

**PANTERRA GOLD LIMITED**

**AND**

**NOVUS GOLD CORP.**

**ARRANGEMENT AGREEMENT**

DATED January 19, 2012

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## ARRANGEMENT AGREEMENT

**THIS ARRANGEMENT AGREEMENT** dated January 19, 2012

BETWEEN:

**PANTERRA GOLD LIMITED**, a corporation incorporated under the Laws of Australia

("PanTerra")

AND:

**NOVUS GOLD CORP.**, a corporation incorporated under the Laws of the Province of British Columbia

("Novus")

RECITALS:

- A. PanTerra desires to acquire all of the Novus Shares;
- B. The Parties intend to carry out the transactions contemplated in this Agreement by way of an arrangement under the provisions of the BCBCA;
- C. The Novus Board has determined, after receiving a fairness opinion, that the Consideration per Novus Share to be received by Novus Shareholders pursuant to the Arrangement is fair and that the Arrangement is in the best interests of Novus, and the Novus Board has resolved to recommend that the Novus Securityholders, voting as a single class, and the Novus Shareholders voting separately, vote in favour of the Arrangement Resolution, all subject to the terms and the conditions contained in this Agreement; and
- D. PanTerra has entered into the Novus Voting Agreements with the Novus Locked-Up Shareholders, pursuant to which, among other things, such Novus Shareholders have agreed, subject to the terms and conditions thereof, to vote the Novus Shares, Novus Options and Novus Warrants held by them in favour of the Arrangement Resolution.

**THIS AGREEMENT WITNESSES THAT** in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto covenant and agree as follows:

**ARTICLE 1**  
**INTERPRETATION**

**1.1 Definitions**

In this Agreement, unless the context otherwise requires:

**“Acquisition Proposal”** means, other than the transactions contemplated by this Agreement and other than any transaction involving Novus and/or one or more of its wholly-owned Subsidiaries, any offer, proposal or inquiry from any Person or group of Persons, whether or not in writing and whether or not delivered to the Novus Shareholders, after the date hereof relating to: (a) any acquisition or purchase, direct or indirect, of (i) assets of Novus and/or one or more of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Novus and its Subsidiaries, taken as a whole, with the exception of the disposal of the REN Property or (ii) 20% or more of any voting or equity securities of Novus, any one or more of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Novus and its Subsidiaries, taken as a whole; (b) any take-over bid, tender offer or exchange offer for any class of voting or equity securities of Novus; (c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving Novus and/or any of its Subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of Novus and its Subsidiaries, taken as a whole, or (d) any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated in this Agreement or which would or could reasonably be expected to materially reduce the benefit to PanTerra under this Agreement or the Arrangement.

**“affiliate”** has the meaning ascribed thereto in the National Instrument 45-106 - *Prospectus and Registration Exemptions*.

**“Agreement”** means this arrangement agreement, including all schedules annexed hereto, together with the Novus Disclosure Letter, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof.

**“Arrangement”** means the arrangement of Novus under Section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 8.4 hereof or the Plan of Arrangement or made at the direction of the Court in the Final Order (provided that any such amendment or variation is acceptable to both Novus and PanTerra, each acting reasonably).

**“Arrangement Resolution”** means the special resolution of the Novus Securityholders approving the Plan of Arrangement which is to be considered at the Novus Meeting and shall be substantially in the form of Schedule B hereto.

**“ASIC”** means the Australian Securities and Investments Commission.

**“ASX”** means the Australian Stock Exchange.

**“Authorization”** means any authorization, order, permit, approval, grant, licence, registration, consent, right, notification, condition, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decision, decree, bylaw, rule or regulation, whether or not having the force of Law, and includes any Environmental Permit.

**“BCBCA”** means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

**“business day”** means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia.

**“Competition Act”** means the *Competition Act* (Canada), as amended from time to time.

**“Consideration”** means the consideration to be received by the Novus Shareholders pursuant to the Plan of Arrangement as consideration for each Novus Share, consisting of one PanTerra Share for each three Novus Shares.

**“Consideration Shares”** means the PanTerra Shares to be issued to Novus Shareholders pursuant to the Arrangement.

**“Contract”** means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership or other right or obligation (written or oral) to which a Party or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or affected or to which any of their respective properties or assets is subject.

**“Corporations Act”** means the *Corporations Act 2001* (Cth) (Australia).

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

**“Cultural Heritage Laws”** means all applicable Laws relating to the protection, reconnaissance and preservation of archaeological, historical or cultural evidences, remains, sites, features or artifacts.

**“Depository”** means Computershare Investor Services Inc.

**“Dissent Rights”** means the rights of dissent exercisable by the Novus Shareholders in respect of the Arrangement described in Article 6 of the Plan of Arrangement.

**“Effective Date”** means the effective date of the Arrangement, being the second business day after the date upon which all conditions precedent (excluding conditions that, by their terms, cannot be satisfied until the Effective Date) to the completion of the Arrangement as set out in Article 6 have been satisfied or waived in accordance with this Agreement, or such other date as may be agreed to by the Parties, and the Parties shall execute a certificate confirming the Effective Date, not to be unreasonably withheld.

**“Effective Time”** has the meaning ascribed thereto in the Plan of Arrangement.

**“Environmental Laws”** means all Laws, imposing obligations, responsibilities, liabilities or standards of conduct for or relating to: (a) the regulation or control of pollution, contamination, activities, materials, substances or wastes in connection with or for the protection of human health or safety, the environment or natural resources (including climate, air, surface water, groundwater, wetlands, land surface, subsurface strata, wildlife, aquatic species and vegetation); or (b) the use, storage, generation, disposal, treatment, processing, recycling, handling, transport, distribution, destruction, transfer, import, export or sale of Hazardous Substances.

**“Environmental Liabilities”** means, with respect to any Person, all liabilities, obligations, responsibilities, responses, losses, damages, punitive damages, property damages, consequential damages, treble damages, costs (including control, remedial and removal costs, investigation costs, capital costs, operation and maintenance costs), expenses, fines, penalties and sanctions incurred as a result of or related to any claim, suit, action, administrative or court order, investigation, proceeding or demand by any Person, arising under or related to any Environmental Laws, Environmental Permits, or in connection with any: (a) Release or threatened Release or presence of a Hazardous Substance; (b) tank, drum, pipe or other container that contains or contained a Hazardous Substance; or (c) use, storage, generation, disposal, treatment, processing, recycling, handling, transport, distribution, destruction, transfer, import, export or sale of Hazardous Substance.

**“Environmental Permits”** means all Authorizations or program participation requirements with or from any Governmental Entity under any Environmental Laws.

**“Final Order”** means the final order of the Court, after a hearing upon the fairness of the terms and conditions of the Arrangement, approving the Arrangement, in a form acceptable to Novus and PanTerra, each acting reasonably, as such order may be amended by the Court (with the consent of both Novus and PanTerra, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or

as amended (provided that any such amendment is acceptable to both Novus and PanTerra, each acting reasonably) on appeal.

**“GAAP”** means Canadian generally accepted accounting principles for the period up to and including May 31, 2011, and IFRS for any period thereafter.

**“Governmental Entity”** means: (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, agency or entity, domestic or foreign; (b) any stock exchange, including the TSX-V, ASX and TSX; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

**“Hazardous Substance”** means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, waste or material, including hydrogen sulphide, arsenic, cadmium, lead, mercury, petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material, substance, pollutant or contaminant regulated or defined pursuant to, or that could result in liability under, any Environmental Law.

**“IFRS”** means International Financial Reporting Standards.

**“including”** means including without limitation, and “include” and “includes” have a corresponding meaning.

**“Interim Order”** means the interim order of the Court contemplated by Section 2.2 and made pursuant to Section 291 of the BCBCA, in a form acceptable to Novus and PanTerra, each acting reasonably, providing for, among other things, the calling and holding of the Novus Meeting, as the same may be amended by the Court (with the consent of Novus and PanTerra, each acting reasonably).

**“Invercropolis”** means Invercropolis S.R.L., a Subsidiary of Novus.

**“Invercropolis Option and Shareholders Agreement”** means the Option and Shareholders Agreement dated July 26, 2011 between Novus, PanTerra, Envirogold (Latin America) Inc., Envirogold (Las Lagunas) Limited and Invercropolis.

**“Invercropolis Properties”** means the La Yagua and La Pacienca mineral properties, as more particularly described in the Invercropolis Option and Shareholders Agreement.

**“Joint Venture Companies”** means any companies or entities in which Novus or any of its Subsidiaries owns an interest, shares or equity interest.

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

**“Liens”** means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, adverse rights or claims, other third party interests or encumbrances of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

**“Mailing Deadline”** means February 15, 2012.

**“Material Contract”** means a Contract which Novus, one of its Subsidiaries is a party or by which any of the foregoing is bound or under any of the foregoing has, or will have, any liability or contingent liability (in each case, whether written or oral, express or implied): (a) involving payments to or by such Person in excess of \$50,000 annually or \$50,000 in aggregate over the term of the contract; (b) involving rights or obligations that may reasonably extend beyond three years and which does not terminate or cannot be terminated without penalty on less than three months’ notice; (c) the Invercropolis Option and Shareholders Agreement; (d) which provide any rights to one or more third parties with respect to the Novus Lands or Novus Mineral Rights; (e) which provides any Person with any rights, or increased compensation, in the event of change of control of Novus or its Subsidiaries; (f) which is outside the ordinary course of business; (g) which contain covenants that: (i) in any way purport to restrict the business activity of Novus, any of its Subsidiaries; or (ii) limit the freedom of Novus or any of its Subsidiaries to engage in any line of business or to compete with any Person; (h) which, if terminated without the consent of the Person would result in a Novus Material Adverse Effect; or (i) is a contract pursuant to which Novus, one of its Subsidiaries provides any indemnification to any other Person other than in the ordinary course of business.

**“material fact”** and **“material change”** have the meanings ascribed to those terms in the *Securities Act*.

**“Meeting Deadline”** means March 15, 2012.

**“misrepresentation”** has the meaning ascribed thereto in the *Securities Act*.

**“Novus Board”** means the board of directors of Novus as the same is constituted from time to time.

**“Novus Change in Recommendation”** has the meaning ascribed thereto in Section 8.2.1(b)(i).

**“Novus Circular”** means the notice of the Novus Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the Novus Securityholders in connection with the Novus Meeting, as amended, supplemented or otherwise modified from time to time.

**“Novus Confidential Information”** means all information, books, maps, records, reports, files, data, interpretations, papers or other records or documents relating to Novus and its Subsidiaries or their respective businesses, contained in the internet-based data room established by or on behalf of Novus or otherwise made available to PanTerra and its advisors prior to the date hereof by email.

**“Novus Disclosure Letter”** means the disclosure letter executed by Novus and delivered to PanTerra prior to or concurrently with the execution of this Agreement.

**“Novus Key Third Party Consents”** means those consents, approvals and notices required by Novus from any third party in respect of the completion of the Arrangement that are set out in Schedule C hereto.

**“Novus Lands”** means all interests and rights in real and immoveable property interests, including property rights, possession rights, licenses, leases, rights of way, rights to use, surface rights, easements and, any kind of permits or authorizations permitting the use of land or other real property interests (but excluding the Novus Mineral Rights) which Novus, or any of its Subsidiaries, or Joint Venture Companies owns or has an right in or interest in or has an option or other right to acquire or use, all as indicated in Schedule 3.1(m)(i) to the Novus Disclosure Letter.

**“Novus Locked-up Shareholders”** means each of the directors and senior officers of Novus.

**“Novus Material Adverse Effect”** means any one or more changes, effects, events, occurrences or states of fact, either individually or in the aggregate, that is, or would reasonably be expected to be, material and adverse to the (x) assets, liabilities (including any contingent liabilities that may arise through outstanding, pending or threatened litigation or otherwise), business, operations, results of operations, capital, property, obligations (whether absolute, accrued, conditional or otherwise) or financial condition of Novus and its Subsidiaries taken as a whole, or (y) the continued ownership, development and operation of Invercropolis

and the Invercropolis Properties, in each case other than changes, effects, events, occurrences or states of fact resulting from: (a) the public announcement of the execution of this Agreement and the transactions contemplated hereby, (b) any changes affecting the global mining industry generally, (c) any change in the market price of gold; (d) any change in applicable Laws or GAAP; or (e) general economic, financial, currency exchange, securities or commodity market conditions in the Dominican Republic or Canada; provided, however, that with respect to clauses (b), (c), (d) or (e), such change does not relate primarily to Novus and its Subsidiaries, taken as a whole, or does not have a disproportionate effect on Novus and its Subsidiaries, taken as a whole, compared to other companies of similar size operating in the gold mining industry; and references in this Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether an “Novus Material Adverse Effect” has occurred.

“**Novus Meeting**” means the special meeting of Novus Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

“**Novus Mineral Rights**” has the meaning ascribed thereto in Section 3.1(m)(i).

“**Novus Option Plan**” means the stock option plan of Novus.

“**Novus Optionholders**” means the holders of Novus Options.

“**Novus Options**” means the outstanding options to purchase Novus Shares granted under the Novus Option Plan.

“**Novus Public Documents**” means all forms, reports, schedules, statements and other documents filed by Novus since December 31, 2009 on SEDAR.

“**Novus Record Date**” has the meaning ascribed thereto in Section 2.3(a).

“**Novus Securityholder Approval**” has the meaning ascribed thereto in Section 2.2(c).

“**Novus Securityholders**” means Novus Shareholders, Novus Optionholders and Novus Warrantholders.

“**Novus Shareholders**” means the holders of Novus Shares.

“**Novus Shares**” means the common shares of Novus.

“**Novus Termination Fee**” has the meaning ascribed thereto in Section 8.3.2.

“**Novus Termination Fee Event**” has the meaning ascribed thereto in Section 8.3.3.

**“Novus Voting Agreements”** means the voting agreements (including all amendments thereto) between PanTerra and the Novus Locked-up Shareholders setting forth the terms and conditions upon which they have agreed, among other things, to vote their Novus Shares, Novus Options and Novus Warrants, as applicable, in favour of the Arrangement Resolution.

**“Novus Warrantholders”** means the holders of Novus Warrants.

**“Novus Warrants”** means outstanding warrants to purchase Novus Shares.

**“ordinary course of business”, “ordinary course of business consistent with past practice”,** or any similar reference, means, with respect to an action taken by a Person, that such action is consistent with the past practices of such Person and is taken in the ordinary course of the normal day-to-day business and operations of such Person; provided that in any event such action is not unreasonable or unusual.

**“Outside Date”** means April 13, 2012, or such later date as may be agreed to in writing by the Parties.

**“PanTerra Board”** means the board of directors of PanTerra as the same is constituted from time to time.

**“PanTerra Confidential Information”** means the information provided to Novus as part of its due diligence on the file transfer protocol site of PanTerra.

**“PanTerra Lands”** has the meaning ascribed thereto in Section 4.1(k).

**“PanTerra Material Adverse Effect”** means any one or more changes, effects, events, occurrences or states of fact, either individually or in the aggregate, that is, or would reasonably be expected to be, material and adverse to the (x) assets, liabilities (including any contingent liabilities that may arise through outstanding, pending or threatened litigation or otherwise), business, operations, results of operations, capital, property, obligations (whether absolute, accrued, conditional or otherwise) or financial condition of PanTerra and its Subsidiaries taken as a whole, or (y) the continued ownership, development and operation of the Las Lagunas Mine in the Dominican Republic, other than changes, effects, events, occurrences or states of fact resulting from: (a) the public announcement of the execution of this Agreement and the transactions contemplated hereby; (b) any changes affecting the global mining industry generally; (c) any change in the market price of gold; (d) any change in applicable Laws or GAAP; or (e) general economic, financial, currency exchange, securities or commodity market conditions in Canada, the Dominican Republic or Australia; provided, however, that with respect to clauses (b), (c), (d) or (e), such change does not relate primarily to PanTerra and its Subsidiaries, taken as a whole, or do not have a disproportionate effect on PanTerra and its Subsidiaries, taken as a whole, compared to other companies of similar size

operating in the gold mining industry; and references in this Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether a “PanTerra Material Adverse Effect” has occurred.

“**PanTerra Material Subsidiaries**” means Envirogold Technologies Pty Ltd., Envirogold (Las Lagunas) Limited, PanTerra Gold (Latin America) Inc. and PanTerragold Azuay S.A.

“**PanTerra Mineral Rights**” has the meaning ascribed thereto in Section 4.1(k)(i).

“**PanTerra Public Documents**” means all forms, reports, schedules, statements and other documents filed by PanTerra since December 31, 2010 with ASIC, on the ASX website or PanTerra’s website.

“**PanTerra Shareholders**” means the holders of PanTerra Shares.

“**PanTerra Shares**” means the common shares of PanTerra.

“**Parties**” means Novus and PanTerra, and “**Party**” means any of them.

“**Permit**” means any license, permit, certificate, consent, order, grant, approval, classification, registration, flagging or other authorization of or from any Governmental Entity.

“**Person**” includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status.

“**Plan of Arrangement**” means the plan of arrangement substantially in the form of Schedule A hereto, and any amendments or variations thereto made in accordance with the Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of Novus and PanTerra, each acting reasonably.

“**Proposed Agreement**” has the meaning ascribed thereto in Section 7.1.5.

“**Registrar**” means the Registrar of Companies appointed pursuant to Section 400 of the BCBCA.

“**Regulatory Approvals**” means those sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the waiver or lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Entities, required in connection with the consummation of the Arrangement or any of the transactions contemplated hereby.

**“Release”** means any release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Substance in the indoor or outdoor environment, including the movement of Hazardous Substance through or in the air, soil, surface water, ground water or property.

**“REN Property”** means the REN mineral claims located in the Northwest Territories, as particularly described in the Novus Disclosure Letter.

**“Securities Act”** means the *Securities Act* (British Columbia) and the rules, regulations and published instruments and policies made thereunder, as now in effect and as they may be promulgated or amended from time to time.

**“Securities Laws”** means the Securities Act, the Corporations Act and the U.S. Securities Act, together with all other applicable state, federal and provincial securities Laws, rules and regulations and published instruments and policies thereunder, as now in effect and as they may be promulgated or amended from time to time.

**“SEDAR”** means the System for Electronic Document Analysis and Retrieval.

**“Subsidiary”** has the meaning ascribed thereto in the National Instrument 45-106 - *Prospectus and Registration Exemptions*.

**“Superior Proposal”** means an unsolicited *bona fide* Acquisition Proposal made by a third party to Novus in writing after the date hereof: (i) that is made for all of the Novus Shares not owned by the Person making the Acquisition Proposal; (ii) that is reasonably capable of being completed without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the third party making such Acquisition Proposal; (iii) is not subject to any financing condition and in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to the satisfaction of the Novus Board, acting in good faith (after receipt of advice from its financial advisors and outside legal counsel), has been or will be obtained without undue delay; (iv) which is not subject to a due diligence and/or access condition; (v) that did not result from a breach of Section 7.1 by Novus or its representatives; (vi) is made available to all Novus Securityholders on the same terms and conditions; (vii) is not subject, either by the terms of such Acquisition Proposal or by virtue of any applicable Law, rule or regulation of any stock exchange to any requirement that the approval of the shareholders of the Person making the Acquisition Proposal be obtained; (viii) in respect of which the Novus Board determines in good faith (after receipt of advice from its outside legal counsel with respect to (x) below and financial advisors with respect to (y) below) that (x) failure to recommend such Acquisition Proposal to Novus Shareholders would be inconsistent with its fiduciary duties and (y) such Acquisition Proposal would, taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a

transaction more favourable to Novus Shareholders from a financial point of view than the Arrangement (including any adjustment to the terms and conditions of the Arrangement proposed by PanTerra pursuant to Section 7.1.6.

**“Tax Act”** means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

**“Tax Returns”** includes all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required by a Governmental Entity to be made, prepared or filed by Law in respect of Taxes.

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

**“TSX”** means the Toronto Stock Exchange.

**“TSX-V”** means the TSX Venture Exchange.

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

**“U.S. Exchange Act”** means the *United States Securities Exchange Act of 1934* and the rules and regulations promulgated thereunder, as the same has been and hereafter from time to time may be amended.

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

## **1.2 Interpretation Not Affected by Headings**

The division of this Agreement into Articles, Sections and subsections and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection or Schedule by number or letter or both refer to the Article, Section, subsection or Schedule, respectively, bearing that designation in this Agreement.

## **1.3 Number and Gender**

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender include all genders.

## **1.4 Date for Any Action**

If the date on which any action is required to be taken hereunder by a Party is not a business day, such action shall be required to be taken on the next succeeding day which is a business day.

## **1.5 Currency**

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada and “\$” refers to Canadian dollars.

## **1.6 Accounting Matters**

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under GAAP and all determinations of an accounting nature required to be made shall be made in a manner consistent with GAAP consistently applied.

## **1.7 Terms**

1.7.1 In this Agreement, references to “the knowledge of Novus” or any similar phrase means the actual knowledge of the Chief Executive Officer and Chief Financial Officer of Novus, in each case, after making due enquiries regarding the relevant matter.

