



Certificate of Arrangement

Canada Business Corporations Act

Certificat d'arrangement

Loi canadienne sur les sociétés par actions

G2 Goldfields Inc.

717741-1

Corporate name(s) of CBCA applicants / Dénomination(s)
sociale(s) de la ou des sociétés LCSA requérantes

Corporation number(s) / Numéro(s) de la ou
des sociétés

I HEREBY CERTIFY that the arrangement set out in the attached articles of arrangement has been effected under section 192 of the *Canada Business Corporations Act*.

JE CERTIFIE que l'arrangement mentionné dans les clauses d'arrangement annexées a pris effet en vertu de l'article 192 de la *Loi canadienne sur les sociétés par actions*.

Raymond Edwards

Director / Directeur

2021-04-09

Date of Arrangement (YYYY-MM-DD)
Date de l'arrangement (AAAA-MM-JJ)



**Canada Business Corporations Act (CBCA)
FORM 14.1
ARTICLES OF ARRANGEMENT
(Section 192)**

1 - Name of the applicant corporation(s)	Corporation number
G2 Goldfields Inc.	717741-1

2 - Name of the corporation(s) the articles of which are amended, if applicable	Corporation number

3 - Name of the corporation(s) created by amalgamation, if applicable	Corporation number

4 - Name of the dissolved corporation(s), if applicable	Corporation number

5 - Name of the other bodies corporate involved, if applicable	Corporation number or jurisdiction
S2 Minerals Inc.	Ontario

6 - In accordance with the order approving the arrangement, the plan of arrangement attached hereto, involving the above named body(ies) corporate, is hereby effected.


In accordance with the plan of arrangement,

a. the articles of the corporation(s) indicated in item 2, are amended.
If the amendment includes a name change, indicate the change below:

b. the following bodies corporate and/or corporations are amalgamated (for CBCA corporations include the corporation number):

c. the corporation(s) indicated in item 4 is(are) liquidated and dissolved:

7 - I hereby certify that I am a director or an authorized officer of one of the applicant corporations.

Signature: 

Print name: Paul Murphy

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months or to both (subsection 250(1) of the CBCA).

THIS IS TO CERTIFY THAT THIS DOCUMENT, EACH PAGE OF WHICH IS STAMPED WITH THE SEAL OF THE SUPERIOR COURT OF JUSTICE AT TORONTO, IS A TRUE COPY OF THE DOCUMENT ON FILE IN THIS OFFICE.

LA PRÉSENT ATTESTE QUE CE DOCUMENT, DONT CHACUNE DES PAGES EST REVÊTUE DU SCEAU DE LA COUR SUPÉRIEURE DE JUSTICE A TORONTO, EST UNE COPIE CONFORME DU DOCUMENT CONSERVÉ DANS CE BUREAU.

Court File No.: CV-21-00656710-00CL

DATED AT TORONTO THIS 31st DAY OF March 20 21
FAIT A TORONTO LE 31^{er} JOUR DE Mars 20 21

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

REGISTRAR C. Irwin GREFFIER

Registrar
THE HONOURABLE
JUSTICE HAINEY

) WEDNESDAY, THE 31ST DAY
)
) OF MARCH, 2021

G2 GOLDFIELDS INC.

Applicant



IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44, AS AMENDED, AND RULE 14.05(2) OF THE RULES OF CIVIL PROCEDURE

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING G2 GOLDFIELDS INC. AND S2 MINERALS INC.

FINAL ORDER

THIS APPLICATION was heard this day via Zoom videoconference call, in the presence of counsel for the Applicant G2 Goldfields Inc. ("G2") and S2 Minerals Inc. ("S2"), no one appearing for any other interested party although served in accordance with the Interim Order of the Honourable Justice Dietrich dated February 24, 2021 (the "Interim Order"),

ON READING the Notice of Application issued on February 9, 2021, the affidavit of Paul Murphy sworn February 22, 2021, the supplementary affidavit of Paul Murphy sworn March 29, 2021, the affidavit of Lenche Kostaska sworn March 22, 2021, the affidavit of Dirk Nicholson, sworn March 25, 2021, and on being advised that the Director appointed under the CBCA does not consider it necessary to appear,

