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the Financial Reporting Interpretations Committee ("IFRIC").

##### Approval of the Financial Statements

The condensed consolidated interim financial statements of the Company for the three months ended November 30, 2023 and 2022 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on January 19, 2024.

##### Basis of Measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 3.

The functional and presentation currency of the Company is the Canadian dollar.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

### 2. BASIS OF PREPARATION (continued)

#### Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned Canadian subsidiary, 1451366 B.C. Ltd. All intercompany accounts and transactions between the Company and its subsidiary have been eliminated upon consolidation.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

Cash equivalents include short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of November 30, 2023, the Company held no cash equivalents.

#### Significant accounting estimates and judgements

The preparation of these condensed consolidated interim 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 condensed consolidated interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, 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:

#### *Significant accounting estimates*

- i. the measurement of deferred income tax assets and liabilities; and
- ii. the inputs used in accounting for share purchase warrants and share-based payments.

#### *Significant accounting judgments*

- i. the determination of categories of financial assets and financial liabilities;
- ii. the evaluation of the Company's ability to continue as a going concern; and
- iii. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the financial statements date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

#### Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. Basic and diluted loss per share excludes all of the Company's common shares from the weighted average shares calculation that are contingently returnable.

As the Company has recorded a net loss in each of the periods presented, basic and diluted net loss per share are the same as the exercise of stock options or share purchase warrants are anti-dilutive.

#### Share capital

Common shares, options and warrants are classified as equity. Transaction costs directly attributable to the issuance of common shares, options and warrants are recognized as a deduction from equity, net of any tax effects.

The Company bifurcates units which consist of common shares and share purchase warrants using the residual value approach, whereby it measures the common share component of the unit at fair value using the trading price and then allocates the residual value, if any, of the units over the fair value of the common shares to the warrant component. The value of the warrant component is credited to reserves. When warrants are exercised, the corresponding value is transferred from reserves to share capital. When warrants expire unexercised or are cancelled, the applicable amounts recorded in reserves are reclassified to deficit.

Warrants issued as finders' and agents' fees, including agents' compensation options issued during the initial public offering, are recorded at fair value measured using the Black-Scholes option pricing model.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

#### Share-based payments

The Company may grant stock options to acquire common shares to directors, officers, employees and consultants. 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 granted to employees and others providing similar services is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized in expense and reserves over the vesting period. Consideration paid for the shares along with the fair value recorded in reserves on the exercise of stock options is credited to share capital. When stock options expire unexercised or are cancelled, the applicable amounts recorded in reserves are reclassified to deficit.

In situations where equity instruments are issued to non-employees and the fair value of some or all of the goods or services received by the entity cannot be estimated reliably, the equity instruments are measured at the fair value of the share-based payment. Otherwise, share-based payment transactions are measured at the fair value of goods or services received.

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

#### Financial instruments

##### Financial assets

On initial recognition financial assets are classified as measured at:

- i. Amortized cost;
- ii. Fair value through other comprehensive income ("FVOCI"); and
- iii. Fair value through profit and loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.



# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

Subsequent measurement of financial assets depends on their classification:

- i. **Amortized cost**  
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at amortized cost.

- ii. **FVOCI**  
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company's investments are classified at FVOCI.

- iii. **FVTPL**  
Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of operations and comprehensive loss in the period in which it arises.

The Company's cash and cash equivalents are classified at FVTPL.

#### Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

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#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Financial instruments (continued)

##### Financial liabilities and equity (continued)

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable, loans and notes payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

##### Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

##### Decommissioning, restoration, and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

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#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Decommissioning, restoration, and similar liabilities (continued)

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

##### Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

##### Adoption of new accounting standards, interpretations, and amendments

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

#### 4. INVESTMENTS

Investments in shares comprise the following:

	Number of shares	Cost	Accumulated Unrealized Loss	November 30, 2023 Fair Value
Sorrento Resources Ltd.	1,000,000	\$ 300,000	\$ (170,000)	\$ 130,000

	Number of shares	Cost	Accumulated Unrealized Loss	August 31, 2023 Fair Value
Sorrento Resources Ltd.	1,000,000	\$ 300,000	\$ (110,000)	\$ 190,000

During the three-month period ended November 30, 2023, the Company recorded an unrealized loss of \$60,000 (2022 - \$Nil) in other comprehensive income.

Sorrento Resources Ltd. is a listed company, and the fair value of the investments was determined using quoted market prices at the date of the Condensed Consolidated Interim Statements of Financial Position. In June 2023, the Company received 1,000,000 common shares of Sorrento Resources Ltd. with a fair value of \$300,000, in respect of the sale of six other projects acquired as part of the Rambler and Tilt Cove Projects Property (note 6).