1.7.2 In this Agreement, references to “the knowledge of PanTerra” or any similar phrase means the actual knowledge of the Executive Chairman and Chief Financial Officer of PanTerra, in each case, after making due enquiries regarding the relevant matter.

1.7.3 In this Agreement, reference to “Novus and its Subsidiaries, taken as a whole” or any similar phrase shall include any interest held by or to be held by Novus, its Subsidiaries and any of the Joint Venture Companies.

## 1.8 Schedules

The following Schedules are annexed to this Agreement and are incorporated by reference into this Agreement and form a part hereof:

Schedule A	Plan of Arrangement
Schedule B	Arrangement Resolution
Schedule C	Novus Key Third Party Consents

## ARTICLE 2 THE ARRANGEMENT

### 2.1 Arrangement

Novus and PanTerra agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement.

### 2.2 Interim Order

As soon as reasonably practicable following the execution of this Agreement, and in any event in sufficient time to hold the Novus Meeting in accordance with Section 2.3, Novus shall apply to the Court in a manner acceptable to PanTerra, acting reasonably, and prepare, file and diligently pursue an application for the Interim Order, which shall provide, among other things:

- (a) for the class of Persons to whom notice is to be provided in respect of the Arrangement and the Novus Meeting and for the manner in which such notice is to be provided;
- (b) for confirmation of the record date for the Novus Meeting referred to in Section 2.3(a);
- (c) that the requisite approval for the Arrangement Resolution shall be (i) 66⅔% of the votes cast on the Arrangement Resolution by the Novus Securityholders present in Person or by proxy at the Novus Meeting and voting as a single class, (with each holder of Novus Shares on the Novus Record Date being entitled to one vote for each Novus Share held, each holder of Novus Options on the Novus Record Date being entitled to one vote for each Novus Share issuable upon exercise of the Novus Option and each holder of Novus Warrants on the Novus Record Date being entitled to one vote for each Novus Share issuable upon exercise of the Novus Warrant) and (ii) 66⅔% of the votes cast on the Arrangement Resolution by the Novus Shareholders present in Person or by proxy at the Novus Meeting, separately as a class, (with each holder of Novus Shares or the Novus Record Date being entitled to one vote for each Novus Share held) (together the “**Novus Securityholder Approval**”);

- (d) that, in all other respects, the terms, conditions and restrictions of Novus’s constating documents, including quorum requirements and other matters, shall apply in respect of the Novus Meeting;
- (e) for the grant of Dissent Rights to the Novus Shareholders who are registered Novus Shareholders;
- (f) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;
- (g) that the Novus Meeting may be adjourned or postponed from time to time by management of Novus, subject to the terms of this Agreement, without the need for additional approval of the Court;
- (h) that the record date for Novus Securityholders entitled to notice of and to vote at the Novus Meeting will not change in respect of any adjournment(s) or postponements of the Novus Meeting;
- (i) that it is PanTerra’s intention to rely, by virtue of the Final Order, upon the exemption from registration provided by s.3(a)(10) of the U.S. Securities Act with respect to the issuance of Consideration Shares in exchange for Novus Shares pursuant to the Arrangement to implement the transactions contemplated hereby in respect of the Novus Shareholders who are resident in the United States; and
- (j) for such other matters as PanTerra may reasonably require, subject to obtaining the prior consent of Novus, such consent not to be unreasonably withheld or delayed.

### **2.3 Novus Meeting**

Subject to the terms of this Agreement:

- (a) Novus agrees to convene and conduct the Novus Meeting in accordance with the Interim Order, Novus’s constating documents and applicable Law as soon as reasonably practicable, and in any event on or before the Meeting Deadline. Novus agrees that it shall, in consultation with PanTerra, fix and publish a record date (the “**Novus Record Date**”) for the purposes of determining the Novus Securityholders entitled to receive notice of and vote at the Novus Meeting in accordance with the Interim Order.
- (b) Subject to Section 7.1.11, except as required for quorum purposes, as required by Law or otherwise permitted under this Agreement, Novus shall not adjourn (except as required by Law or by valid Novus Shareholder action), postpone or cancel (or propose or permit the adjournment, postponement or cancellation of) the Novus Meeting without PanTerra’s prior consent.

- (c) Novus will advise PanTerra as PanTerra may reasonably request, and at least on a daily basis on each of the last 10 business days prior to the date of the Novus Meeting, as to the aggregate tally of the proxies received by Novus in respect of the Arrangement Resolution.
- (d) Novus will promptly advise PanTerra of any written notice of dissent or purported exercise by any Novus Shareholder of Dissent Rights received by Novus in relation to the Arrangement and any withdrawal of Dissent Rights received by Novus and any written communications sent by or on behalf of Novus to any Novus Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement.

## **2.4 Novus Circular**

2.4.1 As promptly as reasonably practicable following execution of this Agreement and in any event prior to the close of business on the Mailing Deadline, Novus shall (i) prepare the Novus Circular together with any other documents required by applicable Laws in connection with the Novus Meeting, (ii) file the Novus Circular in all jurisdictions where the same is required to be filed, and (iii) mail the Novus Circular as required under applicable Laws and by the Interim Order. On the date of mailing thereof, the Novus Circular shall comply in all material respects with all applicable Laws and the Interim Order and shall contain sufficient detail to permit the Novus Securityholders to form a reasoned judgment concerning the matters to be placed before them at the Novus Meeting and, subject to Section 2.4.5 below, shall contain full, true and plain disclosure of all material facts required by all applicable Laws to be disclosed thereunder.

2.4.2 If Novus provides a notice to PanTerra of an Acquisition Proposal pursuant to Section 7.1.3 prior to the mailing of the Novus Circular, then unless the Parties agree otherwise, the Mailing Deadline will be extended until the date that is seven days following the earlier of either (i) written notification from Novus to PanTerra that the Novus Board has determined that the Acquisition Proposal is not a Superior Proposal, or (ii) the date on which Novus and PanTerra enter into an amended agreement pursuant to Section 7.1.6 which results in the Acquisition Proposal in question not being a Superior Proposal. If the Mailing Deadline is so extended, the Meeting Deadline and the Outside Date shall be extended by the same number of days as the Mailing Deadline has been extended.

2.4.3 Novus shall ensure that the Novus Circular complies in all material respects with all applicable Laws, and, without limiting the generality of the foregoing, that the Novus Circular will not contain any misrepresentation (except that Novus shall not be responsible for any information relating to PanTerra and its affiliates, including the PanTerra Shares).

2.4.4 Subject to Section 7.1, Novus shall (i) solicit proxies in favour of the Arrangement Resolution, and against any resolution submitted by any other Novus Shareholder, including, if so requested by PanTerra, using the services of dealers and proxy solicitation services and permitting PanTerra to otherwise assist Novus in such solicitation and, notwithstanding any other provision in this Agreement, the costs and expenses associated with any such proxy solicitation requested by PanTerra shall be paid

by PanTerra, and take all other actions that are reasonably necessary or desirable to seek the approval of the Arrangement by Novus Securityholders, (ii) recommend to holders of Novus Shares, Novus Options and Novus Warrants that they vote in favour of the Arrangement Resolution, (iii) not make a Novus Change in Recommendation and (iv) include in the Novus Circular a statement that each director and officer of Novus intends to vote all of such Person's Novus Shares, Novus Options and Novus Warrants (including any Novus Shares issued upon the exercise of any Novus Options and Novus Warrants) in favour of the Arrangement Resolution, subject to the other terms of this Agreement and the Voting Agreements.

2.4.5 PanTerra shall provide to Novus all information regarding PanTerra, its affiliates and the Consideration Shares, as required by the Interim Order or applicable Laws for inclusion in the Novus Circular or in any amendments or supplements to such Novus Circular. PanTerra shall also use commercially reasonable efforts to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial, technical or other expert information required to be included in the Novus Circular and to the identification in the Novus Circular of each such advisor. PanTerra shall ensure that such information shall be complete and correct in all material respects, shall comply in all material respects with all applicable Laws and, without limiting the generality of the foregoing, shall not include any misrepresentation.

2.4.6 PanTerra and its legal counsel shall be given a reasonable opportunity to review and comment on the Novus Circular prior to the Novus Circular being printed and filed with any Governmental Entity, and reasonable consideration shall be given to any comments made by PanTerra and its legal counsel, provided that all information relating solely to PanTerra, its affiliates and the PanTerra Shares included in the Novus Circular shall be in form and content satisfactory to PanTerra, acting reasonably. Novus shall provide PanTerra with a final copy of the Novus Circular prior to the mailing to the Novus Securityholders.

2.4.7 PanTerra will indemnify and save harmless Novus and its representatives from and against any and all liabilities, claims, demands, losses, costs, damages and expenses to which Novus or any of its representatives may be subject or may suffer, in any way caused by, or arising, directly or indirectly, from or in consequence of:

- (a) any misrepresentation or alleged misrepresentation in any information included in the Novus Circular that is provided by PanTerra for the purpose of inclusion in the Novus Circular; and
- (b) any order made, or any inquiry, investigation or proceeding pursuant to any Securities Laws or by any Governmental Entity, based on any misrepresentation or any alleged misrepresentation in any information provided by PanTerra for the purpose of inclusion in the Novus Circular.

2.4.8 Novus and PanTerra shall each promptly notify each other if at any time before the Effective Date either becomes aware that the Novus Circular contains a misrepresentation, or that otherwise requires an amendment or supplement to the Novus Circular and the Parties shall co-operate in the

preparation of any amendment or supplement to the Novus Circular as required or appropriate, and Novus shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Novus Circular to Novus Securityholders and, if required by the Court or applicable Laws, file the same with any Governmental Entity and as otherwise required.

## **2.5 Preparation of Filings**

PanTerra and Novus shall co-operate and use their reasonable commercial efforts in good faith to take, or cause to be taken, all reasonable actions, including the preparation of any applications for Regulatory Approvals and other orders, registrations, consents, filings, rulings, exemptions, no-action letters, circulars and approvals required in connection with this Agreement and the Arrangement and the preparation of any required documents, in each case as reasonably necessary to discharge their respective obligations under this Agreement, the Arrangement and the Plan of Arrangement, and to complete any of the transactions contemplated by this Agreement, including their obligations under applicable Laws. It is acknowledged and agreed that, except as set forth below, PanTerra shall not be required to file a prospectus or similar document or otherwise become subject to the securities Laws of any jurisdiction. Novus shall provide to PanTerra all information regarding Novus and its affiliates as required by applicable Securities Laws in connection with such filings. Novus shall also use commercially reasonable efforts to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial, technical or other expert information required to be included in such filings and to the identification in such filings of each such advisor.

## **2.6 Final Order**

If (a) the Interim Order is obtained; and (b) the Arrangement Resolution is passed at the Novus Meeting by the Novus Securityholders as provided for in the Interim Order and as required by applicable Law; subject to the terms of this Agreement, Novus shall diligently pursue and take all steps necessary or desirable to have the hearing before the Court of the application for the Final Order held as soon as reasonably practicable and, in any event, within three business days following the approval of the Arrangement Resolution at the Novus Meeting, unless otherwise agreed to by PanTerra, acting reasonably.

## **2.7 Court Proceedings**

Subject to the terms of this Agreement, PanTerra will cooperate with and assist Novus in seeking the Interim Order and the Final Order, including by providing Novus on a timely basis any information required to be supplied by PanTerra in connection therewith. Novus will provide legal counsel to PanTerra with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and will give reasonable consideration to all such comments. Subject to applicable Law, Novus will not file any material with the Court in connection with the Arrangement or serve any such material, and will not agree to modify or amend materials so filed or served, except as contemplated by this Section 2.7 or with PanTerra's prior written consent,

such consent not to be unreasonably withheld, conditioned or delayed; provided that nothing herein shall require PanTerra to agree or consent to any increase in Consideration or other modification or amendment to such filed or served materials that expands or increases PanTerra's obligations set forth in any such filed or served materials or under this Agreement or the Arrangement. Novus shall also provide to PanTerra's outside counsel on a timely basis copies of any notice of appearance or other Court documents served on Novus in respect of the application for the Interim Order or the Final Order or any appeal therefrom and of any notice, whether written or oral, received by Novus indicating any intention to oppose the granting of the Interim Order or the Final Order or to appeal the Interim Order or the Final Order. Novus will ensure that all materials filed with the Court in connection with the Arrangement are consistent in all material respects with the terms of this Arrangement Agreement and the Plan of Arrangement. In addition, Novus will not object to legal counsel to PanTerra making such submissions on the hearing of the motion for the Interim Order and the application for the Final Order as such counsel considers appropriate, provided that Novus is advised of the nature of any submissions prior to the hearing and such submissions are consistent with this Arrangement Agreement and the Plan of Arrangement. Novus will also oppose any proposal from any party that the Final Order contain any provision inconsistent with this Arrangement Agreement, and, if at any time after the issuance of the Final Order and prior to the Effective Date, Novus is required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, it shall do so after notice to, and in consultation and cooperation with, PanTerra.

## **2.8 Effective Date**

On the later of (i) the second business day after the satisfaction or, where not prohibited, the waiver (subject to applicable Law) of the conditions (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver of those conditions as of the Effective Date) set forth in Article 6 hereof, and (ii) the date that is three business days following the date of the Final Order, unless another time or date is agreed to in writing by the Parties, Novus shall file with the Registrar any records, information or other documents required to be filed with the Registrar in connection with the Arrangement. From and after the Effective Time, the Plan of Arrangement will have all of the effects provided by applicable Law, including the BCBCA. Novus agrees to amend the Plan of Arrangement at any time prior to the Effective Time in accordance with Section 8.4 of this Agreement to include such other terms determined to be necessary or desirable by PanTerra, acting reasonably, provided that the Plan of Arrangement shall not be amended in any manner which (x) has the effect of reducing the Consideration or which is otherwise prejudicial to the Novus Shareholders or other parties to be bound by the Plan of Arrangement (other than in an insignificant manner); or (y) is inconsistent with the provisions of this Agreement; or (z) creates a reasonable risk of delay, impairment or impediment in any material respect to the receipt of any Regulatory Approval or satisfaction of any of the conditions set forth in Article 6 hereof. The closing of the Arrangement will take place at the offices of Fraser Milner Casgrain LLP, 20<sup>th</sup> Floor, 250 Howe Street, Vancouver, British Columbia, V6C 3R8 at 10:00 a.m. on the Effective Date, or at such other time and place as may be agreed to by the Parties.

## **2.9 Payment of Consideration**

PanTerra will, following receipt by Novus of the Final Order and prior to the Effective Time, deposit in escrow with the Depositary the Consideration Shares to satisfy the Consideration payable to the Novus Securityholders pursuant to the Plan of Arrangement (other than Novus Shareholders exercising Dissent Rights and who have not withdrawn their notice of objection).

## **2.10 Announcement and Shareholder Communications**

PanTerra and Novus shall publicly announce jointly the transactions contemplated hereby promptly following the execution of this Agreement by PanTerra and Novus, the text and timing of the proposed announcement as prepared by PanTerra to be approved by Novus in advance, acting reasonably. PanTerra and Novus agree to co-operate in the preparation of presentations, if any, to Novus Securityholders or any shareholders of PanTerra, at roadshows or otherwise, (if requested by PanTerra) regarding the transactions contemplated by this Agreement, and no Party shall (a) issue any press release or otherwise make public announcements with respect to this Agreement or the Plan of Arrangement without the consent of the other Party (which consent shall not be unreasonably withheld or delayed), or (b) make any filing with any Governmental Entity with respect thereto without prior consultation with the other Party; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any disclosure or filing required under applicable Laws or stock exchange rules, and the Party making such disclosure shall use all commercially reasonable efforts to give prior oral or written notice to the other Party and reasonable opportunity to review or comment on the disclosure or filing, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing. To the extent possible, each Party shall provide prior notice to the other Party of any material public disclosure that it proposes to make regarding its business or operations, together with a draft copy of such disclosure. Such other Party and its legal counsel shall be given a reasonable opportunity to review and comment on such information prior to such information being disseminated publicly or filed with any Governmental Entity, and reasonable consideration shall be given to any comments made by such other Party and its counsel.

## **2.11 Withholding Taxes**

PanTerra, Novus and the Depositary shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any Person hereunder and from all dividends (including deemed dividends), interest or other amounts payable to any former Novus Securityholder such amounts as PanTerra, Novus or the Depositary may be required or permitted to deduct and withhold therefrom under any provision of applicable Laws in respect of Taxes. To the extent that such amounts are so deducted, withheld and remitted, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid.

## **2.12 List of Securityholders**

At the reasonable request of PanTerra from time to time, Novus shall provide PanTerra with a list (in both written and electronic form) of the registered Novus Shareholders, together with their addresses and respective holdings of Novus Shares, with a list of the names and addresses and holdings of all persons having rights issued by the Novus to acquire Novus Shares (including holders of Novus Options and Novus Warrants) and a list of non-objecting beneficial owners of Novus Shares, together with their addresses and respective holdings of Novus Shares. Novus shall from time to time require that its registrar and transfer agent furnish PanTerra with such additional information, including updated or additional lists of Novus Shareholders and lists of holdings and other assistance as PanTerra may reasonably request.

### **ARTICLE 3**

#### **REPRESENTATIONS AND WARRANTIES OF NOVUS**

##### **3.1 Representations and Warranties**

Except as disclosed in the Novus Disclosure Letter (which shall make reference to the applicable section, subsection, paragraph or subparagraph below in respect of which such qualification is being made), Novus hereby represents and warrants to PanTerra as follows, and acknowledges that PanTerra is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) Organization and Qualification. Novus is duly continued and validly existing under the BCBCA and has full corporate power and authority to own its assets and conduct its business as now owned and conducted. Novus is duly qualified to carry on business and is in good standing in each jurisdiction in which the character of its properties or the nature of its activities makes such qualification necessary, except where the failure to be so qualified will not, individually or in the aggregate, have a Novus Material Adverse Effect. True and complete copies of the constating documents of Novus have been delivered or made available to PanTerra, and Novus has not taken any action to amend or supersede such documents.
- (b) Authority Relative to this Agreement. Novus has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by Novus and the consummation by Novus of the transactions contemplated by this Agreement have been duly authorized by the Novus Board and no other corporate proceedings on the part of Novus are necessary to authorize this Agreement. This Agreement has been duly executed and delivered by Novus and constitutes a valid and binding obligation of Novus, enforceable by PanTerra against Novus in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency and other applicable Laws affecting the enforcement of creditors' rights generally and subject to the

qualification that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

- (c) No Conflict; Required Filings and Consents. The execution and delivery by Novus of this Agreement and the performance by it of its obligations hereunder and the completion of the Arrangement will not violate, conflict with or result in a breach of any provision of the constating documents of Novus, those of any of its Subsidiaries, and except as would not, individually or in the aggregate, have or reasonably be expected to have a Novus Material Adverse Effect, will not: (a) violate, conflict with or result in a breach of (i) any agreement, contract, indenture, deed of trust, mortgage, bond, instrument, Authorization, licence or permit to which Novus, any of its Subsidiaries, is a party or by which Novus, any of its Subsidiaries, is bound; or (ii) any Law to which Novus or any of its Subsidiaries is subject or by which Novus or any of its Subsidiaries is bound; (b) give rise to any right of termination, or the acceleration of any indebtedness, under any such agreement, contract, indenture, Authorization, deed of trust, mortgage, bond, instrument, licence or permit; or (c) give rise to any rights of first refusal or rights of first offer, trigger any change in control or influence provisions or any restriction or limitation under any such agreement, contract, indenture, Authorization, deed of trust, mortgage, bond, instrument, licence or permit, or result in the imposition of any Lien upon any of Novus's assets or the assets of any of its Subsidiaries; or (d) result in any material payment (including retention, severance, unemployment, compensation, golden parachute, bonus or otherwise) becoming due to any director, officer or employee by Novus or any of its Subsidiaries, or increase any benefit payable to such director, officer or employee by Novus or any of its Subsidiaries, or result in the acceleration of the time of payment or vesting of any such benefits. Other than the Interim Order, the Final Order, the Novus Key Third Party Consents, filing with the Registrar any records, information or other documents required to be filed with him in connection with the Arrangement, no Authorization, consent or approval of, or filing with, any other Person is necessary on the part of Novus for the consummation by Novus of its obligations in connection with the Arrangement under this Agreement or for the completion of the Arrangement not to cause or result in any loss of any rights or assets or any interest therein held by Novus or any of its Subsidiaries in any material properties, except for such Authorizations, consents, approvals and filings as to which the failure to obtain or make would not, individually or in the aggregate, prevent or materially delay consummation of the Arrangement or result in a Novus Material Adverse Effect.
- (d) Subsidiaries. Novus does not have Subsidiaries or any interests in any Person, other than those listed on Schedule 3.1(d) to the Novus Disclosure Letter. Each Subsidiary of Novus is duly organized and is validly existing under the Laws of its jurisdiction of incorporation or organization, has full corporate power and authority to own its assets and conduct its business as now owned and conducted by it and is duly qualified to carry on business in each jurisdiction in which the character of its properties or the nature of its activities makes such

qualification necessary, except where the failure to be so qualified would not have a Novus Material Adverse Effect. Except as disclosed on Schedule 3.1(d) of the Novus Disclosure Letter. Novus beneficially owns, directly or indirectly, all of the issued and outstanding securities of each of its Subsidiaries as disclosed in Schedule 3.1(d) of the Novus Disclosure Letter. All of the outstanding shares in the capital of each of the Subsidiaries are: (a) validly issued, fully-paid and non-assessable and all such shares are owned free and clear of all pledges, security interests, liens, claims or encumbrances of any kind or nature whatsoever; and (b) are free of any other restrictions including any restriction on the right to vote, sell or otherwise dispose of shares. Novus does not hold any equity interest, or right to acquire an equity interest, in any Person, other than its interests in the Subsidiaries, and as listed on Schedule 3.1(d) to the Novus Disclosure Letter.