ON HEARING the submissions of counsel for G2 and S2, and having determined that: (i) the meeting of the holders of common shares G2 (the "**G2 Shareholders**") was held on March 29, 2021 and conducted in accordance with the terms of the Interim Order; (ii) the G2 Shareholders have approved the Plan of Arrangement attached as Schedule "A" hereto in accordance with the terms of the Interim Order; (iii) the Arrangement, as described in the Plan of Arrangement attached as Schedule "A" hereto, is an arrangement for the purposes of section 192 of the *Canada Business Corporations Act*, 1985, c. C-44, as amended; and (iv) the Plan of Arrangement is fair and reasonable to the G2 Shareholders,

1. **THIS COURT ORDERS** that the Plan of Arrangement attached as Schedule "A" hereto, be and is hereby approved by this Court.
2. **THIS COURT ORDERS** that G2 shall be entitled to seek leave to vary this order upon such terms and upon giving such notice as this court may direct, to seek the advice and directions of this court as to the implementation of this order, and to apply for such further order or orders as may be appropriate.

A handwritten signature in cursive script, appearing to read "Hainey", is written over a horizontal line. The signature is fluid and extends to the right of the line.

Schedule "A"

**PLAN OF ARRANGEMENT
UNDER THE PROVISIONS OF SECTION 192
OF THE CANADA BUSINESS CORPORATIONS ACT**

ARTICLE 1
INTERPRETATION

1.1

Definitions

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

"Additional Subscription Privilege" means the entitlement of a holder of S2 Rights, who has exercised in full the Basic Subscription Privilege attaching to such holder's S2 Rights, to subscribe for additional S2 Common Shares (if such are available);

"Arrangement" means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with this Agreement or the Plan of Arrangement or made at the direction of the Court in the Final Order with the consent of G2;

"Arrangement Agreement" means the arrangement agreement dated as of February 2, 2021, including the Schedules attached hereto, as may be supplemented or amended from time to time;

"Arrangement Resolution" means the special resolution of the G2 Shareholders in respect of the Arrangement to be considered at the Meeting;

"Basic Subscription Privilege" means the entitlement of a holder of S2 Rights to subscribe for one S2 Common Share at the Subscription Price per S2 Common Share for each S2 Right held;

"Board of Directors" means the duly appointed board of directors of the applicable company;

"Business Day" means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Toronto, Ontario for the transaction of banking business;

"CBCA" means the *Canada Business Corporations Act* and the regulations made thereunder, as promulgated or amended from time to time;

"Circular" means the management information circular of G2 to be prepared and sent to the G2 Shareholders in connection with the Meeting;

"Court" means the Ontario Superior Court of Justice (Commercial List);

“Director” means the director appointed under Section 260 of the CBCA;

“Dissent Rights” has the meaning set forth in Section 3.1 of the Plan of Arrangement;

“Dissent Shares” has the meaning ascribed thereto in Section 2.1(a);

“Dissenting Shareholder” has the meaning ascribed thereto in Section 2.1(a);

“Effective Date” means the date of certification of the Articles of Arrangement by the Director in accordance with Section 192(8) of the CBCA;

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

“Final Order” means the final order of the Court pursuant to Section 192(3) of the CBCA, after a hearing upon the fairness of the terms and conditions of the Arrangement, in a form acceptable to G2 approving the Arrangement as such order may be amended by the Court (with the consent of G2) 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 any such amendment is acceptable to G2) on appeal, and after notice and a hearing at which all G2 Securityholders have the right to appear;

“G2” means G2 Goldfields Inc., a company incorporated pursuant to the laws of Canada;

“G2 Common Shares” means the common shares of G2;

“G2 Shareholders” means the holders of G2 Common Shares at the applicable time;

“Interim Order” means the interim order of the Court containing declarations and directions with respect to the Arrangement and the holding of the Meeting, as such order may be affirmed, amended and modified;

“Meeting” means the special meeting of G2 Shareholders and any adjournment(s) or postponement(s) thereof, to be called and held in accordance with the Interim Order to consider and to vote on the Arrangement Resolution and the Stated Capital Resolution and any other matters set out in the Notice of Meeting;

“Notice of Meeting” means the notice of the Meeting to be sent to the G2 Shareholders, which notice will accompany the Circular;

“Person” or **“person”** means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;

“Plan of Arrangement” means this plan of arrangement and any amendments or variations thereto made in accordance with this Agreement, the Plan of

Arrangement or upon the direction of the Court in the Final Order with the consent of G2;

