

ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is made as of the 2nd day of February, 2021.

BETWEEN:

G2 GOLDFIELDS INC., a corporation incorporated pursuant to the laws of Canada

("G2")

- and -

S2 MINERALS INC., a corporation incorporated pursuant to the laws of the Province of Ontario, Canada

("S2")

RECITALS:

- A. G2 and S2 have agreed to proceed with a reorganization transaction by way of Plan of Arrangement whereby, among other things, G2 will undertake a reorganization and spin-out S2 Common Shares (as defined below) to the G2 Shareholders (as defined below) as a return of capital and S2 will then issue S2 Rights (as defined below) to purchase S2 Common Shares, with the result that G2 Shareholders as of the Effective Date (as defined below) will receive S2 Common Shares and S2 Rights in connection with the Arrangement (as defined below).
- B. G2 proposes to have the G2 Shareholders consider the Arrangement on the terms set forth in the Plan of Arrangement.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the premises and the respective covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereto do hereby covenant and agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions

In this Agreement, including the recitals hereto, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

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

"Agreement" means this arrangement agreement, including the Schedules attached hereto, as may be supplemented or amended from time to time;

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

“Arrangement Resolution” means the special resolution of the G2 Shareholders in respect of the Arrangement to be considered at the Meeting, substantially in the form of Schedule “B” hereto;

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

“Board of Directors” means the duly appointed board of directors of G2 or S2, as applicable;

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

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

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

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

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

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

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

“Final Order” means the final order of the Court pursuant to Section 192(3) of the CBCA, after a hearing upon the fairness of the terms and conditions of the Arrangement, in a form acceptable to G2 approving the Arrangement as such order may be amended by the Court (with the consent of G2) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to G2) on appeal, and after notice and a hearing at which all G2 Shareholders have the right to appear;

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

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

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

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

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

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

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

“Plan of Arrangement” means the plan of arrangement in substantially the form of the plan of arrangement which is attached as Schedule “A” hereto and any amendments or variations thereto made in accordance with this Agreement, the Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of G2;

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

“S2 Common Shares” means the common shares of S2;

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

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

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

“U.S. Exchange Act” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated from time to time thereunder; and

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

Section 1.2 Interpretation Not Affected by Headings

The division of this Agreement into articles, sections, paragraphs and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement (including the Schedules and appendices hereto) as a whole and not to any particular article, section, paragraph or other portion hereof and include any agreement, document or instrument supplementary or ancillary hereto. Unless something in the subject matter or context is inconsistent therewith, all references herein

to articles, sections, paragraphs and other portions are to articles, sections, paragraphs and other portions of this Agreement.

Section 1.3 Construction

In this Agreement, unless something in the context is inconsistent therewith:

- (a) the words “include” or “including” when following any general term or statement are not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting it to refer to all other items or matters that could reasonably fall within its broadest possible scope;
- (b) a reference to time or date is to the time or date in Toronto, Ontario, unless specifically indicated otherwise;
- (c) a word importing the masculine gender includes the feminine gender or neuter and a word importing the singular includes the plural and *vice versa*; and
- (d) a reference to “approval”, “authorization”, “consent”, “designation” or “notice” means written approval, authorization, consent, designation or notice unless specifically indicated otherwise.

Section 1.4 Date for Any Action

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

Section 1.5 Currency

All amounts of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

Section 1.6 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

Section 1.7 Entire Agreement

This Agreement, together with the Schedules, agreements and other documents herein or therein referred to, constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof.

ARTICLE 2 THE ARRANGEMENT

Section 2.1 Arrangement

G2 and S2 agree to effect the Arrangement pursuant to the provisions of Section 192 of the CBCA on the terms and subject to the conditions contained in this Agreement and on the terms set forth in the Plan of Arrangement.

Section 2.2 Effective Date of Arrangement

Subject to the rights of termination contained in Article 6 hereof, upon G2 obtaining the Final Order and the other conditions contained in Article 5 hereof being complied with or waived, G2 shall file the Articles of Arrangement and G2 and S2 shall execute and deliver such other documents, if any, to the Director as may be required in order to effect the Arrangement. The Arrangement shall become effective on the Effective Date and the steps to be carried out pursuant to the Plan of Arrangement will become effective commencing at the Effective Time immediately after one another in the sequence set out therein or as otherwise specified in the Plan of Arrangement.