(e) Compliance with Laws.

(i) The operations of Novus and its Subsidiaries have been and are now conducted in compliance, and each such entity has complied, with all Laws of each jurisdiction, the Laws of which have been and are now applicable to the operations of Novus or any of its Subsidiaries, neither of Novus, nor any of its Subsidiaries has received any notice of any alleged violation of any such Laws, other than non-compliance or violations which, individually or in the aggregate, would not have a Novus Material Adverse Effect.

(ii) Novus and each of its Subsidiaries have not received any written notices or other correspondence from any Governmental Entity regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any material license, permit, authorization, approval, registration or consent of a Governmental Entity relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of Novus or its Subsidiaries to operate their respective businesses in a manner which would have a Novus Material Adverse Effect.

(iii) None of Novus or any of its Subsidiaries is in conflict with, or in default (including cross defaults) under or in violation of: (a) its articles or by-laws or equivalent organizational documents; or (b) any agreement or understanding to which it or by which any of its properties or assets is bound or affected, except for failures which, individually or in the aggregate, would not have a Novus Material Adverse Effect.

(f) Company Authorizations. Novus and its Subsidiaries have obtained all Authorizations necessary for the ownership, operation, development, maintenance, or use of the material assets of Novus and its Subsidiaries or otherwise in connection with the material business or operations of Novus and its Subsidiaries and such Authorizations are in full force and effect. Novus and its Subsidiaries have fully complied with and are in compliance with all

Authorizations, except, in each case, for such non-compliance which, individually or in the aggregate, would not have a Novus Material Adverse Effect. There is no action, investigation or proceeding pending or, to the knowledge of Novus, threatened regarding any of the Authorizations. None of Novus or any of its Subsidiaries has received any notice, whether written or oral, of revocation or non-renewal of any such Authorizations, or of any intention of any Person to revoke or refuse to renew any of such Authorizations, except in each case, for revocations or non-renewals which, individually or in the aggregate, would not have a Novus Material Adverse Effect and, to the knowledge of Novus, all such Authorizations continue to be effective in order for Novus and its Subsidiaries to continue to conduct their respective businesses as they are currently being conducted. No Person other than Novus or a Subsidiary thereof owns or has any proprietary, financial or other interest (direct or indirect) in any of the Authorizations.

(g) Capitalization and Listing.

- (i) The authorized share capital of Novus consists of an unlimited number of Novus Shares. As at the date of this Agreement there are: (A) 53,563,937 Novus Shares validly issued and outstanding as fully-paid and non-assessable shares of Novus; (B) outstanding Novus Options providing for the issuance of 4,618,000 Novus Shares upon the exercise thereof; and (C) outstanding Novus Warrants providing for the issuance of 543,375 Novus Shares upon the exercise thereof. Except for the securities referred to in this Section 3.1(g)(i) and except for the provisions of the Invercropolis Option and Shareholders Agreement and as disclosed in Schedule 3.1(g)(i) of the Novus Disclosure Letter with respect to Novus Shares to be issued upon settlement of outstanding liabilities of Novus, there are no options, warrants, conversion privileges, calls or other rights, shareholder rights plans, agreements, arrangements, commitments, or obligations of Novus or any of its Subsidiaries to issue or sell any shares of Novus or any of its Subsidiaries or securities or obligations of any kind convertible into, exchangeable for or otherwise carrying the right or obligation to acquire any shares of Novus or any of its Subsidiaries and there are no outstanding stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments of Novus or any of its Subsidiaries based upon the book value, income or any other attribute of Novus or any of its Subsidiaries. The authorized and issued capital (including the holders thereof) of Novus' Subsidiaries is as set forth in Schedule 3.1(g)(i) of the Novus Disclosure Letter. The Novus Shares are listed on the TSX-V and are not listed or quoted on any market other than the TSX-V, the Frankfurt Stock Exchange and the OTCQX.
- (ii) Schedule 3.1(g)(ii) to the Novus Disclosure Letter sets forth, as of the date hereof, the holders of all outstanding Novus Options and Novus Warrants and the number, exercise prices and expiration dates of each grant to such holders. All Novus Shares that may be issued pursuant to the exercise of outstanding Novus Options and Novus Warrants will,

when issued in accordance with the terms of the Novus Options or Novus Warrants, as the case may be, be duly authorized, validly issued, fully-paid and non-assessable and are not and will not be subject to or issued in violation of, any pre-emptive rights.

- (iii) There are no outstanding contractual obligations of Novus or any of its Subsidiaries to repurchase, redeem or otherwise acquire any Novus Shares or any shares of any of its Subsidiaries. No Subsidiary of Novus owns any Novus Shares.
  - (iv) No order ceasing or suspending trading in securities of Novus nor prohibiting the sale of such securities has been issued and is outstanding against Novus or its directors, officers or promoters and no proceedings for these purposes have been initiated, or to the knowledge of Novus, are pending, contemplated or threatened.
- (h) Shareholder and Similar Agreements. Except as disclosed in Schedule 3.1(h) to the Novus Disclosure Letter, Novus is not party to any shareholder, pooling, voting trust or other similar agreement relating to the issued and outstanding shares in the capital of Novus, any of its Subsidiaries or Joint Venture Companies and is not party to any shareholder rights plan or similar agreement, except for the Invercropolis Option and Shareholders Agreement.
- (i) Securities Law Matters.
- (i) Novus is a “foreign private issuer” as defined in Rule 3b-4 under the U.S. Exchange Act.
  - (ii) There is no class of securities of Novus which is registered pursuant to Section 12 of the U.S. Exchange Act, nor is Novus subject to any reporting obligation pursuant to subsection 15(d) of the U.S. Exchange Act. Novus is not, and has never been, subject to any requirement to register any class of its equity securities pursuant to subsection 12(g) of the U.S. Exchange Act.
  - (iii) Novus is not an investment company registered or required to be registered under the U.S. Investment Company Act of 1940, as amended.
  - (iv) The Novus Shares have not been traded on any national securities exchange in the United States during the past 12 calendar months, and will not be so traded prior to the Effective Date.
- (j) Reports. Novus has filed with all applicable Governmental Entities true and complete copies of the Novus Public Documents that Novus is required to file therewith. All forms, reports, schedules, statements and other documents filed by Novus under applicable Securities Laws since December 31, 2010 at the time filed: (a) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made,

not misleading, and (b) complied in all material respects with the requirements of applicable Securities Laws. Novus has not filed any confidential material change report with any Governmental Entity which at the date hereof remains confidential.

(k) Financial Statements.

- (i) The audited consolidated financial statements for Novus as at and for each of the fiscal years ended on May 31, 2011, May 31, 2010, and May 31, 2009 including the notes thereto and the reports by Novus's auditors thereon have been, and all financial statements of Novus which are publicly disseminated by Novus in respect of any subsequent periods prior to the Effective Date will be, prepared in accordance with GAAP applied on a basis consistent with prior periods and all applicable Laws and present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise), consolidated financial position and results of operations of Novus and its Subsidiaries as of the respective dates thereof and its results of operations and cash flows for the respective periods covered thereby (except as may be indicated expressly in the notes thereto). There are no outstanding loans made by Novus or any of its Subsidiaries to any executive officer or director of Novus.
- (ii) Novus maintains internal control over financial reporting. Such internal control over financial reporting is effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes policies and procedures that: (A) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of Novus and its Subsidiaries; (B) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of Novus and its Subsidiaries are being made only with Authorizations of management and directors of Novus and its Subsidiaries; and (C) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets of Novus or its Subsidiaries that could have a material effect on its financial statements. To the knowledge of Novus, prior to the date of this Agreement: (x) there are no significant deficiencies in the design or operation of, or material weaknesses in, the internal controls over financial reporting of Novus that are reasonably likely to adversely affect the ability of PanTerra to record, process, summarize and report financial information; and (y) there is no fraud, whether or not material, that involves management or other employees who have a significant role in the internal control over financial reporting of Novus.
- (iii) Since May 31, 2011, neither Novus nor any of its Subsidiaries nor, to Novus's knowledge, any director, officer, employee, auditor, accountant or representative of Novus or any of

its Subsidiaries has received or otherwise had or obtained knowledge of any complaint, allegation, assertion, or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of Novus or any of its Subsidiaries or their respective internal accounting controls, including any complaint, allegation, assertion, or claim that Novus or any of its Subsidiaries has engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the audit committee of the Novus Board.

- (l) Undisclosed Liabilities. Except as disclosed in Schedule 3.1(l) of the Novus Disclosure Letter, neither Novus nor any of its Subsidiaries has any liabilities or obligations of any nature, whether or not accrued, contingent or otherwise, except for: (a) liabilities and obligations that are specifically presented on the unaudited interim balance sheet of Novus as of August 31, 2011 (the “**Novus Balance Sheet**”) or disclosed in the notes thereto; or (b) liabilities and obligations incurred in the ordinary course of business consistent with past practice since August 31, 2011, that are not and would not, individually or in the aggregate with all other liabilities and obligations of Novus and its Subsidiaries (other than those disclosed on the Novus Balance Sheet and/or in the notes to the Novus financial statements), reasonably be expected to have a Novus Material Adverse Effect, or have a Novus Material Adverse Effect, or, as a consequence of the consummation of the Arrangement, have a Novus Material Adverse Effect.
- (m) Interest in Properties and Mineral Rights.
- (i) All of Novus’s Lands and all of Novus’s Subsidiaries’ and Joint Venture Companies’ mineral interests and rights (including any material claims, concessions, exploration licences, exploitation licences, prospecting permits, mining leases and mining rights, in each case, either existing under contract, by operation of Law or otherwise) (collectively, and where material, the “**Novus Mineral Rights**”), are set out in Schedule 3.1(m)(i) of the Novus Disclosure Letter. The description as set forth in Schedule 3.1(m)(i) is an accurate description of the Novus Mineral Rights. Other than the Novus Lands and the Novus Mineral Rights, none of Novus, its Subsidiaries or the Joint Venture Companies, owns or has any interest in any real property or any mineral interests and rights.
- (ii) Except as disclosed on Schedule 3.1(m)(ii) of the Novus Disclosure Letter, Novus, a Subsidiary of Novus or a Joint Venture Company, is the sole legal and beneficial owner of all right, title and interest in and to the Novus Lands and the Novus Mineral Rights, free and clear of any Liens.
- (iii) All of the Novus Mineral Rights have been properly located and recorded in compliance with applicable Law and are comprised of valid and subsisting mineral claims.

- (iv) The Novus Lands and the Novus Mineral Rights are in good standing under applicable Law and, to the knowledge of Novus, all work required to be performed and filed in respect thereof has been performed and filed, all Taxes, rentals, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.
- (v) There is no adverse claim against or challenge to the title to or ownership of the Novus Lands or any of the Novus Mineral Rights, except as set forth on Schedule 3.1(m)(v) of the Novus Disclosure Letter.
- (vi) Novus, one of its Subsidiaries or one of the Joint Venture Companies has the exclusive right to deal with the Novus Lands and all of the Novus Mineral Rights.
- (vii) Except as disclosed in Schedule 3.1(m)(vii) of the Novus Disclosure Letter, no Person other than Novus, its Subsidiaries or the Joint Venture Companies has any interest in the Novus Lands, or any of the Novus Mineral Rights, or the production or profits therefrom or any royalty in respect thereof or any right to acquire any such interest.
- (viii) Except as disclosed in Schedule 3.1(m)(viii) of the Novus Disclosure Letter, there are no back-in rights, earn-in rights, rights of first refusal or similar provisions or rights which would affect Novus's, a Subsidiary's, or a Joint Venture Company's interest in the Novus Lands or any of the Novus Mineral Rights.
- (ix) There are no material restrictions on the ability of Novus, its Subsidiaries, or the Joint Venture Companies to use, transfer or exploit the Novus Lands or any of the Novus Mineral Rights, except pursuant to the applicable Law.
- (x) None of Novus, any of its Subsidiaries or the Joint Venture Companies has received any notice, whether written or oral, from any Governmental Entity of any revocation or intention to revoke any interest of Novus, a Subsidiary or a Joint Venture Company in any of the Novus Lands or any of the Novus Mineral Rights.
- (xi) Novus, its Subsidiaries or the Joint Venture Companies have all surface rights, including fee simple estates, leases, easements, rights of way and permits or licences operations from landowners or Governmental Entities permitting the use of land by Novus, its Subsidiaries or the Joint Venture Companies, and mineral interests that are required to explore or assess the development potential of the Novus Lands and the Novus Mineral Rights as contemplated in Novus Public Documents filed (and available on SEDAR) on or before the date hereof and no third party or group holds any such rights that would be required by Novus to develop the Novus Lands or any of the Novus Mineral Rights as contemplated in Novus Public Documents filed (and available on SEDAR) on or before the date hereof.

- (xii) All mines located in or on the lands of Novus, any of its Subsidiaries or any of the Joint Venture Companies, or lands pooled or unitized therewith, which have been abandoned by Novus, any of its Subsidiaries or any of the Joint Venture Companies, have been abandoned in accordance with good mining practices and in compliance with all applicable Laws, and all future abandonment, remediation and reclamation obligations known to Novus as of the date hereof have been accurately set forth in Novus Public Documents without omission of information necessary to make the disclosure not misleading
  
- (n) Operational Matters. Except as would not, individually or in the aggregate, be reasonably expected to result in a Novus Material Adverse Effect:
  - (i) all rentals, royalties, overriding royalty interests, production payments, net profits, interest burdens, payments and obligations due and payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets of Novus, its Subsidiaries and the Joint Venture Companies and its material joint ventures, have been: (A) duly paid; (B) duly performed; or (C) provided for prior for the date hereof; and
  - (ii) all costs, expenses, and liabilities payable on or prior to the date hereof under the terms of any contracts and agreements to which Novus, any of its Subsidiaries or any of the Joint Venture Companies is directly or indirectly bound have been properly and timely paid, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business.
  
- (o) Employment Matters.
  - (i) Other than as disclosed in Novus's management information circular dated November 7, 2011 or in Schedule 3.1(o) of the Novus Disclosure Letter, neither Novus nor any of its Subsidiaries has entered into any written or oral agreement or understanding providing for severance or termination payments to any director, officer or employee in connection with the termination of their position or their employment as a direct result of a change in control of Novus.
  - (ii) Neither Novus nor any of its Subsidiaries (i) is a party to any collective bargaining agreement, or (ii) is subject to any application for certification or, to the knowledge of Novus, threatened or apparent union-organizing campaigns for employees not covered under a collective bargaining agreement. To the knowledge of Novus, no fact or event exists that is likely to give rise to a change in the representation in this Section 3.1(o) on or before the Effective Date.

- (iii) Neither Novus nor any of its Subsidiaries is subject to any claim for wrongful dismissal, constructive dismissal or any other tort claim, actual or, to the knowledge of Novus, threatened, or any litigation actual, or to the knowledge of Novus, threatened, relating to employment or termination of employment of employees or independent contractors, except for such claims or litigation which individually or in the aggregate would not be reasonably to be expected to have a Novus Material Adverse Effect. To the knowledge of Novus, no labour strike, lock-out, slowdown or work stoppage is pending or threatened against or directly affecting Novus or any Subsidiary.
  - (iv) Novus and its Subsidiaries have operated in accordance with all applicable Laws with respect to employment and labour, including employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights, labour relations and privacy and there are no current, pending, or to the knowledge of Novus, threatened proceedings before any board or tribunal with respect to any of the areas listed herein, except where the failure to so operate would not have a Novus Material Adverse Effect.
- (p) Absence of Certain Changes or Events. Since May 31, 2011:
- (i) Novus and its Subsidiaries have conducted their respective businesses only in the ordinary course of business and consistent with past practice;
  - (ii) no liability or obligation of any nature has been incurred (whether absolute, accrued, contingent or otherwise) which has had or is reasonably likely to have a Novus Material Adverse Effect;
  - (iii) there has not been any event, circumstance or occurrence which has had or is reasonably likely to give rise to a Novus Material Adverse Effect;
  - (iv) except as required by GAAP or IFRS, there has not been any change in the accounting practices used by Novus and its Subsidiaries;
  - (v) except as disclosed in Schedule 3.1(p)(v) of the Novus Disclosure Letter and except for ordinary course adjustments to non-executive employees, there has not been any increase in the salary, bonus, or other remuneration payable to any non-executive employees of any of Novus or its Subsidiaries;
  - (vi) there has not been any redemption, repurchase or other acquisition of Novus Shares by Novus, or any declaration, setting aside or payment of any dividend or other distribution (whether in cash, shares or property) with respect to the Novus Shares;

- (vii) there has not been a material change in the level of accounts receivable or payable, inventories or employees, other than those changes in the ordinary course of business consistent with past practice;
  - (viii) there has not been any entering into, or an amendment of, any Material Contract other than in the ordinary course of business consistent with past practice;
  - (ix) except as disclosed in Schedule 3.1(p)(ix) of the Novus Disclosure Letter and there has not been any satisfaction or settlement of any claims or liabilities that were not reflected in Novus's audited financial statements, other than the settlement of claims or liabilities incurred in the ordinary course of business consistent with past practice; and
  - (x) except for ordinary course adjustments, there has not been any increase in the salary, bonus, or other remuneration payable to any officers or senior or executive officers of Novus or its Subsidiaries.
- (q) Litigation. Except as disclosed in Schedule 3.1(q) of the Novus Disclosure Letter, there is no claim, action, proceeding or investigation pending or, to the knowledge of Novus, threatened against or relating to Novus, any of its Subsidiaries, the business of Novus or any of its Subsidiaries or affecting any of their properties, assets, before or by any Governmental Entity which, if adversely determined, would have, or reasonably could be expected to have, a Novus Material Adverse Effect or prevent or materially delay the consummation of the Arrangement, nor to the knowledge of Novus are there any events or circumstances which could reasonably be expected to give rise to any such claim, action, proceeding or investigation (provided that the representation in this Section 3.1(q) shall not apply to claims, actions, proceedings, or investigations which may arise after the date of this Agreement which do not have a reasonable prospect of succeeding or, if successful, would not give rise to, nor reasonably be expected to give rise to, a Novus Material Adverse Effect). Neither Novus nor any of its Subsidiaries is subject to any outstanding order, writ, injunction or decree which has had or is reasonably likely to have a Novus Material Adverse Effect or which would prevent or materially delay consummation of the transactions contemplated by this Agreement.
- (r) Taxes.
- (i) Each of Novus and its Subsidiaries has duly and in a timely manner made or prepared all Tax Returns required to be made or prepared by it, and duly and in a timely manner filed all Tax Returns required to be filed by it with the appropriate Governmental Entity, such Tax Returns were complete and correct in all material respects and Novus and each of its Subsidiaries has paid all Taxes, including instalments on account of Taxes for the current year required by applicable Law, which are due and payable by it whether or not assessed by the appropriate Governmental Entity and Novus has provided adequate accruals in accordance with GAAP or IFRS, as applicable, in the most recently published

financial statements of Novus for any Taxes of Novus and each of the Subsidiaries for the period covered by such financial statements that have not been paid whether or not shown as being due on any Tax Returns. Since such publication date, no material liability in respect of Taxes not reflected in such statements or otherwise provided for has been assessed, proposed to be assessed, incurred or accrued, other than in the ordinary course of business.