"Rights Agency Agreement" means the rights agency agreement to be entered into between the Rights Agent and S2 pertaining to the issuance and exercise of S2 Rights;

"Rights Agent" means TSX Trust Company or such other trust company or transfer agent as may be designated by S2;

"S2" means S2 Minerals Inc., a company incorporated pursuant to the laws of the Province of Ontario;

"S2 Common Shares" means the common shares of S2;

"S2 Right" means the right to subscribe at the Subscription Price for an S2 Common Share under the Basic Subscription Privilege and the Additional Subscription Privilege;

"S2 Shareholders" means the holders of G2 Common Shares who receive S2 Common Shares pursuant to the Arrangement;

"Stated Capital Resolution" means the special resolution of the G2 Shareholders approving a reduction in the stated capital of the G2 Shares by such amount as the Board of Directors of G2 determines at the relevant time is required so that the realizable value of G2's assets is not less than the aggregate of G2's liabilities and the stated capital of the G2 Shares;

"Subscription Price" means the exercise price per S2 Common Share under each S2 Right, which is \$0.10.

"Tax Act" means the *Income Tax Act* (Canada) and the regulations made thereunder, as promulgated or amended from time to time; and

"Transfer Agent" means TSX Trust Company or such other trust company or transfer agent as may be designated by G2.

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

1.2 Sections and Headings

The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless otherwise expressly stated or the context otherwise requires, words importing the singular number shall include the plural and *vice versa*, and words importing gender shall include all genders.

1.4 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.

1.5 Currency

Unless otherwise stated all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada.

1.6 Business Day

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

1.7 Governing Law

This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

1.8 Binding Effect

This Plan of Arrangement will become effective at, and be binding at and after, the Effective Time on: G2 and all registered and beneficial G2 Shareholders and all Dissenting Shareholders. This Plan of Arrangement may be withdrawn prior to the occurrence of any of the events in Section 2.1 in accordance with the terms of the Arrangement Agreement.

ARTICLE 2 ARRANGEMENT

2.1 Preliminary Steps to the Arrangement

The approval of the Stated Capital Reduction and the reduction in the stated capital of the G2 Shares by such amount as the Board of Directors of G2 determines at the relevant time is required so that the realizable value of G2's assets is not less than the aggregate of G2's liabilities and the stated capital of the G2 Shares shall occur prior to, and be a condition to the implementation of this Plan of Arrangement.

2.2 Arrangement

Commencing at the Effective Time, each of the events set out below shall occur

and shall be deemed to occur in the following sequence or as otherwise provided below or herein, without any further act or formality:

- (a) Each G2 Common Share in respect of which a G2 Shareholder has validly exercised Dissent Rights (each a “**Dissent Share**”) shall be cancelled and the holder (the “**Dissenting Shareholder**”) shall cease to have any rights as a holder of such G2 Common Share other than the right to be paid the fair value of such G2 Common Share in accordance with Article 3 of this Plan of Arrangement.
- (b) G2 will transfer all of the claims comprising the Sandy Lake Property in exchange for that number of S2 Common Shares as determined by the Board of Directors of G2 and G2 and S2 will file a joint election under Section 85 of the Tax Act and any applicable provincial tax laws.
- (c) G2 will distribute one S2 Common Share in accordance with the provisions of Article 4 of this Plan of Arrangement for every ten G2 Common Shares then held by G2 Shareholders (other than a Dissenting Shareholder) as of the Effective Date as a return of capital pursuant to a reorganization of G2’s business and a distribution of proceeds from a disposition of G2’s property outside the ordinary course of G2’s business.
- (d) S2 will issue to the S2 Shareholders one S2 Right for each S2 Common Share and the S2 Rights shall be distributed in accordance with the provisions of the Rights Agency Agreement.

ARTICLE 3 RIGHTS OF DISSENT

3.1 Rights of Dissent

Pursuant to the Interim Order, registered holders of G2 Common Shares may exercise rights of dissent (the “**Dissent Rights**”) under Section 190 of the CBCA, as modified by this Article 3, the Interim Order and the Final Order, with respect to G2 Common Shares in connection with the Arrangement, provided that the written objection to the Arrangement Resolution contemplated by Section 190 (5) of the CBCA must be sent to and received by G2 not later than 5:00 p.m. (Toronto time) on the Business Day that is two Business Days before the Meeting or any date to which the Meeting may be postponed or adjourned and provided further that holders who exercise such rights of dissent and who:

- (a) are ultimately entitled to be paid fair value for their Dissent Shares, which fair value, notwithstanding anything to the contrary contained in Section 190 of the CBCA, will be deemed to have irrevocably transferred such Dissent Shares to G2 pursuant to Section 2.1(a) in consideration of such fair value; and
- (b) are ultimately not entitled, for any reason, to be paid fair value for their G2 Common Shares shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of

G2 Common Shares.