#### 5. LOANS AND NOTES PAYABLE

In July 2023, the Company obtained private, non-interest-bearing loans from a certain related and other unrelated parties for an aggregate amount of \$75,000 (includes \$25,000 from an insider). The loans are payable in full upon the closing of the Company's next private placement financing ("Future Financing"). The proceeds from the loans will be used to fulfill the Company's mineral claim obligations in respect of its exploration and evaluation assets (note 6) and working capital requirements. On closing of the Future Financing, the Company will repay the loans and will issue to the lenders an aggregate total of 300,000 common share purchase warrants (includes 100,000 warrants to an insider) in the Company ("Bonus Warrants"). Each Bonus Warrant will be exercisable to purchase one common share of the Company at the per share issue price of the Future Financing, for a period of 24 months from the date of issuance.

In July 2023, the Company issued promissory notes in the aggregate amount of \$77,500 in respect of the purchase of five additional properties adjacent to the Rambler Project (note 6). The notes are unsecured, non-interest-bearing and have a term of 90 days.

During the three-month period ended November 30, 2023, the Company fully repaid the \$77,500 promissory notes and \$75,000 loans. In connection with the loans, the Company issued 300,000 Bonus Warrants with a fair value of \$26,292. Each bonus warrant is exercisable to purchase one share at a price of \$0.35 for a period of 24 months from the closing date of the private placement (note 7).

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

#### 6. EXPLORATION AND EVALUATION ASSETS

##### Cameron Lake East Property

In January 2020, the Company entered into an option agreement (the "Agreement") to acquire the mineral claims known as Cameron Lake East Property located in the Kenora Mining Division of Ontario. The Agreement is pursuant to an underlying option agreement (the "Head Option Agreement") between the optionor and the original claim holder ("Claim Holder"). To exercise the option and acquire the claims, the Company must pay the optionor \$66,000 and issue 1,000,000 common shares of the Company as follows:

- a. pay \$20,000 on signing of the Agreement (paid);
- b. pay an additional \$10,000 and issue 500,000 common shares on the earlier of (i) listing of the Company's common shares on the Canadian Securities Exchange, and (ii) March 15, 2021 (paid and issued);
- c. pay an additional \$12,000 on January 15, 2022 (paid);
- d. pay an additional \$12,000 and issue an additional 500,000 common shares on January 15, 2023 (paid and issued); and
- e. pay an additional \$12,000 on January 15, 2024.

In addition, under the Head Option Agreement, the optionor must pay the Claim Holder \$48,000 (paid) by September 20, 2023. Upon exercise by the Optionor of its option under the Head Option Agreement, the Claim Holder will be entitled to a 1.5% net smelter returns royalty (the "Claim Holder's NSR"), subject to the Optionor's right to purchase a one-half interest in the Claim Holder's NSR in accordance with the Head Option Agreement. Under the Agreement, the Claims are subject to the reservation by the Optionor of a 1.5% net smelter returns royalty (the "Optionor's NSR") to be paid by the Company upon exercise of the option in full.

Following the exercise of the Option, the Company will have the right to purchase the Optionor's NSR at any time for \$1,000,000. For greater certainty, in the event the Company purchases the Optionor's NSR, the Claims would be subject only to the Claim Holder's NSR (1.5%) of which the Optionor will hold an option to purchase a one-half interest (0.75%) in accordance with the terms of the Head Option Agreement. Refer to the Schedules of exploration and evaluation assets for a summary of expenditures and continuity of exploration and evaluation assets.

##### Rambler and Tilt Cove Properties

In January 2022, the Company entered into one option agreement and one purchase agreement to acquire the Rambler and Tilt Cove Projects and six other projects in the Province of Newfoundland and Labrador, collectively known as the Rambler and Tilt Cove Properties. To exercise the option and acquire the claims, the Company must pay the optionors \$1,695,000, issue 10,300,000 common shares, and incur \$2,500,000 of exploration expenditures on the claims as follows:

- a. pay \$15,000 upon signing of the option agreement (paid);
- b. pay an additional \$25,000 on or before December 1, 2022 (paid);
- c. pay an additional \$50,000 on or before December 1, 2023 (paid);
- d. issue 1,500,000 common shares and incur \$800,000 of property expenditures on or before July 1, 2024;
- e. pay an additional \$190,000 and issue an additional 2,000,000 common shares on or before December 1, 2024;
- f. pay an additional \$415,000 and issue an additional 2,800,000 common shares on or before December 1, 2025; and
- g. pay an additional \$1,000,000, issue an additional 4,000,000 common shares, and incur an additional \$1,700,000 of property expenditures on or before December 1, 2026.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