Section 2.3 Commitment to Effect Arrangement

Subject to the satisfaction of the terms and conditions contained in this Agreement, G2 and S2 shall each use all reasonable efforts and do all things reasonably required to cause the Arrangement to become effective as soon as reasonably practicable and to cause the transactions contemplated by the Plan of Arrangement and this Agreement to be completed in accordance with their terms.

Section 2.4 Interim and Final Order

Subject to the satisfaction of the terms and conditions contained in this Agreement, G2 covenants and agrees that it will, as soon as reasonably practicable, apply to the Court for the Interim Order, such application providing for, among other things, the calling and holding of the Meeting for the purpose of, among other matters, the G2 Shareholders considering and, if deemed advisable, approving the Arrangement Resolution and the Stated Capital Resolution, and that, if the approval by the G2 Shareholders of the Arrangement Resolution and the Stated Capital Resolution as set forth in the Interim Order is obtained by G2, as soon as reasonably practicable thereafter G2 will take the necessary steps to submit the Arrangement to the Court and apply for the Final Order, requesting an order of the Court approving the transactions contemplated herein and the procedural and substantive fairness of the terms and conditions of the exchange, after notice and a hearing upon the fairness of such terms and conditions at which all G2 Shareholders have the right to appear.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of G2

G2 hereby represents and warrants to S2 as follows:

- (a) it is a corporation incorporated and subsisting under the laws of Canada and has full capacity and authority to enter into this Agreement and, subject to obtaining the requisite approvals and consents contemplated hereby, to perform its obligations hereunder;
- (b) it has taken all corporate action necessary to authorize the execution and delivery, and the performance of the provisions, of this Agreement and this Agreement has been duly authorized by it;
- (c) neither the execution and delivery of this Agreement nor the performance of any of its obligations hereunder will constitute a material default under, or be in any material contravention or breach of: (i) any provision of its articles and by-laws; (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it; or (iii) any agreement or instrument to which it is a party or by which it is bound; and
- (d) no dissolution, winding-up, bankruptcy, liquidation or similar proceedings have been commenced or are pending or proposed in respect of it.

Section 3.2 Representations and Warranties of S2

S2 hereby represents and warrants to G2 as follows:

- (a) it is a corporation incorporated and subsisting under the laws of the Province of Ontario and has full capacity and authority to enter into this Agreement and, subject to obtaining the requisite approvals and consents contemplated hereby, to perform its obligations hereunder;
- (b) it has taken all corporate action necessary to authorize the execution and delivery, and the performance of the provisions, of this Agreement and this Agreement has been duly authorized by it;
- (c) neither the execution and delivery of this Agreement nor the performance of any of its obligations hereunder will constitute a material default under, or be in any material contravention or breach of: (i) any provision of its articles and by-laws; (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it; or (iii) any agreement or instrument to which it is a party or by which it is bound; and
- (d) no dissolution, winding-up, bankruptcy, liquidation or similar proceedings have been commenced or are pending or proposed in respect of it.

ARTICLE 4 COVENANTS

Section 4.1 General Covenants

Each of G2 and S2 will:

- (a) use all commercially reasonable efforts and do all things reasonably required of it to cause the Arrangement to become effective as soon as reasonably practicable or on such date as G2 may determine;

- (b) do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments as may reasonably be required to facilitate the carrying out of the intent and purpose of this Agreement including, without limitation, complying with the requirements for obtaining an exemption from the registration requirements of the U.S. Securities Act; and
- (c) cooperate with and assist each other in dealing with transitional matters relating to or arising from the Arrangement or this Agreement.

Section 4.2 Covenants of G2

G2 hereby covenants and agrees with S2 as follows:

- (a) it shall in a timely and expeditious manner: (i) carry out the terms of the Interim Order; (ii) ensure that the Circular complies with *National Instrument 51-102 – Continuous Disclosure Obligations* and Form 51-102F5 thereunder and *Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions* and provide G2 Shareholders with sufficient detail to permit them to form a reasoned judgment concerning the matters to be placed before them at the Meeting; (iii) file the Circular in all jurisdictions where the same is required to be filed and mail the same as ordered by the Interim Order and in accordance with all applicable laws, and solicit proxies to be voted at the Meeting in favour of the Arrangement and related matters; (iv) conduct the Meeting in accordance with the Interim Order and the by-laws of G2, as applicable, and as otherwise required by applicable laws; and (v) use commercially reasonable efforts to obtain such other consents, orders, rulings, approvals and assurances as counsel may advise are necessary or desirable in connection with the completion of the Arrangement and as contemplated by this Agreement;
- (b) provide S2 with any information required regarding G2 to ensure that S2 can comply with the exemption from the registration requirement for the S2 Common Shares to be issued under the Arrangement under the U.S. Exchange Act provided by Rule 12g3-2(b) thereunder; and
- (c) it will use all reasonable efforts to cause each of the conditions precedent set out in Section 5.1 and Section 5.2 hereof to be complied with on or before the Effective Date.

Section 4.3 Covenants of S2

S2 hereby covenants and agrees with G2 as follows:

- (a) except as otherwise contemplated in this Agreement, until the Effective Date, it shall not merge into or with, or amalgamate or consolidate, or enter into any other corporate reorganization with, any other corporation or Person, perform any act or enter into any transaction or negotiation which reasonably could be expected to, directly or indirectly, interfere or be inconsistent with the completion of the Arrangement or the other transactions contemplated by this Agreement;

- (b) it shall perform the obligations required to be performed by it, and shall enter into all agreements required to be entered into by it, under this Agreement and the Plan of Arrangement and shall do all such other acts and things as may be necessary or desirable in order to carry out and give effect to the Arrangement and related transactions as described in the Circular and, without limiting the generality of the foregoing, to the extent requested by G2, it shall seek and cooperate with G2 in seeking (i) the Interim Order and the Final Order; and (ii) such other consents, orders, rulings, approvals and assurances as counsel may advise are necessary or desirable in connection with the completion of the Arrangement;
- (c) it shall take such actions as are reasonably required for S2 to comply with the exemption from the registration requirement for S2 Common Shares to be issued under the Arrangement under the U.S. Exchange Act provided by Rule 12g3-2(b) thereunder on the Effective Date; and
- (d) it will use all reasonable efforts to cause each of the conditions precedent set out in Section 5.1 and Section 5.2 hereof to be complied with on or before the Effective Date.

ARTICLE 5 CONDITIONS

Section 5.1 Mutual Conditions Precedent

The respective obligation of the parties hereto to complete the transactions contemplated by this Agreement, including the Arrangement, the obligation of G2 to file the Articles of Arrangement and the obligation of each of G2 and S2 to take such other action as is necessary or desirable to give effect to the Arrangement shall be subject to the satisfaction, on or before the Effective Date, of the following conditions:

- (a) the Interim Order shall have been granted in form and substance satisfactory to G2;
- (b) each of the Stated Capital Resolution and the Arrangement Resolution, with or without amendment, shall have been approved at the Meeting, in accordance with the Interim Order;
- (c) the Court shall have determined that the terms and conditions of the Arrangement are procedurally and substantively fair to the G2 Shareholders and the Final Order shall have been granted in form and substance satisfactory to G2, and shall not have been set aside or modified in a manner unacceptable to G2, on appeal or otherwise;
- (d) the S2 Common Shares to be issued in the United States pursuant to the Arrangement shall be issued in accordance with and exempt from registration requirements under applicable exemptions from registration under the U.S. Securities Act;
- (e) all governmental, court, regulatory, third party and other approvals, consents, expiry of waiting periods, waivers, permits, exemptions, orders and agreements and all amendments and modifications to, and terminations of, agreements, indentures and arrangements considered by G2 to be necessary or desirable for

the Arrangement to become effective shall have been obtained or received on terms that are satisfactory to G2;

- (f) no action will have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of, or damages on account of or relating to the Arrangement and there will not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and no cease trading or similar order with respect to any securities of any of the parties will have been issued and remain outstanding;
- (g) none of the consents, orders, rulings, approvals or assurances required for the implementation of the Arrangement will contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by G2;
- (h) no law, regulation or policy will have been proposed, enacted, promulgated or applied that interferes or is inconsistent with the completion of the Arrangement; and
- (i) this Agreement shall not have been terminated pursuant to Section 6.2 hereof.