3.2 Recognition of Dissenting Shareholders

In no circumstances shall G2 or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is a registered holder of those G2 Common Shares in respect of which such rights are sought to be exercised. From and after the Effective Date, neither G2 nor any other Person shall be required to recognize a Dissenting Shareholder as a shareholder of G2 and the names of the Dissenting Shareholders shall be deleted from the register of holders of G2 Common Shares previously maintained or caused to be maintained by G2.

3.3 General Dissent Rights

For greater certainty, in addition to any other restrictions in the CBCA, none of the following shall be entitled to exercise Dissent Rights: (a) holders of options and G2 Common Share purchase warrants; and (b) G2 Shareholders who vote (or have instructed a proxyholder to vote) in favour of the Arrangement Resolution.

ARTICLE 4 CERTIFICATES AND FRACTIONAL SECURITIES

4.1 Delivery of Securities

As soon as practicable following the Effective Date, G2 and S2, as applicable, will forward or cause to be forwarded by the Transfer Agent, the Rights Agent or otherwise, by registered mail (postage prepaid) or hand delivery to G2 Shareholders as of the Effective Date at the address specified in the register of G2 Shareholders, certificates representing the number of S2 Common Shares and S2 Rights to be delivered to such G2 Shareholders and S2 Shareholders under the Arrangement.

4.2 Withholding Rights

G2, S2, the Rights Agent and the Transfer Agent shall be entitled to deduct and withhold from any amount otherwise payable to any G2 Shareholder or S2 Shareholder, as applicable, such amounts as G2, S2, the Rights Agent or the Transfer Agent is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the United States Internal Revenue Code of 1986 or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the G2 Shareholder or S2 Shareholder, as applicable, in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

4.3 No Fractional Securities

No fractional S2 Common Shares or S2 Rights will be distributed or issued, as applicable. In the event that a G2 Shareholder or S2 Shareholder would otherwise be entitled to a fractional S2 Common Share or S2 Right hereunder, the number of S2 Common Shares or S2 Rights, as applicable, distributed or issued to such G2

Shareholder or S2 Shareholder, as applicable, shall, without any additional compensation, be rounded down to the next lesser whole number of S2 Common Shares or S2 Rights, as applicable. In calculating such fractional interests, all G2 Common Shares registered in the name of or beneficially held by such G2 Shareholder or their nominee shall be aggregated.

ARTICLE 5 AMENDMENTS

5.1 Right to Amend

G2 reserves the right to amend, modify or supplement (or do all of the foregoing) this Plan of Arrangement from time to time and at any time prior to the Effective Date provided that any such amendment, modification and/or supplement must be contained in a written document that is:

- (a) approved by S2;
- (b) filed with the Court and, if made following the Meeting, approved by the Court; and
- (c) communicated to G2 Shareholders in the manner required by the Court (if so required).

5.2 Amendment Before the Meeting

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by G2 at any time prior to or at the Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

5.3 Amendment After the Meeting

Any amendment, modification or supplement to this Plan of Arrangement which is approved by the Court following the Meeting shall be effective only:

- (a) if it is consented to by G2 and S2; and
- (b) if required by the Court or applicable law, it is consented to by the G2 Shareholders.

5.4 Amendment After the Effective Date

Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by G2, provided that it concerns a matter which, in the reasonable opinion of G2, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interest of any holder of G2 Common Shares or S2 Common Shares.

ARTICLE 6
FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur at the time and in the manner set out in this Plan of Arrangement without any further act or formality, G2 and S2 shall make, do and execute, or cause to be made, done or executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

ARTICLE 7
TERMINATION

7.1 Termination

Notwithstanding any prior approvals by the Court or by the G2 Shareholders, the Board of Directors of G2 may decide not to proceed with the Arrangement and to revoke the Arrangement Resolution adopted at the Meeting without further approval of the Court or the G2 Shareholders.

**IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
G2 GOLDFIELDS INC.**

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

FINAL ORDER

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