#### 6. EXPLORATION AND EVALUATION ASSETS (continued)

##### Rambler and Tilt Cove Properties (continued)

In addition, the Company must pay finders' fees of \$135,600 and issue 824,000 common shares as follows:

- a. pay \$1,200 upon signing of the option agreement (paid);
- b. pay an additional \$2,000 on or before December 1, 2022 (paid);
- c. pay an additional \$4,000 on or before December 1, 2023;
- d. issue 120,000 common shares on or before July 1, 2024;
- e. pay an additional \$15,200 and issue an additional 160,000 common shares on or before December 1, 2024;
- f. pay an additional \$33,200 and issue an additional 224,000 common shares on or before December 1, 2025; and
- g. pay an additional \$80,000 and issue an additional 320,000 common shares on or before December 1, 2026.

In connection with the purchase agreement, the Company paid \$250,000 and issued 4,000,000 common shares to acquire the claims. The Company also paid a finders' fee of \$15,000 and 240,000 shares in respect of the purchase agreement. A portion of the claims is subject to a 2% net smelter returns royalty and a portion is subject to a 2.5% net smelter returns royalty of which the Company may purchase 50% at any time for \$1,000,000 and 60% at any time for \$2,000,000, respectively.

In June 2023, the Company sold 100% interest in the six other projects acquired as part of the Rambler and Tilt Cove Projects for \$50,000 and 1,000,000 common shares of Sorrento Resources Ltd. with a fair value of \$300,000, determined using quoted market prices on the closing date of the transaction. The Company retained a 1% net smelter returns royalty which the purchaser has the right to buy back 50% at any time for \$1,000,000. Pursuant the sale transaction, the Company recorded a loss on sale of exploration and evaluation assets of \$1,271,090.

In July 2023, the Company purchased five additional properties adjacent to the Rambler Project in the Baie Verte Peninsula, Newfoundland. The Company paid \$37,500 and issued 2,275,000 common shares on the closing date of the transaction. In addition, the Company issued \$77,500 of non-interest bearing promissory notes with a term of 90 days and issued 250,000 common shares as finders' fee. The Company will also issue an additional 800,000 common shares on the date that is 4 months and a day from the closing date and recorded a reserve for an obligation to issue the remaining common shares with a fair value of \$200,000. The five properties are each subject to a 2% net smelter returns royalty of which the Company may purchase 50% at any time for an aggregate total of \$5,500,000.

In November 2023, the Company issued the remaining 800,000 common shares, reclassified the \$200,000 reserve to share capital, and fully repaid the \$77,500 promissory notes. Refer to the Schedules of exploration and evaluation assets for a summary of expenditures and continuity of exploration and evaluation assets.

Subsequent to the period ended November 30, 2023, the Company amended the mineral property option agreement and finders' agreement, dated in January 2022, in regard to the Rambler and Tilt Cove Properties (note 12).

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

#### 7. SHARE CAPITAL

##### Authorized

Unlimited number of common shares without par value.

##### Issued and outstanding

As of November 30, 2023 there were 32,992,000 (November 30, 2022 - 25,826,500) common shares issued and outstanding.

During the three-month period ended November 30, 2023:

- I. On November 2, 2023, the Company issued, pursuant to a private placement, 2,880,000 units at a price of \$0.25 per unit for gross proceeds of \$720,000. Each unit consisted of one common share and one transferable common share purchase warrant exercisable for one common share at a price of \$0.35 per share for a period of 24 months. Warrants were valued at \$28,800 using the residual value method. The Company paid cash finders' fees totaling \$14,000 and 56,000 finders' warrants with a fair value of \$6,669 in respect of the offering.
- II. On November 13, 2023, the Company issued 800,000 common shares with a fair value of \$0.25 per share (\$200,000 total) for the purchase of exploration and evaluation assets (Rambler Property) (note 6).

During the three-month period ended November 30, 2022:

- I. The Company did not have any share transactions.

##### Stock Options

The Company adopted an Omnibus Compensation Plan (the "Plan") under which the Board of Directors may grant restricted share units ("RSUs") and stock options ("Options") to directors, officers, employees, and consultants.

Under the plan, the number of common shares reserved for issuance pursuant to the settlement of RSUs may not exceed 10% of the issued and outstanding common shares and the number of common shares reserved for issuance pursuant to the new grant of Options may not exceed 10% of the issued and outstanding common shares. The options expire not more than 10 years from the date of grant or earlier if the individual ceases to be associated with the Company, and vest over terms determined at the time of grant.