- (ii) Each of Novus and its Subsidiaries has duly and timely withheld all Taxes and other amounts required by Law to be withheld by it (including Taxes and other amounts required to be withheld by it in respect of any amount paid or credited or deemed to be paid or credited by it to or for the benefit of any Person) and has duly and timely remitted to the appropriate Governmental Entity such Taxes or other amounts required by Law to be remitted by it.
- (iii) Each of Novus and its Subsidiaries has duly and timely collected all amounts on account of any sales, use or transfer Taxes, including goods and services, harmonized sales, provincial and territorial taxes and state and local taxes, required by Law to be collected by it and has duly and timely remitted to the appropriate Governmental Entity such amounts required by Law to be remitted by it.
- (iv) None of Novus or any of its Subsidiaries has made, prepared and/or filed any elections, designations or similar filings relating to Taxes or entered into any agreement or other arrangement in respect of Taxes or Tax Returns that has effect for any period ending after the Closing Date.
- (v) There are no proceedings, investigations, audits or claims now pending or threatened against Novus or any of its Subsidiaries in respect of any Taxes and there are no matters under discussion, audit or appeal with any Governmental Entity relating to Taxes.
- (vi) None of Novus or any of its Subsidiaries has acquired property from a non-arm's length Person, within the meaning of the Tax Act: (i) for consideration the value of which is less than the fair market value of the property; or (ii) as a contribution of capital for which no shares were issued by the acquirer of the property.
- (vii) Novus has made available to PanTerra copies of all Tax Returns for the years 2011 and 2010 and all written communication to or from any Governmental Entity relating to the Taxes of any of Novus and its Subsidiaries.
- (viii) For the purposes of the Tax Act and any other relevant Tax purposes:
  - (A) Novus is resident in Canada and is not resident in any other country; and

- (B) each of the Subsidiaries of Novus is resident in the jurisdiction in which it was formed, and is not resident in any other country.
- (ix) There are no Liens for Taxes upon any properties or assets of Novus or any of its Subsidiaries (other than Liens relating to Taxes not yet due and payable and for which adequate reserves have been recorded on the most recent balance sheet included in Novus's audited financial statements).
- (x) Novus has no liabilities or potential liabilities relating to the issuance of flow-through shares (as defined in the Tax Act) and the subsequent expenditure and renouncing of Canadian Exploration Expenditures (as defined in the Tax Act).
- (s) Books and Records. The corporate records and minute books of Novus and its Subsidiaries have been maintained in accordance with all applicable Laws, and the minute books of Novus and its Subsidiaries as provided to PanTerra are complete and accurate in all material respects. The corporate minute books for Novus and its Subsidiaries contain minutes of all meetings and resolutions of the directors and securityholders held. The financial books and records and accounts of Novus and its Subsidiaries in all material respects: (a) have been maintained in accordance with good business practices and in accordance with GAAP and IFRS and with the accounting principles generally accepted in the country of domicile of each such entity, on a basis consistent with prior years; (b) are stated in reasonable detail and, in the case of its Subsidiaries, during the period of time when owned by Novus, accurately and fairly reflect the transactions and dispositions of assets of Novus and its Subsidiaries; and (c) in the case of its Subsidiaries, during the period of time when owned by Novus, accurately and fairly reflect the basis for Novus's consolidated financial statements.
- (t) Insurance.
  - (i) Novus has in place reasonable and prudent insurance policies appropriate for its size, nature and stage of development. All premiums payable prior to the date hereof under such policies of insurance have been paid and neither Novus nor any of its Subsidiaries has failed to make a claim thereunder on a timely basis.
  - (ii) Each of such policies and other forms of insurance is in full force and effect on the date hereof and shall (or comparable replacement or substitutions therefore shall) be kept in full force and effect by Novus through the Effective Date. No written (or to the knowledge of Novus other) notice of cancellation or termination has been received by Novus or any Subsidiary with respect to any such policy.
- (u) Non-Arm's Length Transactions. Other than for those agreements as set forth on Schedule 3.1(u) to the Novus Disclosure Letter, there are no current contracts, commitments, agreements, arrangements or other transactions (including relating to indebtedness by Novus

or any of its Subsidiaries) between Novus or any of its Subsidiaries on the one hand, and any (a) officer or director of Novus or any of its Subsidiaries, (b) any holder of record or, to the knowledge of Novus, beneficial owner of five percent or more of the voting securities of Novus, or (c) any affiliate or associate of any officer, director or beneficial owner, on the other hand.

(v) Benefit Plans.

- (i) Schedule 3.1(v)(i) of the Novus Disclosure Letter contains a true and complete list of all pension plans, deferred compensation plans, retirement income plans, stock option or stock purchase plans, profit sharing plans, bonus plans, employee benefit plans or policies, employee group insurance plans, programs or policies, formal or informal, with respect to Novus's and its Subsidiaries' employees (collectively, the "**Novus Benefit Plans**"). Complete copies of all Novus Benefit Plans including, but not limited to, any trust instruments, insurance contracts and all amendments thereto have been provided to PanTerra.
- (ii) Novus and its Subsidiaries have no liability for life, health, medical or other welfare benefits to former employees or beneficiaries or dependents thereof, and there has been no communication to employees by Novus or any of its Subsidiaries which could reasonably be interpreted to promise or guarantee such employees retiree health or life insurance or other retiree death benefits on a permanent basis.
- (iii) No Novus Benefit Plan is a "registered pension plan" as such term is defined in the Tax Act.
- (iv) Each Novus Benefit Plan has been operated in accordance with its terms and any contributions required to be made under each Novus Benefit Plan, as of the date hereof, have been timely made and all obligations in respect of each Novus Benefit Plan have been properly accrued and reflected in the audited consolidated financial statements for Novus as at and for the fiscal year ended on May 31, 2011, including the notes thereto and the report by Novus's auditors thereon.
- (v) There has been no amendment to, announcement by Novus or any of its Subsidiaries relating to, or change in employee participation or coverage under, any Novus Benefit Plan which would increase materially the expense of maintaining such plan above the level of the expense incurred therefor for the most recent fiscal year. Except as disclosed on Schedule 3.1(v)(v) of the Novus Disclosure Letter neither the execution of this Agreement, nor the consummation of the Arrangement will (i) entitle any employees of Novus or any of its Subsidiaries to severance pay or any increase in severance pay upon any termination of employment after the date hereof, (ii) accelerate the time of payment or vesting or result in any payment or funding

(through a grantor trust or otherwise) of compensation or benefits under, increase the amount payable or result in any other material obligation pursuant to, any of the Novus Benefit Plans, or (iii) limit or restrict the right of Novus or, after the consummation of the Arrangement, PanTerra to merge, amend or terminate any of the Novus Benefit Plans.

- (w) Mining Safety. Other than as set forth in Schedule 3.1(w) of the Novus Disclosure Letter, Novus, its Subsidiaries and the Joint Venture Companies and its and their respective assets, and the ownership, operation, development, maintenance and use thereof, are in compliance in all material respects with all applicable mining safety Laws applicable to their operations. In addition, other than as set forth in Schedule 3.1(w) of the Novus Disclosure Letter:
- (i) neither Novus nor any of its Subsidiaries nor any Joint Venture Company has received (or is otherwise aware of) any demand or notice with respect to a material breach of any applicable mining safety Laws;
  - (ii) there are no claims, investigations or inquiries pending or, to the knowledge of Novus, threatened against Novus, any of its Subsidiaries or any of the Joint Venture Companies (or naming Novus, any of its Subsidiaries or any of the Joint Venture Companies as a potentially responsible party) based on non-compliance with any applicable mining safety Laws at any of their operations or facilities currently or formerly owned, leased, licensed or operated by Novus, any of its Subsidiaries or any of the Joint Venture Companies;
  - (iii) no major or fatal accident involving Novus, any of its Subsidiaries or any of the Joint Venture Companies has occurred in their operations or facilities currently or formerly owned, leased, licensed or operated by Novus, any of its Subsidiaries or any of the Joint Venture Companies, regarding their own employees or third parties employees;
  - (iv) neither Novus nor any of its Subsidiaries nor any Joint Venture Company has been a party to any pending sanctioning proceeding, and it has not been fined by any governmental authority due to any breach of any applicable mining safety Laws; and
  - (v) neither Novus nor any of its Subsidiaries nor to the knowledge of Novus or any Joint Venture Company expect to be subject to any sanctioning proceeding due to infractions to any applicable mining safety Laws.
- (x) Cultural Heritage. No archaeological permits, licences, approvals, consents, surveys, removals, certificates, monitoring reports or other authorizations of any kind or nature have been obtained or are required to be obtained in connection with any property of Novus, its Subsidiaries or any of the Joint Venture Companies during the activities performed to date on such properties, neither archaeological remains have been discovered nor damages to any

archaeological remains have been caused as a direct or indirect result of activities undertaken on such properties. In addition:

- (i) none of Novus, any of its Subsidiaries or any of the Joint Venture Companies has received (or is otherwise aware of) any demand or notice with respect to the material breach of any applicable Cultural Heritage Laws or any order or directive relating to archaeological matters which requires any material work, repairs, construction, or capital expenditures, applicable to Novus, any of its Subsidiaries or any of the Joint Venture Companies or any of their business undertakings;
  - (ii) there are no claims, investigations or inquiries pending or, to Novus's knowledge, threatened against Novus, any of its Subsidiaries or any of the Joint Venture Companies (or naming Novus, any of its Subsidiaries or any of the Joint Venture Companies as a potentially responsible party) based on non-compliance with any applicable Cultural Heritage Laws at any of the properties or facilities currently or formerly owned, leased, licensed or operated by Novus, any of its Subsidiaries or any of the Joint Venture Companies;
  - (iii) Novus and each of its Subsidiaries have provided PanTerra with all archaeological surveys, assessments, removals, monitoring and audits that have been performed by them or by others, including the Joint Venture Companies and any predecessor in title, who have furnished a copy to Novus, any of its Subsidiaries or any of the Joint Venture Companies with respect to any property or facility currently or formerly owned, leased, licensed or operated by Novus, any of its Subsidiaries or any Joint Venture Companies.
- (y) Expropriation. No part of the property or assets of Novus, any of its Subsidiaries, or any of the Joint Venture Companies has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does Novus, any of its Subsidiaries or any of the Joint Venture Companies know of any intent or proposal to give such notice or commence any such proceedings.
- (z) Permits. Novus, each of its Subsidiaries, each of the Joint Venture Companies has obtained and is in compliance in all material respects with all Permits required by applicable Laws, necessary to conduct its current businesses as they are now being conducted. None of Novus, any of its Subsidiaries or any of the Joint Venture Companies has no knowledge of any facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in compliance with or renew in the ordinary course such Permits as are necessary to conduct its businesses as they are now being conducted.

- (aa) Environmental. Except for any matters that, individually or in the aggregate, would not have or would not reasonably be expected to have a Novus Material Adverse Effect:
- (i) all facilities and operations of Novus, its Subsidiaries and the Joint Venture Companies have been conducted, and are now, in compliance with all Environmental Laws;
  - (ii) Novus, its Subsidiaries and Joint Venture Companies are in possession of, and in compliance with, all Environmental Permits that are required to own, lease and operate the Novus Lands and Novus Mineral Rights and to conduct their respective business as they are now being conducted;
  - (iii) no environmental, reclamation or closure obligation, demand, notice, work order or other liabilities presently exist with respect to any portion of any currently or formerly owned, leased, used or otherwise controlled property, interests and rights or relating to the operations and business of Novus, its Subsidiaries and Joint Venture Companies and, there is no basis for any such obligations, demands, notices, work orders or liabilities to arise in the future as a result of any activity in respect of such property, interests, rights, operations and business;
  - (iv) none of Novus, any of its Subsidiaries or the Joint Venture Companies is subject to any proceeding, application, order or directive which relates to environmental, health or safety matters, and which may require any material work, repairs, construction or expenditures;
  - (v) to the knowledge of Novus, there are no changes in the status, terms or conditions of any Environmental Permits held by Novus, any of its Subsidiaries or the Joint Venture Companies or any renewal, modification, revocation, reassurance, alteration, transfer or amendment of any such environmental approvals, consents, waivers, permits, orders and exemptions, or any review by, or approval of, any Governmental Entity of such environmental approvals, consents, waivers, permits, orders and exemptions that are required in connection with the execution or delivery of this Agreement, the consummation of the transactions contemplated herein or the continuation of the business of Novus, any of its Subsidiaries or the Joint Venture Companies following the Effective Date;
  - (vi) Novus and its Subsidiaries have made available to PanTerra all material audits, assessments, investigation reports, studies, plans, regulatory correspondence and similar information with respect to environmental matters relating to the Novus Lands and Novus Mineral Rights; and
  - (vii) Novus, its Subsidiaries and the Joint Venture Companies are not subject to any past or present fact, condition or circumstance that could reasonably be expected to result in

liability under any Environmental Laws that would individually or in the aggregate, constitute a Novus Material Adverse Effect.

- (bb) Restrictions on Business Activities. There is no agreement, judgment, injunction, order or decree binding upon Novus, any Subsidiary or any Joint Venture Company that has or could reasonably be expected to have the effect of prohibiting, restricting or materially impairing any business practice of Novus, any Subsidiary or any Joint Venture Company, any acquisition of property by Novus, any Subsidiary or any Joint Venture Company or the conduct of business by Novus, any Subsidiary or any Joint Venture Company as currently conducted (including following the transaction contemplated by this Agreement) or other than such agreements, judgments, injunctions, orders or decrees which would not, individually or in the aggregate, reasonably be expected to have a Novus Material Adverse Effect.
- (cc) Material Contracts. Schedule 3.1(cc) of the Novus Disclosure Letter sets forth all Material Contracts of Novus. Novus and its Subsidiaries have performed in all material respects all respective obligations required to be performed by them to date under the Material Contracts. Neither Novus nor any of its Subsidiaries is in breach or default under any Material Contract to which it is a party or bound, nor does Novus have knowledge of any such breach or default, and there is no condition that with the passage of time or the giving of notice or both would result in such a breach or default, except in each case where any such breaches or defaults would not, individually or in the aggregate, reasonably be expected to result in, or result in, a Novus Material Adverse Effect. Novus does not know of, or has not received written notice of, any breach or default under (nor, to the knowledge of Novus, does there exist any condition which with the passage of time or the giving of notice or both would result in such a breach or default under) any such Material Contract by any other party thereto except where any such violation or default would not, individually or in the aggregate, reasonably be expected to result in, or result in, a Novus Material Adverse Effect. Prior to the date hereof, Novus has made available to PanTerra true and complete copies of all of the Material Contracts of Novus. All Material Contracts are legal, valid, binding and in full force and effect and are enforceable by Novus (or a Subsidiary thereof, as the case may be) in accordance with their respective terms (subject to bankruptcy, insolvency and other applicable Laws affecting creditors' rights generally, and to general principles of equity) and are the product of fair and arms' length negotiations between the parties thereto.
- (dd) Winding Up. No order has been made, petition presented or meeting convened for the purpose of winding up of Novus, any of its Subsidiaries or any Joint Venture Companies, or for the appointment of any provisional liquidator or in relation to any other process whereby the business is terminated and the assets of Novus, any of its Subsidiaries or any of the Joint Venture Companies are distributed amongst the creditors and/or shareholders or other contributors, and there are no proceedings under any applicable insolvency, bankruptcy,

reorganization or similar laws in any relevant jurisdiction, and no events have occurred which, under applicable Laws, would be reasonably likely to justify any such cases or proceedings.

- (ee) Administration and Receivership. No person has taken any step, legal proceeding or other procedure with a view to the appointment of an administrator, whether out of court or otherwise, in relation to Novus, any of its Subsidiaries or any of the Joint Venture Companies, and no receiver (including any administrative receiver) has been appointed in respect of the whole or any part of any of the property, assets and/or undertaking of any of Novus, its Subsidiaries or any of the Joint Venture Companies or relating to any of the Novus Lands or Novus Mineral Rights nor has any such order been made (including, in any relevant jurisdiction, any other order by which, during the period it is in force, the affairs, business and assets of the company concerned are managed by a person appointed for the purpose by any Governmental Entity).
- (ff) Voluntary Arrangement, Etc. None of Novus, any of its Subsidiaries or any of the Joint Venture Companies has taken any step with a view to a suspension of payments or a moratorium of any indebtedness or has made any voluntary arrangement with any of its creditors or is insolvent or unable to pay its debts as they fall due.
- (gg) Brokers. None of Novus, any of its Subsidiaries, or any of their respective officers, directors or employees has employed any broker or finder or incurred any liability for any brokerage fees, commissions or finder's fees in connection with the transactions contemplated by this Agreement.
- (hh) Reporting Issuer Status. As of the date hereof, Novus is a reporting issuer not in default under the Securities Laws of the Provinces of British Columbia and Alberta.
- (ii) Stock Exchange Compliance. Novus is in compliance in all material respects with the applicable listing and corporate governance rules and regulations of the TSX-V.
- (jj) Corrupt Practices Legislation. Neither Novus, its Subsidiaries and affiliates, nor any of their respective officers, directors or employees acting on behalf of Novus or any of its Subsidiaries or affiliates has taken, committed to take or been alleged to have taken any action which would cause Novus or any of its Subsidiaries or affiliates to be in violation of the *Corruption of Foreign Public Officials Act* (Canada) (and the regulations promulgated thereunder) or any applicable Law of similar effect of the Dominican Republic or any other jurisdiction, and to the knowledge of Novus no such action has been taken by any of its agents, representatives or other Persons acting on behalf of Novus or any of its Subsidiaries or affiliates.
- (kk) Board Approval. The Novus Board, after consultation with its financial and legal advisors, has determined unanimously that the Consideration per Novus Share to be received by Novus Shareholders pursuant to the Arrangement is fair and the Arrangement is in the best interests

of Novus and has resolved unanimously to recommend to the Novus Securityholders, voting as a single class, and the Novus Shareholders, voting separately as a class, that they vote in favour of the Arrangement Resolution. The Novus Board has approved the Arrangement pursuant to the Plan of Arrangement and the execution and performance of this Agreement and the performance of the Plan of Arrangement.

(ll) Competition Act. Except as described in the Novus Disclosure Letter, neither Novus nor its Subsidiaries own any assets in Canada and neither Novus nor any of its Subsidiaries has any revenues from sales in or from Canada, as determined in accordance with the Competition Act.

(mm) Investment Canada Act. Novus and its Subsidiaries do not carry on a “cultural business” as defined in the *Investment Canada Act*.

### **3.2 Survival of Representations and Warranties**

The representations and warranties of Novus contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

## **ARTICLE 4**

### **REPRESENTATIONS AND WARRANTIES OF PANTERRA**

#### **4.1 Representations and Warranties**

PanTerra hereby represents and warrants to Novus as follows, and acknowledges that Novus is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) Organization and Qualification. PanTerra is duly incorporated and validly existing under the laws of Australia and has full corporate power and authority to own its assets and conduct its business as now owned and conducted. PanTerra is duly qualified to carry on business and is in good standing in each jurisdiction in which the character of its properties or the nature of its activities makes such qualification necessary, except where the failure to be so qualified will not, individually or in the aggregate, have a PanTerra Material Adverse Effect. True and complete copies of the constating documents of PanTerra have been delivered or made available to Novus, and PanTerra has not taken any action to amend or supersede such documents.
- (b) Authority Relative to this Agreement. PanTerra has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by PanTerra and the consummation by PanTerra of

the transactions contemplated by this Agreement have been duly authorized by the board of directors of PanTerra and no other corporate proceedings on the part of PanTerra are necessary to authorize this Agreement. This Agreement has been duly executed and delivered by PanTerra and this Agreement constitutes a valid and binding obligation of PanTerra, enforceable by Novus against PanTerra in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency and other applicable Laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

- (c) No Conflict; Required Filings and Consents. The execution and delivery by PanTerra of this Agreement and the performance by it of its obligations hereunder and the completion of the Arrangement will not violate, conflict with or result in a breach of any provision of the constating documents of PanTerra or those of any of the PanTerra Material Subsidiaries, and except as would not, individually or in the aggregate, have or reasonably be expected to have a PanTerra Material Adverse Effect, will not: (a) violate, conflict with or result in a breach of: (i) any agreement, contract, indenture, deed of trust, mortgage, bond, instrument, Authorization, licence or permit to which PanTerra or any of the PanTerra Material Subsidiaries is a party or by which PanTerra or any of the PanTerra Material Subsidiaries is bound; or (ii) any Law to which PanTerra or any of the PanTerra Material Subsidiaries is subject or by which PanTerra or any of the PanTerra Material Subsidiaries is bound; (b) give rise to any right of termination, or the acceleration of any indebtedness, under any such agreement, contract, indenture, Authorization, deed of trust, mortgage, bond, instrument, licence or permit; or (c) give rise to any rights of first refusal or rights of first offer, trigger any change in control or influence provisions or any restriction or limitation under any such agreement, contract, indenture, Authorization, deed of trust, mortgage, bond, instrument, licence or permit, or result in the imposition of any Lien upon any of PanTerra's assets or the assets of any of the PanTerra Material Subsidiaries. Other than securities law filings and listing approval of the ASX, no Authorization, consent or approval of, or filing with, any other Person is necessary on the part of PanTerra for the consummation by PanTerra of its obligations in connection with the Arrangement under this Agreement, or for the completion of the Arrangement not to cause or result in any loss of any rights or assets or any interest therein held by PanTerra or any of the PanTerra Material Subsidiaries in any material properties, except for such Authorizations, consents, approvals and filings as to which the failure to obtain or make would not, individually or in the aggregate, prevent or materially delay consummation of the transactions contemplated by this Agreement or result in a PanTerra Material Adverse Effect.
- (d) Subsidiaries. PanTerra does not have Subsidiaries or any interest in any Person other than those disclosed in the PanTerra Public Documents. Each Subsidiary of PanTerra is duly organized and is validly existing under the Laws of its jurisdiction of incorporation or organization, has full corporate power and authority to own its assets and conduct its business

as now owned and conducted by it and is duly qualified to carry on its business in each jurisdiction in which the character of its properties or the nature of its activities make such qualification necessary, except where the failure to be so qualified would not have a PanTerra Material Adverse Effect.