A continuity schedule of outstanding stock options is as follows:

	Number Outstanding	Weighted Average Exercise Price
Balance as at August 31, 2022	800,000	0.50
Forfeited	(200,000)	0.50
Balance as at August 31, 2023	600,000	0.50
Balance as at November 30, 2023	600,000	0.50

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

#### 7. SHARE CAPITAL (continued)

##### Stock Options (continued)

As of November 30, 2023, the Company had share purchase options outstanding and exercisable to acquire common shares of the Company as follows:

Grant Date	Expiry Date	Number of options	Exercisable	Exercise Price
October 1, 2020	October 1, 2030	600,000	600,000	\$ 0.50
		600,000	600,000	\$ 0.50

##### Restricted share units

As of November 30, 2023, the Company had no RSUs outstanding and exercisable to acquire common shares of the Company.

##### Share purchase warrants

A continuity schedule of outstanding warrants is as follows:

	Number Outstanding	Weighted Average Exercise Price
		\$
Balance as at August 31, 2022 and 2023	-	-
Issued	3,236,000	0.35
Balance as at November 30, 2023	3,236,000	0.35

As of November 30, 2023, the Company had warrants outstanding and exercisable to acquire common shares of the Company as follows:

Expiry Date	Number of warrants	Exercisable	Exercise Price
			\$
November 2, 2025	3,236,000	3,236,000	\$ 0.35

During the three-month period ended November 30, 2023, there were 2,880,000 warrants issued pursuant to a private placement, 56,000 warrants issued to finders, and 300,000 warrants issued as bonus warrants (note 5).

The fair value of the warrants issued pursuant to a private placement were valued at \$28,800 using the residual value method. The fair value of the warrants issued to finders was \$6,669 and was estimated using the Black-Scholes option pricing model with the following assumptions: (i) stock price on grant date of \$0.24, (ii) exercise price of \$0.25, (iii) expected life of 2 years, (iv) expected volatility of 109%, (v) expected dividend rate of 0%, (vi) risk-free interest rate of 4.48%, and (vii) expected forfeiture rate of 0%. The fair value of the bonus warrants issued was \$26,292 and was estimated using the Black-Scholes option pricing model with the following assumptions: (i) stock price on service date of \$0.195, (ii) exercise price of \$0.25, (iii) expected life of 2 years, (iv) expected volatility of 109%, (v) expected dividend rate of 0%, (vi) risk-free interest rate of 4.48%, and (vii) expected forfeiture rate of 0%.



# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)  
(Unaudited)

### 8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

The Company had incurred the following key management personnel cost from related parties:

	2023	2022
	\$	\$
Management fees	52,000	33,000

During the three-month period ended November 30, 2023, the Company paid management fees of \$52,000 (2022 - \$33,000) to a company controlled by the CEO, the former CEO, and CFO of the Company. In addition, the Company issued 100,000 Bonus Warrants with a fair value of \$8,764 to a company controlled by the CEO in connection with a loan agreement (note 5 and 7) and the CFO of the Company participated in the private placement and purchased 40,000 units with the warrants having a fair value of \$400 using the residual value method (note 7).

As at November 30, 2023, \$Nil (2022 - \$Nil) was due to key management personnel and management entities and is included in accounts payable and accrued liabilities on the Condensed Consolidated Interim Statements of Financial Position. The amount payable are unsecured, non-interest bearing and due on demand.

### 9. MANAGEMENT OF CAPITAL

The Company defines capital as all components of equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to any externally imposed capital requirements.

The exploration and evaluation assets in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company's capital structure consists of equity. As at November 30, 2023, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

#### 10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### Fair value of financial instruments

The Company's financial assets include cash and cash equivalents and investments, and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's Condensed Consolidated Interim Statements of Financial Position as at November 30, 2023 were as follows:

	Carrying amount	Fair value measurement using		
		Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 81,808	\$ 81,808	\$ -	\$ -
Investments	\$ 130,000	\$ 130,000	\$ -	\$ -

#### Financial risk management objectives and policies

The Company's financial instruments include cash, investments, accounts payable loans and notes payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

#### *Credit Risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high quality financial institution.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

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### 10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

#### Financial risk management objectives and policies (continued)

##### *Interest Rate Risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

##### *Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. In the management of liquidity risk, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As November 30, 2023, the Company has cash and cash equivalents balance of \$81,808 to settle its short-term liabilities of \$63,711.

### 11. COMMITMENTS

The Company is committed to certain cash payments and common share issuances as described in note 6.