(e) Compliance with Laws.

(i) The operations of PanTerra and the PanTerra Material Subsidiaries have been and are now conducted in compliance with all Laws of each jurisdiction, the Laws of which have been and are now applicable to the operations of PanTerra or of any of the PanTerra Material Subsidiaries of PanTerra and none of PanTerra or any of the PanTerra Material Subsidiaries has received any notice of any alleged violation of any such Laws, other than non-compliance or violations which, individually or in the aggregate, would not have a PanTerra Material Adverse Effect.

(ii) None of PanTerra or any of its Subsidiaries is in conflict with, or in default (including cross defaults) under or in violation of (a) its notice of articles, articles or equivalent organizational documents; or (b) any agreement or understanding to which it or by which any of its properties or assets is bound or affected, except for failures which, individually or in the aggregate, would not have a PanTerra Material Adverse Effect.

(f) PanTerra Authorizations. PanTerra and the PanTerra Material Subsidiaries have obtained all Authorizations necessary for the ownership, operation, development, maintenance, or use of the material assets of PanTerra or its Subsidiaries or otherwise in connection with the material business or operations of PanTerra or its Subsidiaries and such Authorizations are in full force and effect. PanTerra and the PanTerra Material Subsidiaries have fully complied with and are in compliance with all Authorizations, except, in each case, for such non-compliance which, individually or in the aggregate, would not have a PanTerra Material Adverse Effect. There is no action, investigation or proceeding pending or, to the knowledge of PanTerra, threatened regarding any of the Authorizations. None of PanTerra or any of the PanTerra Material Subsidiaries has received any notice, whether written or oral, of revocation or non-renewal of any such Authorizations, or of any intention of any Person to revoke or refuse to renew any of such Authorizations, except in each case, for revocations or non-renewals which, individually or in the aggregate, would not have a PanTerra Material Adverse Effect and, to the knowledge of PanTerra, all such Authorizations continue to be effective in order for PanTerra and the PanTerra Material Subsidiaries to continue to conduct their respective businesses as they are currently being conducted. No Person other than PanTerra or a PanTerra Material Subsidiary thereof owns or has any proprietary, financial or other interest (direct or indirect) in any of the Authorizations.

(g) Capitalization and Listing.

- (i) As at the date of this Agreement, the authorized share capital of PanTerra consists of:
- (i) 619,261,312 PanTerra Shares and 5 Preference Shares validly issued and outstanding as fully-paid and non-assessable shares of PanTerra; (ii) outstanding options providing for the issuance of 35,833,334 PanTerra Shares upon the exercise thereof; and (iii) perform share rights held by senior executives to acquire 6,133,333 PanTerra Shares. Except for the securities referred to in this Section 4.1(g)(i) or as disclosed in the PanTerra Public Documents, there are no options, warrants, conversion privileges, calls or other rights, shareholder rights plans, agreements, arrangements, commitments, or obligations of PanTerra or any of its Subsidiaries to issue or sell any shares of PanTerra or of any of its Subsidiaries or securities or obligations of any kind convertible into, exchangeable for or otherwise carrying the right or obligation to acquire any shares of PanTerra or any of its Subsidiaries, and, other than deferred share units, restricted share units and restricted performance share units, there are no outstanding stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments of PanTerra or any of its Subsidiaries based upon the book value, income or any other attribute of PanTerra or any of its Subsidiaries, and no Person is entitled to any pre-emptive or other similar right granted by PanTerra or any of its Subsidiaries. PanTerra Shares are listed on the ASX, and are not listed or quoted on any market other than the ASX.
  - (ii) There are no outstanding contractual obligations of PanTerra or any of its Subsidiaries to repurchase, redeem or otherwise acquire any PanTerra Shares or any shares of any of its Subsidiaries. No Subsidiary of PanTerra owns any PanTerra Shares.
  - (iii) No order ceasing or suspending trading in securities of PanTerra nor prohibiting the sale of such securities has been issued and is outstanding against PanTerra or its directors, officers or promoters and no proceedings for this purpose have been initiated, or to the knowledge of PanTerra, are pending, contemplated or threatened.

- (h) Reports. PanTerra has filed with all applicable Governmental Entities true and complete copies of PanTerra Public Documents that PanTerra is required to file therewith. All forms, reports, schedules, statements and other documents filed by PanTerra under applicable Securities Laws since December 31, 2010 at the time filed: (a) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (b) complied in all material respects with the requirements of applicable Securities Laws. PanTerra has not filed any confidential material change report with any Governmental Entity which at the date hereof remains confidential.

(i) Financial Statements.

- (i) The audited consolidated financial statements for PanTerra as at and for each of the fiscal years ended on June 30, 2011, June 30, 2010, and June 30, 2009 including the notes thereto and the report by PanTerra's auditors thereon have been, and all financial statements of PanTerra which are publicly disseminated by PanTerra in respect of any subsequent periods prior to the Effective Date will be, prepared in accordance with IFRS applied on a basis consistent with prior periods and all applicable Laws and present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise), consolidated financial position of PanTerra as of the respective dates thereof and its results of operations and cash flows for the respective periods covered thereby (except as may be indicated expressly in the notes thereto). There are no outstanding loans made by PanTerra or any of its Subsidiaries to any executive officer or director of PanTerra.
- (ii) The management of PanTerra has established and maintained a system of disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed by PanTerra in its annual filings, interim filings or other reports filed or submitted by it under the applicable Laws imposed by Governmental Entities is recorded, processed, summarized and reported within the time periods specified in such Laws imposed by such Governmental Entities. Such disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by PanTerra in its annual filings, interim filings or other reports filed or submitted under the applicable Laws imposed by Governmental Entities is accumulated and communicated to PanTerra's management, including its chief executive officer and chief financial officer (or Persons performing similar functions), as appropriate to allow timely decisions regarding required disclosure.
- (iii) PanTerra maintains internal control over financial reporting. Such internal control over financial reporting is effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and includes policies and procedures that: (A) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of PanTerra and its Subsidiaries; (B) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of PanTerra and its Subsidiaries are being made only with Authorizations of management and directors of PanTerra and its Subsidiaries; and (C) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets of PanTerra or its Subsidiaries that could have a material effect on its financial statements. To the knowledge of PanTerra, prior to the date of this

Agreement: (x) there are no significant deficiencies in the design or operation of, or material weaknesses in, the internal controls over financial reporting of PanTerra that are reasonably likely to adversely affect the ability of PanTerra to record, process, summarize and report financial information; and (y) there is no fraud, whether or not material, that involves management or other employees who have a significant role in the internal control over financial reporting of PanTerra.

- (iv) Since June 30, 2011, neither PanTerra nor any of its Subsidiaries nor, to PanTerra's knowledge, any director, officer, employee, auditor, accountant or representative of PanTerra or any of its Subsidiaries has received or otherwise had or obtained knowledge of any complaint, allegation, assertion, or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of PanTerra or any of its Subsidiaries or their respective internal accounting controls, including any complaint, allegation, assertion, or claim that PanTerra or any of its Subsidiaries has engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the audit committee of the board of directors of PanTerra.
  
- (j) Undisclosed Liabilities. Neither PanTerra nor any of its Subsidiaries has any liabilities or obligations of any nature, whether or not accrued, contingent or otherwise, except for: (a) liabilities and obligations that are specifically presented on the audited balance sheet of PanTerra as of June 30, 2011 (the "**PanTerra Balance Sheet**") or disclosed in the notes thereto; or (b) liabilities and obligations incurred in the ordinary course of business consistent with past practice since June 30, 2011, that are not and would not, individually or in the aggregate with all other liabilities and obligations of PanTerra and its Subsidiaries (other than those disclosed on the PanTerra Balance Sheet and/or the notes to the PanTerra financial statements), reasonably be expected to have a PanTerra Material Adverse Effect, or, as a consequence of the consummation of the Arrangement, have a PanTerra Material Adverse Effect. Without limiting the foregoing, the PanTerra Balance Sheet reflects reasonable reserves in accordance with IFRS for contingent liabilities relating to pending litigation and other contingent obligations of PanTerra and its Subsidiaries.
  
- (k) Interest in Properties and Mineral Rights.
  - (i) All of PanTerra's and its Subsidiaries' material real properties (collectively, the "**PanTerra Lands**") and all of PanTerra's and its Subsidiaries' material mineral interests and rights (including any material claims, concessions, exploration licences, exploitation licences, prospecting permits, mining leases and mining rights, in each case, either existing under contract, by operation of Law or otherwise) (collectively, the "**PanTerra Mineral Rights**"), are accurately disclosed in the documents of PanTerra as provided to Novus as part of its due diligence. Other than the PanTerra Lands and the PanTerra

Mineral Rights, neither PanTerra nor its Subsidiaries, owns or has any interest in any material real property or any material mineral interests and rights.

- (ii) PanTerra or a PanTerra Material Subsidiary is the sole legal and beneficial owner of all right, title and interest in and to the PanTerra Lands and the PanTerra Mineral Rights, free and clear of any Liens that are material, except as disclosed in the PanTerra Public Documents.
  - (iii) There is no adverse claim against or challenge to the title to or ownership of the PanTerra Lands or any of the PanTerra Mineral Rights.
  - (iv) PanTerra or a PanTerra Material Subsidiary has the exclusive right to deal with the PanTerra Lands and all of the PanTerra Mineral Rights.
- (l) Mineral Reserves and Resources. The proven and probable mineral reserves and mineral resources for the PanTerra Lands and the PanTerra Mineral Rights were prepared in all material respects in accordance with sound mining, engineering, geoscience and other applicable industry standards and practices, and in all material respects in accordance with all applicable Laws, including the requirements of the Australasian Code For Reporting of Exploration Results, Mineral Resources and Ore Reserves (“**JORC**”). There has been no material reduction in the aggregate amount of estimated mineral reserves or estimated mineral resources of PanTerra, its Subsidiaries and its material joint ventures, taken as a whole, from the amounts set forth in PanTerra Public Documents. All information regarding the PanTerra Lands and the PanTerra Mineral Rights, including all material drill results, technical reports and studies that are required to be disclosed at Law, have been disclosed in PanTerra Public Documents on or before the date hereof.
- (m) Absence of Certain Changes or Events. Since June 30, 2011:
- (i) PanTerra and the PanTerra Material Subsidiaries have conducted their respective businesses only in the ordinary course of business and consistent with past practice;
  - (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) which has had or is reasonably likely to have a PanTerra Material Adverse Effect has been incurred;
  - (iii) there has not been any event, circumstance or occurrence which has had or is reasonably likely to give rise to a PanTerra Material Adverse Effect; and
  - (iv) there has not been any change in the accounting practices used by PanTerra and its Subsidiaries, except as required by IFRS.

- (n) Litigation. Except as disclosed in the PanTerra Public Documents or the PanTerra Confidential Information there is no claim, action, proceeding or investigation pending or, to the knowledge of PanTerra, threatened against or relating to PanTerra or any of the PanTerra Material Subsidiaries, the business of PanTerra or any of the PanTerra Material Subsidiaries or affecting any of their properties, assets, before or by any Governmental Entity which, if adversely determined, would have, or reasonably could be expected to have, a PanTerra Material Adverse Effect or prevent or materially delay the consummation of the Arrangement, nor to knowledge of PanTerra are there any events or circumstances which could reasonably be expected to give rise to any such claim, action, proceeding or investigation (provided that the representation in this Section 4.1(n) shall not apply to claims, actions, proceedings, or investigations which may arise after the date of this Agreement which do not have a reasonable prospect of succeeding or, if successful, would not give rise to, nor reasonably be expected to give rise to, a PanTerra Material Adverse Effect. Neither PanTerra nor any of the PanTerra Material Subsidiaries is subject to any outstanding order, writ, injunction or decree which has had or is reasonably likely to have a PanTerra Material Adverse Effect or which would prevent or materially delay consummation of the transactions contemplated by this Agreement.
- (o) Environmental. Except for any matters that, individually or in the aggregate, would not have or would not reasonably be expected to have a PanTerra Material Adverse Effect:
- (i) all facilities and operations of PanTerra and its Subsidiaries have been conducted, and are now, in compliance with all Environmental Laws;
  - (ii) PanTerra and its Subsidiaries are in possession of, and in compliance with, all Environmental Permits that are required to own, lease and operate the PanTerra Lands and PanTerra Mineral Rights and to conduct their respective business as they are now being conducted;
  - (iii) no environmental, reclamation or closure obligation, demand, notice, work order or other liabilities presently exist with respect to any portion of any currently or formerly owned, leased, used or otherwise controlled property, interests and rights or relating to the operations and business of PanTerra and its Subsidiaries and, there is no basis for any such obligations, demands, notices, work orders or liabilities to arise in the future as a result of any activity in respect of such property, interests, rights, operations and business;
  - (iv) none of PanTerra or any of its Subsidiaries is subject to any proceeding, application, order or directive which relates to environmental, health or safety matters, and which may require any material work, repairs, construction or expenditures; and

- (v) to the knowledge of PanTerra, there are no changes in the status, terms or conditions of any Environmental Permits held by PanTerra, any of its Subsidiaries or any renewal, modification, revocation, reassurance, alteration, transfer or amendment of any such environmental approvals, consents, waivers, permits, orders and exemptions, or any review by, or approval of, any Governmental Entity of such environmental approvals, consents, waivers, permits, orders and exemptions that are required in connection with the execution or delivery of this Agreement, the consummation of the transactions contemplated herein or the continuation of the business of PanTerra, or any of its Subsidiaries following the Effective Date.
- (p) Expropriation. No part of the property or assets of PanTerra or any of its Subsidiaries has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does PanTerra know of any intent or proposal to give such notice or commence any such proceedings.
- (q) Material Contracts. PanTerra and the PanTerra Material Subsidiaries have performed in all material respects all respective obligations required to be performed by them to date under any material contracts to which any of them is a party. Neither PanTerra nor any of the PanTerra Material Subsidiaries is in breach or default under any material contract to which it is a party or bound, nor does PanTerra have knowledge of any condition that with the passage of time or the giving of notice or both would result in such a breach or default, except in each case where any such breaches or defaults would not, individually or in the aggregate, reasonably be expected to result in, or result in, a PanTerra Material Adverse Effect. PanTerra does not know of, or has received written notice of, any breach or default under (nor, to the knowledge of PanTerra, does there exist any condition which with the passage of time or the giving of notice or both would result in such a breach or default under) any such material contract by any other party thereto except where any such violation or default would not, individually or in the aggregate, reasonably be expected to result in, or result in, a PanTerra Material Adverse Effect. Prior to the date hereof, PanTerra has made available to Novus true and complete copies of all of the material contracts of PanTerra. All material contracts are legal, valid, binding and in full force and effect and are enforceable by PanTerra (or a PanTerra Material Subsidiary, as the case may be) in accordance with their respective terms (subject to bankruptcy, insolvency and other applicable Laws affecting creditors' rights generally, and to general principles of equity) and are the product of fair and arms' length negotiations between the parties thereto.
- (r) Winding Up. No order has been made, petition presented or meeting convened for the purpose of winding up of PanTerra or any of its Subsidiaries, or for the appointment of any provisional liquidator or in relation to any other process whereby the business is terminated and the assets of PanTerra or any of the PanTerra Material Subsidiaries are distributed amongst the creditors and/or shareholders or other contributors, and there are no

proceedings under any applicable insolvency, bankruptcy, reorganization or similar laws in any relevant jurisdiction, and no events have occurred which, under applicable Laws, would be reasonably likely to justify any such cases or proceedings.

- (s) Administration and Receivership. No person has taken any step, legal proceeding or other procedure with a view to the appointment of an administrator, whether out of court or otherwise, in relation to PanTerra or any the PanTerra Material Subsidiaries, and no receiver (including any administrative receiver) has been appointed in respect of the whole or any part of any of the property, assets and/or undertaking of any of PanTerra or any of the PanTerra Material Subsidiaries nor has any such order been made (including, in any relevant jurisdiction, any other order by which, during the period it is in force, the affairs, business and assets of the company concerned are managed by a person appointed for the purpose by any Governmental Entity).
- (t) Voluntary Arrangement, Etc. None of PanTerra or any of the PanTerra Material Subsidiaries has taken any step with a view to a suspension of payments or a moratorium of any indebtedness or has made any voluntary arrangement with any of its creditors or is insolvent or unable to pay its debts as they fall due.
- (u) Stock Exchange Compliance. PanTerra is in compliance in all material respects with the applicable listing and corporate governance rules and regulations of the ASX.

#### **4.2 Survival of Representations and Warranties**

The representations and warranties of PanTerra contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

**ARTICLE 5**  
**COVENANTS**

**5.1 Covenants of Novus Regarding the Conduct of Business**

Novus covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except: (i) as required by applicable Law or by any Governmental Entity having jurisdiction; (ii) with respect to matters qualified by the Novus Disclosure Letter (which shall make reference to the applicable subsection of this Section 5.1 in respect of which such qualification is being made); (iii) as PanTerra shall otherwise consent to in writing; or (iv) as otherwise expressly contemplated or permitted by this Agreement:

- (a) Novus shall, and shall cause each of its Subsidiaries and the Joint Venture Companies to, conduct its and their respective businesses only in, not take any action except in, and maintain their respective facilities, in the ordinary course of business consistent with past practice and to use commercially reasonable efforts to preserve intact its and their present business organization and goodwill, to preserve intact Novus and its mineral projects, to keep available the services of its officers, consultants and employees as a group and to maintain satisfactory relationships with suppliers, distributors, employees and others having business relationships with them;
- (b) without limiting the generality of Section 5.1(a), Novus shall not, directly or indirectly, and shall cause each of its Subsidiaries and the Joint Venture Companies not to:
  - (i) issue, sell, grant, award, pledge, dispose of, encumber or agree to issue, sell, grant, award, pledge, dispose of or encumber any Novus Shares, any Novus Options or Novus Warrants or any options, warrants, calls, conversion privileges or rights of any kind to acquire any Novus Shares or other securities or any shares of Novus or any of its Subsidiaries, other than pursuant to the exercise of existing Novus Options or Novus Warrants or as contemplated in Section 3.1(g)(i) of the Novus Disclosure Letter;
  - (ii) sell, pledge, lease, dispose of, mortgage, licence, encumber or agree to sell or pledge, dispose of, other than in the ordinary course of business, or mortgage, licence, encumber or otherwise transfer any assets of Novus or any of its Subsidiaries or any interest in any asset of Novus or any of its Subsidiaries, except as provided in Schedule 5.1(b) of the Novus Disclosure Letter;
  - (iii) amend or propose to amend the notice of articles, articles or other constating documents or the terms of any securities of Novus, any of its Subsidiaries or the Joint Venture Companies;

- (iv) split, combine or reclassify any outstanding Novus Shares or the securities of any of its Subsidiaries;
- (v) redeem, purchase or offer to purchase any Novus Shares, Novus Options or Novus Warrants or other securities of Novus or any shares or other securities of its Subsidiaries or the Joint Venture Companies;
- (vi) declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) in respect of any Novus Shares (except, in the case of any of Novus's wholly-owned Subsidiaries, for dividends payable to Novus);
- (vii) reorganize, amalgamate or merge Novus, any of its Subsidiaries or the Joint Venture Companies with any other Person;
- (viii) reduce the stated capital of the shares of Novus or of any of its Subsidiaries;
- (ix) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any Person, or make any investment either by purchase of shares or securities, contributions of capital (other than to wholly-owned Subsidiaries of Novus or its Subsidiaries), property transfer or purchase of any property or assets of any other Person, except as provided in Schedule 5.1(b) of the Novus Disclosure Letter;
- (x) enter into, directly or indirectly, an investment in or acquisition of, whether individually or with any other Person, any asset or an interest in any asset, except as provided in Schedule 5.1(b) of the Novus Disclosure Letter;
- (xi) except as provided in Schedule 5.1(b) of the Novus Disclosure Letter, incur, create, assume or otherwise become liable for any indebtedness for borrowed money or any other material liability or obligation or issue any debt securities, or guarantee, endorse or otherwise as an accommodation become responsible for, the obligations of any other Person or make any loans or advances;
- (xii) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of Novus, any of its Subsidiaries or any of the Joint Venture Companies;
- (xiii) except as provided in Schedule 5.1(b) of the Novus Disclosure Letter, pay, discharge, settle, satisfy, compromise, waive, assign or release any claims, liabilities or obligations;
- (xiv) authorize, recommend or propose any release or relinquishment of any material contractual right, except in the ordinary course of business consistent with past practice;