### 12. SUBSEQUENT EVENTS

In December 2023, the Company entered into share purchase and sale agreement (the "Agreement") with Firefly Metals Ltd. ("Firefly") (formerly AuTECO Minerals Ltd.), an Australian-based company listed on the Australian Securities Exchange. Under the Agreement, Firefly will acquire all of the common shares of 1451366 B.C. Ltd. (the "Subsidiary"), a wholly owned subsidiary of the Company, in exchange for the issuance to the Company of 30,290,624 common shares of Firefly at a deemed issue price of CDN\$0.498 per Firefly share representing an amount equal to CDN\$15,000,000 (the "Transaction"). Prior to closing the Transaction, the Subsidiary will hold all its mineral claims and assets in Newfoundland & Labrador, Canada comprised of 624 mineral claims on the Company's Rambler Property and 52 on the Company's Tilt Cove Property. Upon the Closing, the Subsidiary will become a wholly owned subsidiary of Firefly and Firefly will assume all related obligations and liabilities regarding the claims and any royalties on the claims.

Completion of the Transaction is contingent on several conditions, including necessary regulatory, shareholder and third-party approvals. A special meeting of its shareholders will be convened to seek approval, by special resolution, of the Transaction.

# Gold Hunter Resources Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

### For the three months ended November 30, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

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#### 12. SUBSEQUENT EVENTS (continued)

In December 2023, the Company amended the mineral property option agreement, dated January 17, 2022, in regards to the Rambler and Tilt Cove Properties. As per the amendment, the Company can fully exercise the option and acquire a 100% interest in the claims upon the issuance of 6,000,000 common shares of the Company, to be issued on or before January 4, 2023. The shares will be held in escrow by the Company and will be released upon the closing of the Transaction. In the event that the Transaction does not close by July 1, 2024, the shares will be cancelled immediately, and the option agreement will revert back to its original form. Additionally, there's an agreed cash payment of \$500,000 to be paid no later than August 1, 2024. However, if the Company (or its Subsidiary) disposes of the optioned claims, the cash payment will be due within 30 days of the disposition of the optioned claims. In addition, the amended option agreement removes one claim that was duplicated and was part of the claims subsequently acquired by the Company in the purchase agreement, dated July 12, 2023.

In January 2024, the Company amended the finders' agreement to reflect the terms of the amended option agreement. The finders' fee shall consist of \$40,000 and 480,000 common shares and shall be paid and issued upon closing of the Transaction. In the event that the Transaction does not close by July 1, 2024, the finders' agreement will revert back to its original form.

In January 2024, the Company issued 6,000,000 shares with a fair value \$1,590,000 of in respect of an option to purchase exploration and evaluation assets (Rambler Property).

In January 2024, the Company announced its intention to distribute shares (the "Distribution") of Firefly to the shareholders of the Company, subject to the Company obtaining any required regulatory approval. The Distribution is in connection with the Transaction. The Company will announce the record date for the Distribution. Shareholders of record will receive a pro-rata distribution of a portion of the shares being issued to the Company in connection with the Transaction.

**Gold Hunter Resources Inc.**  
**Schedules of Exploration and Evaluation Assets**  
**For the three months ended November 30, 2023**  
(Expressed in Canadian dollars)  
(Unaudited)

	Cameron Lake East	Rambler and Tilt Cove	Total
	\$	\$	\$
<b>Balance, August 31, 2023</b>	<b>425,644</b>	<b>1,984,322</b>	<b>2,409,966</b>
Acquisition costs			
Cash	-	-	-
Shares	-	-	-
Other	22,547	8,657	31,204
	22,547	8,657	31,204
Exploration and evaluation costs			
Data compilation	-	2,400	2,400
Geophysical surveys	-	108	108
Prospecting	-	7,500	7,500
	-	10,008	10,008
<b>Balance, November 30, 2023</b>	<b>448,191</b>	<b>2,002,987</b>	<b>2,451,178</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**Gold Hunter Resources Inc.**  
**Schedules of Exploration and Evaluation Assets**  
**For the three months ended November 30, 2022**  
(Expressed in Canadian dollars)  
(Unaudited)

	Cameron Lake East	Rambler and Tilt Cove	Total
	\$	\$	\$
<b>Balance, August 31, 2022</b>	<b>313,644</b>	<b>2,414,106</b>	<b>2,727,750</b>
Acquisition costs			
Cash	-	25,000	25,000
Shares	-	2,798	2,798
	-	27,798	27,798
<b>Balance, November 30, 2022</b>	<b>313,644</b>	<b>2,441,904</b>	<b>2,755,548</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

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

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**Affidavit #1 of Sean Kingsley**

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Tel: 604.643.3157

Counsel: Sean Tessarolo  
Matter No: 55201-0001