- (xv) waive, release, grant, transfer, exercise, modify or amend in any material respect, other than in the ordinary course of the business consistent with past practice, (i) any existing contractual rights in respect of any Novus Mineral Rights or Novus Lands; (ii) any material Authorization, lease, concession, contract or other document; or (iii) any other material legal rights or claims;
- (xvi) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing licence, lease, contract or other document, other than in the ordinary course of business consistent with past practice;
- (xvii) take any action or fail to take any action which action or failure to act would result in the material loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Entities to institute proceedings for the suspension, revocation or limitation of rights under, any material Authorizations necessary to conduct its businesses as now conducted; or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities;
- (xviii) incur business expenses other than in the ordinary course and consistent with past practice or in connection with the Arrangement and the transactions contemplated hereby;
- (xix) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of Novus to consummate the Arrangement or the other transactions contemplated by this Agreement;
- (xx) amend its accounting policies or adopt new accounting policies, in each case except as required in accordance with IFRS;
- (xxi) increase the benefits payable or to become payable to its directors or officers (whether from Novus or any of its Subsidiaries), enter into or modify any employment, severance, or similar agreements or arrangements with, or grant any bonuses, salary increases, severance or termination pay to, any officer of Novus or member of the Novus Board; or
- (xxii) in the case of employees who are not officers of Novus or members of the Novus Board, take any action other than in the ordinary course of business and consistent with past practice (none of which actions shall be unreasonable or unusual) with respect to the grant of any bonuses, salary increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date hereof;

- (c) Novus shall not, and shall cause each of its Subsidiaries and the Joint Venture Companies not to, establish, adopt, enter into, amend or waive any performance or vesting criteria or accelerate vesting, exercisability or funding under any bonus, profit sharing, thrift, incentive, compensation, stock option, restricted stock, pension, retirement, deferred compensation, savings, welfare, employment, termination, severance or other employee benefit plan, agreement, trust, fund, policy or arrangement for the benefit or welfare of any directors, officers, current or former employees of Novus, its Subsidiaries or any of the Joint Venture Companies;
- (d) Novus shall use all reasonable commercial efforts to and to cause the Joint Venture Companies to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;
- (e) Novus shall use its commercial best efforts to maintain and preserve all of its rights under each of the Novus Mineral Rights, Novus Lands and under each of its Authorizations;
- (f) Novus shall:
  - (i) not take any action, or permit any of its Subsidiaries or the Joint Venture Companies to take any action, which would render, or which reasonably may be expected to render, any representation or warranty made by it in this Agreement untrue or inaccurate (without giving effect to, applying or taking into consideration any materiality or Novus Material Adverse Effect qualification already contained within such representation or warranty) in any material respect;
  - (ii) provide PanTerra with prompt written notice of: (A) any Novus Material Adverse Effect; (B) the occurrence, or failure to occur, of any event or state of facts which occurrence or failure would or would be likely to (x) cause any of the representations of Novus contained herein to be untrue or inaccurate (without giving effect to, applying or taking into consideration any materiality or Novus Material Adverse Effect qualification already contained within such representation or warranty) in any material respect; or (y) result in the failure in any material respect of Novus to comply with or satisfy any covenant, condition or agreement (without giving effect to, applying or taking into consideration qualification already contained in such covenant, condition or agreement) to be complied with or satisfied prior to the Effective Time;
  - (iii) not enter into or renew any agreement, contract, lease, licence or other binding obligation of Novus, its Subsidiaries or the Joint Venture Companies (A) containing

- (1) any limitation or restriction on the ability of Novus, its Subsidiaries or the Joint Venture Companies or, following completion of the transactions contemplated hereby, the ability of PanTerra or its Subsidiaries, to engage in any type of activity or business,
- (2) any limitation or restriction on the manner in which, or the localities in which, all or any portion of the business of Novus, its Subsidiaries or the Joint Venture Companies or, following consummation of the transactions contemplated hereby, all or any portion of the business of PanTerra or its Subsidiaries, is or would be conducted, or (3) any limit or restriction on the ability of Novus, its Subsidiaries or the Joint Venture Companies or, following completion of the transactions contemplated hereby, the ability of PanTerra or its Subsidiaries, to solicit customers or employees, or (B) that would reasonably be expected to materially delay or prevent the consummation of the transactions contemplated by this Agreement;
- (iv) except as provided in Schedule 5.1(b) of the Novus Disclosure Letter, not enter into or renew any agreement, contract, lease, licence or other binding obligation of Novus, its Subsidiaries or the Joint Venture Companies that is not terminable within 30 days after the Effective Date without payment by PanTerra or its Subsidiaries; and
- (v) except as provided in Schedule 5.1(b) of the Novus Disclosure Letter, not incur any capital expenditures or enter into any agreement obligating Novus, its Subsidiaries or the Joint Venture Companies;
- (g) Novus and each of its Subsidiaries shall:
- (i) duly and timely file all Tax Returns required to be filed by it on or after the date hereof and all such Tax Returns will be true, complete and correct in all respects;
- (ii) timely withhold, collect, remit and pay all Taxes which are to be withheld, collected, remitted or paid by it to the extent due and payable;
- (iii) not make or rescind any material express or deemed election relating to Taxes;
- (iv) not make a request for a Tax ruling or enter into any agreement with any taxing authorities or consent to any extension or waiver of any limitation period with respect to Taxes;
- (v) not settle or compromise any claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to Taxes; and
- (vi) not amend any Tax Return or change any of its methods of reporting income, deductions or accounting for income Tax purposes from those employed in the preparation of its income Tax Returns, except as may required by applicable Laws;

- (h) Novus shall not initiate and shall not permit any of its Subsidiaries or the Joint Venture Companies to initiate any material discussions, negotiations or filings with any Governmental Entity regarding any matter (including with respect to the Arrangement or the transactions contemplated by this Agreement or regarding the status of the Novus Lands or the Novus Mineral Rights) without the prior consent of PanTerra, such consent not to be unreasonably withheld, and Novus further agrees to provide PanTerra with immediate notice of any material communication (whether oral or written) from a Governmental Entity, including a copy of any written communication;
- (i) Novus shall not authorize or propose, or enter into or modify any contract, agreement, commitment or arrangement, to do any of the matters prohibited by the other subsections of this Section 5.1; and
- (j) Novus shall provide (i) no later than three business days prior to the date of the Novus Meeting, a reasonable written estimate, certified by an officer of Novus, of the amount of cash and cash equivalents Novus is expected to hold immediately after the Effective Time, less the estimated amount of any unpaid current liabilities of Novus immediately after the Effective Time, and (ii) on the Effective Date, a statement, certified by an officer of Novus, of the amount of cash and cash equivalents Novus will hold, less the estimated amount of any unpaid current liabilities of Novus, in each case immediately after the Effective Time.

## **5.2 Covenants of Novus Relating to the Arrangement**

Novus shall and shall cause its Subsidiaries to perform all obligations required to be performed by Novus or any of its Subsidiaries under this Agreement, co-operate with PanTerra in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective the transactions contemplated in this Agreement and, without limiting the generality of the foregoing or the obligations in Section 2.5, Novus shall and, where applicable, shall cause its Subsidiaries to:

- (a) use its commercially reasonable efforts to obtain and assist PanTerra in obtaining all required Regulatory Approvals;
- (b) use its commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all third party consents, approvals and notices required under any of the Material Contracts, and all Novus Key Third Party Consents;
- (c) defend all lawsuits or other legal, regulatory or other proceedings against Novus challenging or affecting this Agreement or the consummation of the transactions contemplated hereby;
- (d) subject to applicable Law, make available and cause to be made available to PanTerra, and the agents and advisors thereto, information reasonably requested by PanTerra for the purposes

of preparing, considering and implementing integration and strategic plans for the combined businesses of PanTerra and Novus following completion of the Arrangement and confirming the representations and warranties of Novus set out in Section 3.1; and

- (e) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement and take all steps set forth in the Interim Order.

### **5.3 Covenants of PanTerra Regarding the Conduct of Business**

PanTerra covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except (i) as required by applicable Law or by any Governmental Entity having jurisdiction; (ii) as Novus shall otherwise consent to in writing; or (iii) as otherwise expressly contemplated or permitted by this Agreement, PanTerra shall, and shall cause each of its Subsidiaries to:

- (a) conduct its business in the ordinary course of business consistent with past practice, which business includes, without limitation, the acquisition (directly or indirectly), exploration, development and operation of mineral projects;
- (b) use commercially reasonable efforts to maintain and preserve their business organization, assets, employees, goodwill and business relationships; and
- (c) not (i) amend its constating or other comparable organizational documents; (ii) split, combine or reclassify any shares in the capital of PanTerra or its Subsidiaries; (iii) amend the terms of any of its securities; (iv) adopt a plan of liquidation or resolution providing for the liquidation or dissolution of PanTerra or any of its Subsidiaries; (v) amend its accounting policies or adopt new accounting policies, in each case except as required to comply with IFRS; (vi) declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) in respect of any PanTerra Shares except, in the case of any of PanTerra's wholly-owned Subsidiaries, for dividends payable to PanTerra; (vii) redeem, repurchase or offer to purchase, any PanTerra Shares, or securities convertible into or exchangeable for PanTerra Shares; or (viii) take any action, or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of PanTerra to consummate the Arrangement or the other transactions contemplated by this Agreement.

### **5.4 Covenants of PanTerra Relating to the Arrangement**

PanTerra shall, and shall cause its Subsidiaries to, perform all obligations required to be performed by PanTerra or any PanTerra Subsidiary under this Agreement, co-operate with Novus in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in

this Agreement and, without limiting the generality of the foregoing or the obligations in Section 2.5, PanTerra shall and where appropriate shall cause each PanTerra Subsidiary to:

- (a) use its commercially reasonable efforts to obtain and assist Novus in obtaining all required Regulatory Approvals;
- (b) defend all lawsuits or other legal, regulatory or other proceedings against PanTerra challenging or affecting this Agreement or the consummation of the transactions contemplated hereby;
- (c) apply for and use commercially reasonable efforts to obtain conditional approval of the listing and posting for trading on the ASX of the Consideration Shares, subject only to satisfaction by PanTerra of customary listing conditions of the ASX;
- (d) subject to applicable Law, make available and cause to be made available to Novus, and its agents and advisors, information reasonably requested by Novus for the purposes of confirming the representations and warranties of PanTerra set out in Section 4.1 of this Agreement;
- (e) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement;
- (f) ensure that all Novus Options exercised in accordance with their terms following the Effective Time are treated in accordance with the Plan of Arrangement;
- (g) ensure that all Novus Warrants exercised in accordance with their terms following the Effective Time are treated in accordance with the Plan of Arrangement; and
- (h) within two business days of the Effective Date, organize and complete the payment of the payables of Novus listed in Schedule 5.1(b) of the Novus Disclosure Letter that are indicated as being payable at closing.

## **5.5 Survival of Certain Covenants**

For greater certainty the covenants of PanTerra set out in Sections 5.4(f) to 5.4(h) shall survive the Effective Time and the termination of this Agreement in accordance with its terms.

**ARTICLE 6**  
**CONDITIONS**

**6.1 Mutual Conditions Precedent**

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

- (a) the Arrangement Resolution shall have been approved and adopted by the Novus Securityholders, voting as a single class, and by the Novus Shareholders, voting separately as a class, at the Novus Meeting in accordance with the Interim Order;
- (b) the Court shall have determined that the terms and conditions of the Arrangement are procedurally and substantively fair to the Novus Securityholders and the Interim Order and the Final Order shall each have been obtained on terms consistent with this Agreement, and shall not have been set aside or modified in a manner unacceptable to either Novus or PanTerra, acting reasonably, on appeal or otherwise;
- (c) no Governmental Entity shall have enacted, issued, promulgated, enforced or entered any Law which is then in effect and has the effect of making the Arrangement illegal or otherwise preventing or prohibiting consummation of the Arrangement;
- (d) the PanTerra Shares to be issued in the United States pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to s. 3(a)(10) of the U.S. Securities Act; provided, however, that Novus shall not be entitled to rely on the provisions of this Section 6.1(d) in failing to complete the transactions contemplated by this Agreement if Novus fails to advise the Court prior to the hearing in respect of the Final Order, as required by the terms of the foregoing exemptions, that PanTerra will rely on the foregoing exemptions based on the Court's approval of the Arrangement; and
- (e) all Regulatory Approvals shall have been obtained on terms and conditions satisfactory to each of PanTerra and Novus, acting reasonably.

**6.2 Additional Conditions Precedent to the Obligations of PanTerra**

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

- (a) all covenants of Novus under this Agreement to be performed on or before the Effective Time which have not been waived by PanTerra shall have been duly performed by Novus in all material respects and PanTerra shall have received a certificate of Novus addressed to

PanTerra and dated the Effective Date, signed on behalf of Novus by two senior executive officers of Novus (on Novus's behalf and without Personal liability), confirming the same as at the Effective Time;

- (b) the representations and warranties of Novus set forth in (i) Sections 3.1(a), 3.1(b), 3.1(c), 3.1(g) and 3.1(m) shall be true and correct in all respects (other than *de minimis* inaccuracies in respect of the representations and warranties set forth in Sections 3.1(g) and 3.1(m)) as of the Effective Time as if made at and as of such time (except that any such representation and warranty that by its terms speaks specifically as of the date of this Agreement or another date shall be true and correct as of such date), and (ii) Article 3, other than those to which clause (i) applies, (A) that are qualified by a reference to a Novus Material Adverse Effect or materiality shall be true and correct in all respects, and (B) that are not qualified by a reference to a Novus Material Adverse Effect or materiality shall be true and correct in all material respects, in each case as of the Effective Time as if made at and as of such time (except that any such representation and warranty that by its terms speaks specifically as of the date of this Agreement or another date shall be true and correct as of such date), and PanTerra shall have received a certificate of Novus addressed to PanTerra and dated the Effective Date, signed on behalf of Novus by two senior executive officers of Novus (on Novus's behalf and without personal liability), confirming the same as at the Effective Time;
- (c) there shall not have occurred a Novus Material Adverse Effect that has not been publicly disclosed by Novus prior to the date hereof and since the date of this Arrangement Agreement, there shall not have occurred a Novus Material Adverse Effect, and PanTerra shall have received a certificate signed on behalf of Novus by the chief executive officer and the chief financial officer of Novus to such effect;
- (d) the Novus Key Third Party Consents shall have been obtained;
- (e) holders of no more than 3% of the Novus Shares shall have exercised Dissent Rights;
- (f) resignations effective as of the Effective Time shall have been received from each of the directors and senior management of Novus and its Subsidiaries, in such form as approved by PanTerra, acting reasonably; and
- (g) there shall not be pending or threatened in writing any suit, action or proceeding by any Governmental Entity or any other Person that would reasonably be expected to:
  - (i) prohibit or restrict the acquisition by PanTerra of any Novus Shares, or the consummation of the Arrangement or give rise to any material damages to Novus or PanTerra directly or indirectly in connection with the Arrangement;

- (ii) prohibit or materially limit the ownership by PanTerra of Novus or any material portion of its business; or
- (iii) impose limitations on the ability of PanTerra to acquire or hold, or exercise full rights of ownership of, any Novus Shares, including the right to vote the Novus Shares to be acquired by it on all matters properly presented to the Novus Shareholders.

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

### **6.3 Additional Conditions Precedent to the Obligations of Novus**

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

- (a) all covenants of PanTerra under this Agreement to be performed on or before the Effective Time which have not been waived by Novus shall have been duly performed by PanTerra in all material respects and Novus shall have received a certificate of PanTerra, addressed to Novus and dated the Effective Date, signed on behalf of PanTerra by two of its senior executive officers (on PanTerra's behalf and without Personal liability), confirming the same as of the Effective Date;
- (b) the representations and warranties of PanTerra set forth in: (i) Sections 4.1(a), 4.1(b), 4.1(c) and 4.1(g) shall be true and correct in all respects (other than *de minimis* inaccuracies in respect of the representations and warranties set forth in Section 4.1(g)) as of the Effective Time as if made at and as of such time (except that any such representation and warranty that by its terms speaks specifically as of the date of the Agreement or another date shall be true and correct as of such date); and (ii) Article 4, other than those to which clause (i) applies, (A) that are qualified by a reference to a PanTerra Material Adverse Effect or materiality shall be true and correct in all respects, and (B) that are not qualified by a reference to a PanTerra Material Adverse Effect or materiality shall be true and correct in all material respects, in each case as of the Effective Time as if made at and as of such time (except that any such representation and warranty that by its terms speaks specifically as of the date of this Agreement or another date shall be true and correct as of such date), and Novus shall have received a certificate signed on behalf of PanTerra by two senior executive officers of PanTerra (on PanTerra's behalf and without personal liability) to this effect;
- (c) PanTerra shall have complied with its obligations under Section 2.9;
- (d) there shall not have occurred a PanTerra Material Adverse Effect that has not been publicly disclosed by PanTerra prior to the date hereof or disclosed to Novus in writing prior to the

date hereof, and since the date of this Agreement, there shall not have occurred a PanTerra Material Adverse Effect and Novus shall have received a certificate signed on behalf of PanTerra by the executive Chairman and the chief financial officer of PanTerra to such effect; and

- (e) PanTerra shall have delivered evidence satisfactory to Novus, acting reasonably, of the approval of the listing and posting for trading on the ASX of the Consideration Shares, subject only to satisfaction of the customary listing conditions of the ASX.

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

#### **6.4 Satisfaction of Conditions**

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 shall be conclusively deemed to have been satisfied, waived or released at the Effective Time.

### **ARTICLE 7** **ADDITIONAL AGREEMENTS**

#### **7.1 Novus Non-Solicitation**

7.1.1 On and after the date of this Agreement, except as otherwise provided in this Agreement, Novus and its Subsidiaries shall not, directly or indirectly, through any officer, director, employee, advisor, representative, agent or otherwise:

- (a) make, solicit, assist, initiate, encourage or otherwise facilitate any inquiries, proposals or offers relating to any Acquisition Proposal involving Novus, or participate in any discussions or negotiations regarding, or furnish to any Person any information with respect to, or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other Person to do or seek to do any of the foregoing;
- (b) engage in any discussions or negotiations regarding, or provide any information with respect to, or otherwise co-operate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other Person to make or complete any Acquisition Proposal involving Novus (including by way of entering into any form of agreement, arrangement or undertaking), provided that, for greater certainty, Novus may advise any Person making an unsolicited Acquisition Proposal that such Acquisition Proposal does not constitute a Superior Proposal when the Novus Board has so determined;

- (c) withdraw, modify or qualify, or propose publicly to withdraw, modify or qualify, in a manner adverse to PanTerra, the approval or recommendation of the Novus Board or any committee thereof of this Agreement or the Arrangement;
- (d) approve, recommend, accept, endorse or remain neutral with respect to, or propose publicly to approve, accept, endorse, recommend or remain neutral with respect to, any Acquisition Proposal for Novus (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal until 15 calendar days following the public announcement of such Acquisition Proposal shall not be considered a violation of this Section 7.1.1(d)); or
- (e) accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement in principle, agreement, arrangement or undertaking related to any Acquisition Proposal,

provided, however, that nothing contained in this Section 7.1.1 or any other provision of this Agreement shall prevent the Novus Board from considering, and the Novus Board shall be permitted to engage in discussions or negotiations with, or respond to enquiries from any Person that has made a *bona fide* unsolicited written Acquisition Proposal that the Novus Board has determined constitutes a Superior Proposal, or provide information pursuant to Section 7.1.4 to any Person where the requirements of that subsection are met.

7.1.2 Novus shall immediately cease and shall cause any Subsidiary of Novus to immediately cease, and cause to be terminated any existing discussions or negotiations with any Person (other than PanTerra) with respect to any potential Acquisition Proposal and, in connection therewith, Novus and its Subsidiaries will discontinue access to any of its confidential information (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise) and shall as soon as possible request the return or destruction of all confidential information provided in connection therewith. Novus agrees not to and not to permit its Subsidiaries to release any third party from any confidentiality, non-solicitation or standstill agreement to which such third party is a party, or terminate, modify, amend or waive the terms thereof and Novus undertakes to enforce, or cause its Subsidiaries to enforce, all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it or any of its Subsidiaries have entered into prior to the date hereof provided, however, that the foregoing shall not prevent the Novus Board from considering an Acquisition Proposal (that was not solicited after the date hereof in contravention of Section 7.1.1 and provided that Novus is in compliance with Sections 7.1.2 and 7.1.1) that the Novus Board has determined constitutes a Superior Proposal.

7.1.3 From and after the date of this Agreement, Novus shall promptly provide notice to PanTerra of any unsolicited *bona fide* Acquisition Proposal or any proposal, inquiry or offer that could lead to an Acquisition Proposal or any amendments to the foregoing or any request for non-public information relating to Novus or any of its Subsidiaries or for access to the properties, books or records of Novus or

any Subsidiary by any Person that informs Novus, any member of the Novus Board or any Subsidiary that it is considering making, or has made, an Acquisition Proposal. Such notice to PanTerra shall be made, from time to time, first orally and then (in any event within 24 hours) in writing and shall indicate the identity of the Person making such proposal, inquiry or contact, all material terms thereof and such other details of the proposal, inquiry or contact known to Novus as PanTerra may reasonably request, and shall include copies of any such proposal, inquiry, offer or request or any amendment to any of the foregoing. Novus shall keep PanTerra promptly and fully informed of the status, including any change to the material terms, of any such proposal, inquiry or request and will respond promptly to all reasonable inquiries by PanTerra with respect thereto.

7.1.4 If the Novus Board receives a request for material non-public information from a Person who proposes to Novus an unsolicited *bona fide* written Acquisition Proposal and (x) the Novus Board determines that such Acquisition Proposal is reasonably likely to constitute a Superior Proposal (disregarding, for the purposes such determination, any due diligence and/or access condition in such Acquisition Proposal); and (y) in the opinion of the Novus Board, acting in good faith and on advice from their outside legal advisors, the failure to provide such party with access to information regarding Novus and its Subsidiaries would be inconsistent with the fiduciary duties of the Novus Board, then, and only in such case, Novus may provide such Person with access to information regarding Novus and its Subsidiaries for a period of not more than 10 days, subject to the execution of a confidentiality and standstill agreement which is customary in such situations; provided that Novus sends a copy of any such confidentiality and standstill agreement to PanTerra promptly upon its execution and PanTerra is provided with a list of, and, at the request of PanTerra, copies of, the information provided to such Person and immediately provided with access to similar information to which such Person was provided.

7.1.5 Novus agrees that it will not accept, approve or enter into any agreement (a “**Proposed Agreement**”), other than a confidentiality and standstill agreement as contemplated by Section 7.1.4, with any Person providing for or to facilitate any Acquisition Proposal unless:

- (a) the Novus Board determines that the Acquisition Proposal constitutes a Superior Proposal;
- (b) the Novus Meeting has not occurred;
- (c) Novus has complied with Sections 7.1.1 through 7.1.4 inclusive;
- (d) Novus has promptly provided PanTerra with a notice in writing that there is a Superior Proposal together with all documentation related to and detailing the Superior Proposal, including a copy of any Proposed Agreement relating to such Superior Proposal, and a written notice from the Novus Board advising of the name of the Person making the Acquisition Proposal, the terms of the Acquisition Proposal, and information regarding the value in financial terms (including the consideration therefor) that the Novus Board has in consultation with its financial advisors determined should be ascribed to any non-cash consideration offered under the Superior Proposal, such documents to be so provided to PanTerra not less

than five business days prior to the proposed acceptance, approval, recommendation or execution of the Proposed Agreement by Novus;

- (e) five business days (the “**Response Period**”) shall have elapsed from the date PanTerra received the notice and documentation referred to in Section 7.1.5(d) from Novus and, if PanTerra has proposed to amend the terms of the Arrangement in accordance with Section 7.1.6, the Novus Board shall have determined, in good faith, after consultation with its financial advisors and outside legal counsel, that the Acquisition Proposal is a Superior Proposal compared to the proposed amendment to the terms of the Arrangement by PanTerra;
- (f) Novus concurrently terminates this Agreement pursuant to Section 8.2.1(d)(ii); and
- (g) Novus has previously, or concurrently will have, paid, or caused to be paid, to PanTerra the Novus Termination Fee.

and Novus further agrees that it will not withdraw, modify or qualify (or propose to withdraw, modify or qualify) in any manner adverse to PanTerra the approval or recommendation of the Arrangement, nor accept, approve or recommend any Acquisition Proposal unless the requirements of this Section 7.1.5(a) through 7.1.5(e) have been satisfied.

7.1.6 During the Response Period, Novus acknowledges and agrees that PanTerra shall have the right, but not the obligation, to offer to amend the terms of the Agreement and the Plan of Arrangement in order to provide for terms at least equivalent to those provided for in the Superior Proposal. If PanTerra does so, then the Novus Board shall review any such proposal by PanTerra to determine (acting in good faith and in accordance with its fiduciary duties) whether the Acquisition Proposal to which PanTerra is responding would continue to be a Superior Proposal when assessed against the amended Agreement and amended Plan of Arrangement as proposed by PanTerra. If the Novus Board determines that the Acquisition Proposal would thereby cease to be a Superior Proposal, it will cause Novus to enter into an amendment to this Agreement and the Plan of Arrangement reflecting the offer by PanTerra to amend the terms of the Agreement and Plan of Arrangement and will further agree not to enter into the applicable Proposed Agreement and not to withdraw, modify or change any recommendation regarding the Plan of Arrangement save and except to reaffirm its recommendation of the amended Plan of Arrangement.

7.1.7 If (i) PanTerra does not offer to amend the terms of the Agreement and Plan of Arrangement within the Response Period or (ii) the Novus Board determines acting in good faith and in the proper discharge of its fiduciary duties (after receiving advice from its outside legal counsel) that the Acquisition Proposal would nonetheless remain a Superior Proposal with respect to PanTerra’s proposal to amend the Agreement and Plan of Arrangement, and therefore rejects PanTerra’s offer to amend the Plan of Arrangement and this Agreement, Novus shall be entitled to terminate this Agreement pursuant to Section 8.2.1(d)(ii) following the expiry of the Response Period and enter into the Proposed Agreement upon payment to PanTerra of the amount payable pursuant to Section 8.3.

7.1.8 The Novus Board shall promptly reaffirm its recommendation of the Arrangement by press release after: (x) any Acquisition Proposal which the Novus Board determines not to be a Superior Proposal is publicly announced or made; or (y) the Novus Board determines that a proposed amendment to the terms of the Arrangement would result in the Acquisition Proposal which has been publicly announced or made not being a Superior Proposal, and PanTerra has so amended the terms of the Arrangement. PanTerra and its counsel shall be given a reasonable opportunity to review and comment on the form and content of any such press release, recognizing that whether or not such comments are appropriate will be determined by Novus, acting reasonably.

7.1.9 Novus acknowledges and agrees that each successive modification of any Acquisition Proposal shall constitute a new Acquisition Proposal for the purposes of this Section 7.1.

7.1.10 Novus shall ensure that the officers, directors and employees of Novus and its Subsidiaries and any investment bankers or other advisors or representatives retained by Novus and/or its Subsidiaries in connection with the transactions contemplated by this Agreement are aware of the provisions of this Section, and Novus shall be responsible for any breach of this Section 7.1 by such officers, directors, employees, investment bankers, advisors or representatives.

7.1.11 If Novus provides PanTerra with the notice of an Acquisition Proposal contemplated in this Section 7.1 on a date that is less than 10 calendar days prior to the Novus Meeting, Novus shall adjourn the Novus Meeting to a date that is not less than seven calendar days and not more than 10 calendar days after the date of such notice, provided, however, that the Novus Meeting shall not be adjourned or postponed to a date later than the seventh business day prior to the Outside Date.

## **7.2 Access to Information; Confidentiality**

From the date hereof until the earlier of the Effective Time and the termination of this Agreement pursuant to its terms, subject to compliance with applicable Law and the terms of any existing Contracts, each of PanTerra and Novus shall, and shall cause their respective representatives to afford to the other Party and to representatives of the other Party such access as the other Party may reasonably require at all reasonable times, including for the purpose of facilitating integration business planning, to their officers, employees, agents, properties, books, records and contracts, and shall furnish the other Party with all data and information as the other Party may reasonably request.

## **7.3 Notices of Certain Events**

7.3.1 Each Party will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the earlier to occur of the termination of this Agreement pursuant to its terms and the Effective Time of any event or state of facts which occurrence or failure would, or would be likely to:

- (a) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect on the date hereof or at the Effective Time; or
- (b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party hereunder prior to the Effective Time;

*provided, however,* that the delivery of any notice pursuant to this Section 7.3 shall not limit or otherwise affect the remedies available hereunder to the Party receiving that notice.

7.3.2 No Party may elect not to complete the transactions contemplated hereby pursuant to the conditions set forth herein or any termination right arising therefrom under Section 8.2.1(c)(i) or Section 8.2.1(d)(i) and no payments are payable as a result of such termination pursuant to Section 8.3 unless, prior to the Effective Date, the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfilment or the applicable condition or termination right, as the case may be. If any such notice is delivered, provided that a Party is proceeding diligently to cure such matter and such matter is capable of being cured, no Party may terminate this Arrangement Agreement until the expiration of a period of 10 business days from such notice.

#### **7.4 Insurance and Indemnification**

7.4.1 Prior to the Effective Date, Novus shall purchase customary “tail” policies of directors’ and officers’ liability insurance providing protection no less favourable in the aggregate to the protection provided by the policies maintained by Novus and its Subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and PanTerra will, or will cause Novus and its Subsidiaries to, maintain such tail policies in effect without any reduction in scope or coverage for six years from the Effective Date; provided, that PanTerra shall not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided, further that the cost of such policy shall not exceed 100% of Novus’s current annual aggregate premium for policies currently maintained by Novus or its Subsidiaries. If a tail policy is not available at a cost less than or equal to 100% of Novus’s current annual aggregate premium for policies currently maintained by Novus or its Subsidiaries, then PanTerra agrees that for the period of six years following the Effective Date, PanTerra shall cause Novus or any successor to Novus or any of its Subsidiaries (including any successor resulting from any winding-up or liquidation or dissolution of any of them) to maintain Novus’s and its Subsidiaries’ current directors’ and officers’ insurance policies or substantially equivalent policies subject in either case to terms and conditions no less advantageous to the directors and officers of Novus and its Subsidiaries than those contained in the policies in effect on the date of this Agreement, for all present and former directors and officers of Novus and its Subsidiaries, covering claims made prior to or within such six-year period.

7.4.2 PanTerra agrees that it shall directly honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of Novus and its Subsidiaries to the extent that they are disclosed in Schedule 7.4.2 of the Novus Disclosure Letter, and acknowledges that such rights, to the extent that they are disclosed in Schedule 7.4.2 of the Novus Disclosure Letter, shall survive the completion of the Plan of Arrangement and shall continue in full force and effect for a period of not less than six years from the Effective Date.

7.4.3 The provisions of this Section 7.4 are intended for the benefit of, and shall be enforceable by, each insured or indemnified Person, his or her heirs and his or her legal representatives and, for such purpose, Novus hereby confirms that it is acting as agent and trustee on their behalf. Furthermore, this Section 7.4 shall survive the termination of this Agreement as a result of the occurrence of the Effective Date for a period of six years.

#### **7.5 Invercropolis Option and Shareholders Agreement**

Each of Novus and PanTerra shall, and shall cause their respective Subsidiaries to, suspend the Invercropolis Option and Shareholders Agreement from the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms, such that neither PanTerra nor any of its Subsidiaries will have any obligation to make payment obligations thereunder. Subject to Section 8.3.4, Novus will retain the amount of US \$250,000 advanced to it on behalf of Invercropolis and will not use such funds for any other purpose than to fund ongoing obligations of Invercropolis set out in Schedule 5.1(b) of the Novus Disclosure Letter without the prior written consent of PanTerra, which may be withheld at the sole discretion of PanTerra.

### **ARTICLE 8**

#### **TERM, TERMINATION, AMENDMENT AND WAIVER**

##### **8.1 Term**

This Agreement shall be effective from the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms.

##### **8.2 Termination**

8.2.1 This Agreement may be terminated at any time prior to the Effective Time (notwithstanding any approval of this Agreement or the Arrangement Resolution by the Novus Securityholders, the PanTerra Shareholders or by the Court):

- (a) by mutual written agreement of Novus and PanTerra;

- (b) by either Novus or PanTerra, if:
  - (i) the Effective Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 8.2.1(b)(i) shall not be available to any Party whose failure to fulfill any of its obligations or whose breach of any of its representations and warranties under this Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by such Outside Date;
  - (ii) after the date hereof, there shall be enacted or made any Law that makes consummation of the Arrangement illegal or otherwise prohibited or enjoins Novus or PanTerra from consummating the Arrangement and such Law or enjoinder shall have become final and non-appealable; or
  - (iii) Novus Securityholder Approval shall not have been obtained at the Novus Meeting in accordance with the Interim Order;
- (c) by PanTerra, if:
  - (i) prior to the Effective Time: (1) the Novus Board fails to recommend or withdraws, amends, modifies or qualifies, in a manner adverse to PanTerra or fails to publicly reaffirm its recommendation of the Arrangement within five business days (and in any case prior to the Novus Meeting) after having been requested in writing by PanTerra to do so, in a manner adverse to PanTerra (it being understood that the taking of a neutral position or no position with respect to an Acquisition Proposal beyond a period of 15 calendar days shall be considered an adverse modification) (a “**Novus Change in Recommendation**”); (2) the Novus Board or a committee thereof shall have approved, accepted, endorsed or recommended any Acquisition Proposal; or (3) Novus shall have breached Section 7.1 in any material respect;
  - (ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Novus set forth in this Agreement shall have occurred that would cause the conditions set forth in Section 6.2(a) or Section 6.2(b) not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date, as reasonably determined by PanTerra; provided that PanTerra’s failure to fulfil any of its obligations or breach any of its representations or warranties under this Agreement has not been the cause of any of the conditions set forth in Section 6.2(a) or 6.2(b) not to be satisfied; or
  - (iii) PanTerra has been notified in writing by Novus of a Proposed Agreement in accordance with Section 7.1.5, and either: (i) PanTerra does not deliver an amended Arrangement proposal within five business days of delivery of the Proposed Agreement to PanTerra; or (ii) PanTerra delivers an amended Arrangement proposal pursuant to Section 7.1.6

but the Novus Board determines, acting in good faith and in the proper discharge of its fiduciary duties, that the Acquisition Proposal provided in the Proposed Agreement continues to be a Superior Proposal in comparison to the amended Arrangement terms offered by PanTerra;

(d) by Novus, if:

- (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of PanTerra set forth in this Agreement shall have occurred that would cause the conditions set forth in Section 6.3(a) or 6.3(b) not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date, as reasonably determined by Novus; provided that Novus's failure to fulfil any of its obligations or breach any of its representations or warranties under this Agreement has not been the cause of any of the conditions set forth in Section 6.2(a) or 6.2(b) not to be satisfied; or
- (ii) it wishes to enter into a binding written agreement with respect to a Superior Proposal (other than a non-disclosure and standstill agreement permitted by Section 7.1.4), subject to compliance with Section 7.1 in all material respects and provided that no termination under this Section 8.2.1(d)(ii) shall be effective unless and until Novus shall have paid to PanTerra the amount required to be paid pursuant to Section 8.3.

8.2.2 The Party desiring to terminate this Agreement pursuant to this Section 8.2 (other than pursuant to Section 8.2.1(a)) shall give notice of such termination to the other Parties, specifying in reasonable detail the basis for such Party's exercise of its termination right.

8.2.3 If this Agreement is terminated pursuant to this Section 8.2, this Agreement shall become void and be of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party hereto, except that the provisions of this Section 8.2.3 and Sections 8.3, 9.3, 9.4, 9.5, 9.6 and 9.7 and all related definitions set forth in Section 1.1.

### **8.3 Expenses and Termination Fees**

8.3.1 Except as otherwise provided herein, all fees, costs and expenses incurred in connection with this Agreement and the Plan of Arrangement shall be paid by the Party incurring such fees, costs or expenses.

8.3.2 For the purposes of this Agreement, "Novus Termination Fee" means \$500,000.

8.3.3 For the purposes of this Agreement, "Novus Termination Fee Event" means the termination of this Agreement:

- (a) by Novus pursuant to Section 8.2.1(d)(ii); or

- (b) by PanTerra pursuant to Section 8.2.1(c)(iii) but only if, in this termination event, (x) prior to such termination, a *bona fide* Acquisition Proposal for Novus shall have been made or publicly announced by any Person other than PanTerra, and (y) within 12 months following the date of such termination, Novus or one or more of its Subsidiaries (A) enters into a definitive agreement in respect of one or more Acquisition Proposals, or (B) there shall have been consummated one or more Acquisition Proposals for Novus.

If a Novus Termination Fee Event occurs, Novus shall pay the Novus Termination Fee to PanTerra by wire transfer of immediately available funds, as follows:

- (c) if the Novus Termination Fee is payable pursuant to Section 8.3.3(a), the Novus Termination Fee shall be payable prior to or simultaneously with such termination; or
- (d) if the Novus Termination Fee is payable pursuant to Section 8.3.3(b), the Novus Termination Fee shall be payable concurrently upon the earlier of the entering into of the applicable agreement referred to therein or upon the consummation of the Acquisition Proposal referred to therein.

8.3.4 Novus acknowledges that the agreements contained in this Section 8.3 are an integral part of the transactions contemplated in this Agreement and that, without those agreements, the Parties would not enter into this Agreement. Novus acknowledges that the Novus Termination Fee is a payment of liquidated damages which is a genuine pre-estimate of the damages, which PanTerra will suffer or incur as a result of the event giving rise to such payment and the resultant termination of this Agreement and are not penalties. Novus irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, Novus agrees that, upon any termination of this Agreement under circumstances where PanTerra is entitled to the Novus Termination Fee and the Novus Termination Fee is paid in full, PanTerra, shall be precluded from any other remedy against Novus at Law or in equity or otherwise (including, without limitation, an order for specific performance), and shall not seek to obtain any recovery, judgment, or damages of any kind, including consequential, indirect, or punitive damages, against Novus or any of its Subsidiaries or any of its directors, officers, employees, partners, managers, members, shareholders or affiliates or its representatives in connection with this Agreement or the transactions contemplated hereby, *provided, however* that payment by Novus of the Novus Termination Fee shall not be in lieu of any damages or any other payment or remedy available in the event of any wilful or intentional breach by Novus of any of its obligations under this Agreement. In the event this Agreement is terminated by PanTerra due to the occurrence of a Novus Termination Fee Event or by either Novus or PanTerra pursuant to Section 8.2.1(b)(iii), the Invercropolis Option and Shareholders Agreement shall be terminated concurrently with the termination of this Agreement. Each of Novus and PanTerra shall, and cause their respective Subsidiaries to, execute and deliver such further instruments and do such further acts and things as may be necessary to terminate the Invercropolis Option and Shareholders Agreement. In the event this Agreement and the Invercropolis Option and Shareholders Agreement is terminated pursuant

to Section 8.2.1(b)(iii), Novus shall return to PanTerra within seven business days by wire transfer of immediately available funds the amount of US\$250,000 that Novus is holding pursuant to the Invercropolis Option and Shareholders Agreement. For greater certainty, in the event the Novus Termination Fee is payable no payment will be required pursuant to this Section 8.3.4.

#### **8.4 Amendment**

Subject to the provisions of the Interim Order, the Plan of Arrangement and applicable Laws, this Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Novus Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, without further notice to or Authorization on the part of the Novus Securityholders, and any such amendment may without limitation:

- (a) change the time for performance of any of the obligations or acts of any of the Parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of any of the Parties; and
- (d) waive compliance with or modify any mutual conditions precedent herein contained.

#### **8.5 Waiver**

Any Party may (a) extend the time for the performance of any of the obligations or acts of the other Party, (b) waive compliance, except as provided herein, with any of the other Party's agreements or the fulfilment of any conditions to its own obligations contained herein, or (c) waive inaccuracies in any of the other Party's representations or warranties contained herein or in any document delivered by the other Party; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

### **ARTICLE 9** **GENERAL PROVISIONS**

#### **9.1 Privacy**

Each Party shall comply with applicable privacy Laws in the course of collecting, using and disclosing Personal information about an identifiable individual.

## 9.2 Notices

All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed to have been duly given and received on the day it is delivered, provided that it is delivered on a business day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if notice is delivered after 5:00 p.m. local time or if such day is not a business day then the notice shall be deemed to have been given and received on the next business day. Notice shall be sufficiently given if delivered (either in Person, by courier service or other Personal method of delivery), or if transmitted by facsimile or email to the Parties at the following addresses (or at such other addresses as shall be specified by any Party by notice to the other given in accordance with these provisions):

(a) if to PanTerra:

PanTerra Gold Limited  
55 Kirkham Road  
Bowral, New South Wales 2576  
Australia

Attention: Brian Johnson, Executive Chairman  
Facsimile: + 61 2 4861 7665  
Email: [brianjohnson@panterragold.com](mailto:brianjohnson@panterragold.com)

with a copy (which shall not constitute notice) to:

Fraser Milner Casgrain LLP  
20th Floor – 250 Howe Street  
Vancouver, British Columbia  
V6C 3R8

Attention: Alan Hutchison  
Facsimile: (604) 443-7119  
Email: [alan.hutchison@fmc-law.com](mailto:alan.hutchison@fmc-law.com)

(b) if to Novus:

Novus Gold Corp.  
1750 – 999 West Hastings Street  
Vancouver, British Columbia  
V6C 2W2

Attention: James Hutton  
Facsimile: (604) 683-7161  
Email: [•]

with a copy (which shall not constitute notice) to:

James L. Harris Law Corp.  
Suite 300 – 576 Seymour Street  
Vancouver, British Columbia  
V6B 3K1

Attention: James Harris  
Facsimile: (604) 688-6995  
Email: [jharris@thomasrondeau.com](mailto:jharris@thomasrondeau.com)

### **9.3 Governing Law**

This Agreement 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. Each of the Parties hereby irrevocably attorns to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters arising under and in relation to this Agreement and the Arrangement and waives any defences to the maintenance of an action in the Courts of the Province of British Columbia.

### **9.4 Injunctive Relief**

Subject to Section 8.3, the Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at Law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, the Parties agree that, in the event of any breach or threatened breach of this Agreement by a Party, the non-breaching Party will be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance, and the Parties shall not object to the granting of injunctive or other equitable relief on the basis that there exists an adequate remedy at Law. Subject to Section 8.3, such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at Law or equity to each of the Parties. Notwithstanding the foregoing or any other provision of this Agreement, the Parties acknowledge and agree that Novus shall not be entitled to enforce specifically the obligations of PanTerra to consummate the transactions contemplated by this Agreement unless all of the conditions set forth in Section 6.1 and Section 6.2 shall have been satisfied or waived.

### **9.5 Time of Essence**

Time shall be of the essence in this Agreement.

### **9.6 Entire Agreement, Binding Effect and Assignment**

This Agreement (including the exhibits and schedules hereto and the Novus Disclosure Letter) constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, between the Parties, or any of them, with respect to the subject matter hereof and

thereof and, except as expressly provided herein, this Agreement is not intended to and shall not confer upon any Person other than the Parties any rights or remedies hereunder. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by either of the Parties without the prior written consent of the other Parties.

#### **9.7 No Liability**

No director or officer of PanTerra shall have any personal liability whatsoever to Novus under this Agreement, or any other document delivered in connection with the transactions contemplated hereby on behalf of PanTerra. No director or officer of Novus shall have any personal liability whatsoever to PanTerra under this Agreement, or any other document delivered in connection with the transactions contemplated hereby on behalf of Novus. Except with respect to Section 7.4, this Agreement will not benefit or create any right or cause any action in or on behalf of any person other than the Parties hereto and no person other than the Parties hereto will be entitled to rely on the provisions hereof.

#### **9.8 Severability**

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

#### **9.9 Counterparts, Execution**

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF PanTerra and Novus have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**PANTERRA GOLD LIMITED**

Per: "Brian Johnson"  
Brian Johnson  
Executive Chairman

**NOVUS GOLD CORP.**

Per: "James Hutton"  
James Hutton  
Chairman

## SCHEDULE A PLAN OF ARRANGEMENT

Pursuant to Part 9, Division 5 of the *Business Corporations Act* (British Columbia), as amended

### ARTICLE 1 INTERPRETATION

1.1 In this Plan of Arrangement, any capitalized term used herein and not defined in this Section 1.1 shall have the meaning ascribed thereto in the Arrangement Agreement. Unless the context otherwise requires, the following words and phrases used in this Plan of Arrangement will have the meanings hereinafter set out:

**Arrangement** means the arrangement of Novus 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 8.4 of the Arrangement Agreement or the Plan of Arrangement or made at the direction of the Court in the Final Order.

**Arrangement Agreement** means the agreement made as of January 19, 2012 between PanTerra and Novus, including all schedules annexed thereto, together with the Novus Disclosure Letter, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

**Arrangement Resolution** means the special resolution of the Novus Securityholders approving the Plan of Arrangement which is to be considered at the Novus Meeting and shall be substantially in the form of Schedule B to the Arrangement Agreement.

**BCBCA** means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

**Business Day** means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia.

**Court** means the Supreme Court of British Columbia.

**Depository** means Computershare Investor Services Inc.

**Dissent Procedures** has the meaning ascribed thereto in Section 5.1.

**Dissent Rights** means the rights of dissent exercisable by the Novus Shareholders in respect of the Arrangement described in Article 5 hereto.

**Dissenter** means a Novus Shareholder who has duly exercised a Dissent Right and who is ultimately entitled to be paid the fair value of the Novus Shares held by such Novus Shareholder.

**Dissenting Shares** has the meaning ascribed thereto in Section 5.2.

**Effective Date** means the effective date of the Arrangement, being the second Business Day after the date upon which the Parties have confirmed that all conditions precedent (excluding conditions that, by their terms, cannot be satisfied until the Effective Date) to the completion of the Arrangement as set out in Article 6 of the Arrangement Agreement have been satisfied or waived in accordance with this Agreement, or such other date as may be agreed to by the Parties, and the Parties shall execute a certificate confirming the Effective Date.

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

**Exchange Rate** means 1:3, being one PanTerra Share being issuable upon the exchange of three Novus Shares.

**Final Order** means the final order of the Court, after a hearing upon the fairness of the terms and conditions of the Arrangement, approving the Arrangement, in a form acceptable to Novus and PanTerra, each acting reasonably, 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 on appeal.

**Interim Order** means the interim order of the Court contemplated by Section 2.2 of the Arrangement Agreement and made pursuant to Section 291 of the BCBCA, in a form acceptable to Novus and PanTerra, each acting reasonably, providing for, among other things, the calling and holding of the Novus Meeting, as the same may be amended by the Court.

**Novus** means Novus Gold Corp., a company incorporated under the laws of the Province of British Columbia.

**Novus Disclosure Letter** means the disclosure letter executed by Novus and delivered to PanTerra prior to or concurrently with the execution of the Arrangement Agreement.

**Novus Meeting** means the special meeting of Novus Shareholders, Novus Optionholders and Novus Warrantholders, voting as a single class, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

**Novus Option Plan** means the stock option plan of Novus, approved by the Novus Board on July 7, 2006 and by Novus Shareholders on July 31, 2006, effective November 29, 2006.

**Novus Optionholders** means the holders of Novus Options.

**Novus Options** means the outstanding options to purchase Novus Shares granted under the Novus Option Plan.

**Novus Securityholders** means Novus Shareholders, Novus Optionholders and Novus Warrantholders.

**Novus Shareholders** means the holders from time to time of Novus Shares and Novus Shareholder means any one of them.

**Novus Shares** means the common shares in the authorized share capital of Novus.

**Novus Warrantholders** means the holders of Novus Warrants.

**Novus Warrants** means outstanding warrants to purchase Novus Shares.

**PanTerra** means PanTerra Gold Limited, a corporation incorporated under the laws of Australia.

**PanTerra Options** has meaning ascribed thereto in Section 3.1(d).

**PanTerra Shares** means the common shares of PanTerra.

**PanTerra Warrants** has meaning ascribed thereto in Section 3.1(c).

**Plan of Arrangement** means this Plan of Arrangement and any amendments or variations thereto made in accordance with this Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of Novus and PanTerra, each acting reasonably.

**Registrar** means the Registrar of Companies appointed pursuant to Section 400 of the BCBCA.

**Subsidiary** has the meaning ascribed thereto in the National Instrument 45-106 - *Prospectus and Registration Exemptions*.

**Tax Act** means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

**Transmittal Letter** has the meaning ascribed thereto in Section 4.4.

1.2 In this Plan of Arrangement, unless otherwise expressly stated or the context otherwise requires:

- (a) the division of this Plan of Arrangement into Articles and Sections and the further division thereof into subsections and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise indicated, any reference in this Plan of Arrangement to an Article, Section or subsection refers to the specified Article, Section or subsection to this Plan of Arrangement;
- (b) the terms “hereof”, “herein”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto and, unless otherwise indicated, a reference herein to a Section is to the appropriate Section of this Plan of Arrangement;
- (c) words importing the singular number only will include the plural and vice versa, words importing the use of any gender will include all genders and words importing persons will include firms and corporations and vice versa;
- (d) the word “including” means “including, without limiting the generality of the foregoing”;
- (e) a reference to a statute is to that statute as now enacted or as the statute may from time to time be amended, re-enacted or replaced and includes any regulation, rule or policy made thereunder; and
- (f) all references to cash or currency in this Plan of Arrangement are to Canadian dollars unless otherwise indicated.

## **ARTICLE 2 ARRANGEMENT AGREEMENT**

2.1 This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.

2.2 This Plan of Arrangement will become effective as at the Effective Time and will be binding without any further authorization, act or formality on the part of the Court, or the Registrar, on PanTerra, Novus and the Novus Securityholders from and after the Effective Time.

**ARTICLE 3**  
**ARRANGEMENT**

3.1 On the Effective Date, subject to the provisions of Article 6 hereof, the following will occur and will be deemed to occur in the order and at the times set out below without any further authorization, act or formality:

- (a) Effective at the Effective Time, each issued Novus Share outstanding immediately prior to the Effective Time held by a Novus Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality to PanTerra, free and clear of any liens, claims and encumbrances, and:
  - (i) such Novus Shareholder shall cease to be the registered holder of such Dissenting Shares and shall cease to have any rights as registered holders of such Novus Shares other than the right to be paid fair value for such Dissenting Shares as set out in Sections 5.1 and 5.2;
  - (ii) such Novus Shareholder's name shall be removed as the registered holder of such Dissenting Shares from the registers of Novus Shares maintained by or on behalf of Novus; and
  - (iii) PanTerra shall be deemed to be the transferee of such Dissenting Shares, free and clear of any liens, claims and encumbrances, and shall be entered in the registers of Novus Shares maintained by or on behalf of Novus.
  
- (b) Immediately thereafter, each issued Novus Share (other than any Novus Share in respect of which a Novus Shareholder has validly exercised his, her or its Dissent Right) will be transferred to, and acquired by PanTerra, without any act or formality on the part of the holder of such Novus Shares or PanTerra, free and clear of all liens, claims and encumbrances, in exchange for one-third of one PanTerra Share and the name of each such Novus Shareholder will be removed from the register of holders of Novus Shares and added to the register of holders of PanTerra Shares, if applicable, and PanTerra will be recorded as the registered holder of such Novus Shares so exchanged and will be deemed to be the legal and beneficial owner thereof; provided that no fractional PanTerra Shares will be issued in connection with the exchange in this Section 3.1 but rather all PanTerra Shares that would otherwise be issuable will be rounded down to the nearest whole number of PanTerra Shares.
  
- (c) Immediately thereafter, the outstanding Novus Warrants will be exchanged solely for warrants to purchase PanTerra Shares (the "**PanTerra Warrants**") having the same terms and conditions as the Novus Warrants except that: (i) the PanTerra Warrants will be exercisable to purchase PanTerra Shares; (ii) the number of PanTerra Warrants that a Novus Warrantholder will be entitled to receive shall be equal to the number of Novus Warrants of such Novus

Warrantholder being exchanged for PanTerra Warrants multiplied by the Exchange Rate (rounded down to the nearest whole PanTerra Share); and (iii) the exercise price payable on the exercise of the PanTerra Warrants shall be equal to the exercise price of the respective Novus Warrants being exchanged divided by the Exchange Rate (rounded up to the nearest whole cent). No new certificates will be issued in respect of such PanTerra Warrants, and each certificate which represented an outstanding Novus Warrant shall, as and from the Effective Time, be deemed to represent a PanTerra Warrant.

- (d) Immediately thereafter, the outstanding Novus Options will be exchanged solely for options to purchase PanTerra Shares (the “**PanTerra Options**”) on the basis that: (i) the number of PanTerra Options that a Novus Optionholder will be entitled to receive shall be equal to the number of Novus Options of such Novus Optionholder being exchanged for PanTerra Options, multiplied by the Exchange Rate (rounded down to the nearest whole PanTerra Option); (ii) the exercise price payable by such Novus Optionholder on the exercise of the PanTerra Options received in the exchange shall be equal to the exercise price of the Novus Options being exchanged divided by the Exchange Rate (rounded up to the nearest whole cent); and (iii) the terms and conditions of the PanTerra Options issued in exchange for Novus Options will be the same as the terms and conditions of such Novus Options (including that all such options will be fully vested). No new certificates will be issued in respect of such PanTerra Options, and each certificate which represented an outstanding Novus Option shall, as and from the Effective Time, be deemed to represent a portion of a PanTerra Option; and

The transactions provided for in this Section 3.1 will be deemed to occur on the Effective Date and at the time specified notwithstanding that certain of the procedures related hereto are not completed until after the Effective Date.

3.2 Notwithstanding that the transactions or events set out in Section 3.1 may occur or be deemed to occur in the order therein set out without any further act or formality, each of Novus and PanTerra agree to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required by it in order to further document or evidence any of the transactions or events set out in Section 3.1 including, without limitation, any resolution of directors authorizing the issue, transfer or purchase for cancellation of shares, any share transfer powers evidencing the transfer of shares, any receipt therefor and any necessary additions to or deletions from share registers.

#### **ARTICLE 4 CERTIFICATES AND PAYMENTS**

4.1 PanTerra will, following receipt by Novus of the Final Order and prior to the Effective Time, deposit in escrow with the Depositary, the sufficient number of PanTerra Shares to satisfy the consideration issuable and/or payable to the Novus Shareholders pursuant to this Plan of Arrangement

(other than Novus Shareholders exercising Dissent Rights and who have not withdrawn their notice of objection).

4.2 After the Effective Date, certificates formerly representing Novus Shares which are held by a Novus Shareholder will, except for Novus Shares held by Dissenters, represent only the right to receive the consideration issuable and/or payable therefor pursuant to Section 3.1 in accordance with the terms of this Plan of Arrangement.

4.3 No dividends or other distributions declared or made after the Effective Date with respect to the PanTerra Shares with a record date after the Effective Date will be payable or paid to the holder of any unsurrendered certificate or certificates for Novus Shares which, immediately prior to the Effective Date, represented outstanding Novus Shares and will not be payable or paid until the surrender of certificates for Novus Shares for exchange for the consideration issuable and/or payable therefor pursuant to Section 3.1 in accordance with the terms of this Plan of Arrangement.

4.4 As soon as reasonably practicable after the Effective Date (subject to Section 7.2), the Depositary will forward to each Novus Shareholder that submitted a duly completed letter of transmittal ("**Transmittal Letter**") to the Depositary, together with the certificate (if any) representing the Novus Shares held by such Novus Shareholder, the certificates representing the PanTerra Shares (if any) issued to such Novus Shareholder pursuant to Section 3.1(b), which shares will be registered in such name or names and either (i) delivered to the address or addresses as such Novus Shareholder directed in their Transmittal Letter or (ii) made available for pick up at the offices of the Depositary in accordance with the instructions of the Novus Shareholder in the Transmittal Letter. Novus Shareholders that did not submit an effective Transmittal Letter prior to the Effective Date may take delivery of the consideration issuable and/or payable to them by delivering the certificates representing Novus Shares or Novus Shares formerly held by them to the Depositary at the offices indicated in the Transmittal Letter. Such certificates must be accompanied by a duly completed Transmittal Letter, together with such other documents as the Depositary may require. Certificates representing the PanTerra Shares issued to such Novus Shareholder pursuant to Section 3.1 will be registered in such name or names and either (i) delivered to the address or addresses as such Novus Shareholder directed in their Transmittal Letter or (ii) made available for pick up at the offices of the Depositary in accordance with the instructions of the Novus Shareholder in the Transmittal Letter, as soon as reasonably practicable after receipt by the Depositary of the required certificates and documents.

4.5 Any certificate which immediately prior to the Effective Date represented outstanding Novus Shares and which has not been surrendered, with all other instruments required by this Article 4, on or prior to the sixth anniversary of the Effective Date, will cease to represent any claim against or interest of any kind or nature in Novus, PanTerra or the Depositary.

4.6 In the event any certificate, which immediately before the Effective Time represented one or more outstanding Novus Share that was exchanged pursuant to Section 3.1, is lost, stolen or destroyed,

upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depository will issue in exchange for such lost, stolen or destroyed certificate, the consideration to which such Person is entitled in respect of the Novus Shares represented by such lost, stolen, or destroyed certificate pursuant to Section 3.1 deliverable in accordance with such Person's Transmittal Letter. When authorizing such issuances or payment in exchange for any lost, stolen or destroyed certificate, the Person to whom consideration is to be issued and/or paid will, as a condition precedent to the issuance and/or payment thereof, give a bond satisfactory to PanTerra and its transfer agent in such sum as PanTerra may direct or otherwise indemnify PanTerra in a manner satisfactory to it, against any Claim that may be made against one or both of them with respect to the certificate alleged to have been lost, stolen or destroyed.

## **ARTICLE 5 RIGHTS OF DISSENT AND APPRAISAL**

5.1 Notwithstanding Section 3.1, registered holders of Novus Shares may exercise rights of dissent (the "**Dissent Rights**") in connection with the Arrangement pursuant to the Interim Order and in the manner set forth in Sections 242 to 247 of the BCBCA (collectively, the "**Dissent Procedures**"), subject to the provisions of this Article 5; provided, however, that notwithstanding Section 242 of the BCBCA, any notices of dissent in respect of the Arrangement Resolution must be received by Novus not later than 5:00 p.m. (Vancouver time) on the day which is two business days preceding the Novus Meeting.

5.2 Novus Shareholders who duly exercise Dissent Rights with respect to their Novus Shares ("**Dissenting Shares**") and who are ultimately:

- (a) entitled to be paid the fair value for their Dissenting Shares will be paid by PanTerra the amount to which the Dissenter is entitled to be paid for their Dissenting Shares in accordance with Section 245 of the BCBCA; or
- (b) not entitled for any reason to be paid for their Dissenting Shares, will be deemed to have participated in the Arrangement on the same basis as a non-dissenting Novus Shareholder and will receive the consideration issuable and/or payable to them,

but in no case will Novus, PanTerra or any other Person be required to recognize such Persons as holding Novus Shares on or after the Effective Date.

## **ARTICLE 6 EFFECT OF THE ARRANGEMENT**

6.1 As at and from the Effective Time:

- (a) Novus will be a wholly-owned Subsidiary of PanTerra;

- (b) the rights of creditors against the property and interests of Novus will be unimpaired by the Arrangement;
- (c) Novus Shareholders, other than Dissenters, will hold PanTerra Shares in replacement for their Novus Shares, as provided by the Plan of Arrangement; and
- (d) the rights and obligations of Novus Optionholders and Novus Warrantholders shall be amended as provided for in this Plan of Arrangement.

6.2 PanTerra, Novus and the Depositary will be entitled to deduct and withhold from any consideration payable to any holder of Novus Shares and to any Dissenter, such amounts as PanTerra, Novus or the Depositary 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 provincial, state, local or foreign tax laws, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes hereof as having been paid to the holder of the shares in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. Each of Novus, PanTerra and the Depositary is hereby authorized to sell or otherwise dispose of such portion of the cash or PanTerra Shares payable as consideration as is necessary to provide sufficient funds to PanTerra, Novus or the Depositary, as the case may be, to enable it to comply with such deduction or withholding requirement, and PanTerra, Novus or the Depositary will notify the holder thereof and remit to the holder any unapplied balance of the net proceeds of such sale.

## **ARTICLE 7 AMENDMENTS**

7.1 PanTerra and Novus reserve the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Date, provided that any such amendment, modification or supplement must be contained in a written document that is approved by each of PanTerra and Novus and is filed with the Court. Subject to Section 7.3, if such amendment, modification or supplement is made following the Novus Meeting, it shall be approved by the Court and, if required by the Court, communicated to the Novus Shareholders, and will become part of the Arrangement upon completion of all the conditions required in the Court approval.

7.2 Save and except as may be otherwise provided in the Interim Order, any amendment, modification or supplement to this Plan of Arrangement may be proposed by PanTerra or Novus (provided that the other shall have consented thereto) at any time prior to the Novus Meeting with or without any other prior notice or communication to Novus Shareholders, and if so proposed and accepted by Novus Shareholders voting at the Novus Meeting, will become part of this Plan of Arrangement for all purposes.

7.3 Any amendment, modification or supplement to this Plan of Arrangement may be made by PanTerra and Novus without approval of the Novus Shareholders provided that it concerns a matter which, in the reasonable opinion of PanTerra and Novus is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not materially adverse to the financial or economic interests of any of the Novus Shareholders.

**ARTICLE 8  
FURTHER ASSURANCES**

8.1 Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement 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 further to document or evidence any of the transactions or events set out therein.

## SCHEDULE B ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under Section 288 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) involving Novus Gold Corp., a corporation existing under the Laws of the Province of British Columbia (“**Novus**”) and PanTerra Gold Limited, a corporation existing under the laws of Australia (“**PanTerra**”), all as more particularly described and set forth in the Management Proxy Circular (the “**Circular**”) of Novus dated •, 2012, accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.
2. The plan of arrangement (the “**Plan of Arrangement**”), involving Novus and implementing the Arrangement, the full text of which is set out in Appendix [•] to the Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.
3. The arrangement agreement (the “**Arrangement Agreement**”) between Novus and PanTerra, dated January •, 2012, and all the transactions contemplated therein, the actions of the directors of Novus in approving the Arrangement and the actions of the directors and officers of Novus in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved.
4. Notwithstanding that, this resolution has been passed (and the Arrangement approved) by the securityholders of Novus or that the Arrangement has been approved by the British Columbia Supreme Court, the directors of Novus are hereby authorized and empowered, without further notice to, or approval of, the securityholders of Novus:
  - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
  - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.
5. Any director or officer of Novus is hereby authorized and directed for and on behalf of Novus to execute, whether under corporate seal of Novus or otherwise, and to deliver any records, information or other documents required by the Registrar under the BCBCA in accordance with the Arrangement Agreement.
6. Any one or more directors or officers of Novus is hereby authorized, for and on behalf and in the name of Novus, to execute and deliver, whether under corporate seal of Novus or otherwise, all such agreements, forms waivers, notices, certificate, confirmations and other documents and

instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

- (a) all actions required to be taken by or on behalf of Novus, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
- (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Novus,

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.

**SCHEDULE C**  
**NOVUS KEY THIRD PARTY CONSENTS**