Section 5.2 Conditions and Obligations of Each Party

The obligation of each of G2 and S2 to complete the transactions contemplated by this Agreement, including the Arrangement, is further subject to the condition, which may be waived by either of the parties hereto without prejudice to the right of such party hereto to rely on any other condition in favour of such party hereto, that each and every one of the covenants of the other party hereto to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been performed by such party hereto and that, except as affected by the transactions contemplated by this Agreement, the representations and warranties of the other party hereto shall be true and correct in all material respects on the Effective Date, with the same effect as if such representations and warranties had been made on the Effective Date.

ARTICLE 6 AMENDMENT AND TERMINATION

Section 6.1 Amendment

Subject to any restrictions under the CBCA or in the Final Order, this Agreement (including the Schedules attached hereto) may, at any time and from time to time before or after the holding of the Meeting, but not later than the Effective Date, be amended by written agreement of the parties hereto without, subject to applicable law, further notice to, or authorization on the part of, the G2 Shareholders. Without limiting the generality of the foregoing, any such amendment may:

- (a) change the time for performance of any of the obligations or acts of the parties;
- (b) waive any inaccuracies or modify any representation contained herein or in any document to be delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained or waive or modify performance of any of the obligations of the parties; or

- (d) make such alterations in this Agreement (including the Plan of Arrangement) as the parties may consider necessary or desirable in connection with the Interim Order or the Final Order.

Section 6.2 Termination

This Agreement may, at any time before or after the holding of the Meeting but prior to the Effective Date, be unilaterally terminated by G2 without further notice to, or action on the part of, the G2 Shareholders for whatever reason G2 may consider appropriate. This Agreement will terminate without any further action by the parties if the Effective Date has not occurred on or before June 30, 2021 or such later date as G2 may determine.

Section 6.3 Effect of Termination

Upon the termination of this Agreement pursuant to Section 6.2 hereof, neither party hereto shall have any liability or further obligation to the other party hereto.

ARTICLE 7 MERGER AND SURVIVAL

Section 7.1 Merger of Conditions

The conditions set out in Section 5.1 and Section 5.2 hereof shall be conclusively deemed to have been satisfied or waived upon the Effective Date.

Section 7.2 Merger of Covenants

The provisions of Section 4.1, Section 4.2 and Section 4.3 hereof shall be conclusively deemed to have been satisfied in all respects upon the Effective Date.

Section 7.3 Survival of Representations and Warranties

The representations and warranties of G2 and S2 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 8 GENERAL

Section 8.1 Notices

All notices to either of the parties hereto which may or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be deemed to be validly given if served personally or by email, in each case to the attention of the senior officer at the following address or at such other address as shall be specified by a party hereto by like notice:

(a) if to G2:

Suite 1101
141 Adelaide Street West
Toronto, ON M5H 3L5

Attention: Paul Murphy, Chief Financial Officer
Email: [Redacted]

(b) if to S2:

Suite 1101
141 Adelaide Street West
Toronto, ON M5H 3L5

Attention: Dan Noone, Director and Chief Executive Officer
Email: [Redacted]

Any notice that is delivered to such address shall be deemed to be delivered on the date of delivery if delivered on a Business Day prior to 5:00 p.m. (local time at the place of receipt) or on the next Business Day if delivered after 5:00 p.m. or on a non-Business Day. Any notice delivered by email shall be deemed to be delivered on the date of transmission.

Section 8.2 Time of the Essence

Time shall be of the essence of this Agreement.

Section 8.3 Assignment

Neither of the parties hereto may assign its rights or obligations under this Agreement or the Arrangement without the prior written consent of the other.

Section 8.4 Binding Effect

This Agreement and the Plan of Arrangement shall be binding upon and shall enure to the benefit of each of the parties hereto and the respective successors and permitted assigns thereof.

Section 8.5 Waiver

Any waiver or release of any of the provisions of this Agreement, to be effective, must be in writing executed by the party hereto granting such waiver or release.

Section 8.6 Further Assurances

Each party hereto shall, from time to time, and at all times hereafter, at the request of the other, but without further consideration, do, or cause to be done, all such other acts, and execute and deliver, or cause to be executed and delivered, all such further agreements, transfers, assurances, instruments or documents as may be reasonably required in order to fully perform and carry out the terms and intent hereof including, without limitation, the Arrangement.

Section 8.7 Governing Law

This Agreement shall be governed by, and be construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein but the reference to such laws shall not, by conflict of laws rules or otherwise, require the application of the law of any jurisdiction other than the Province of Ontario.

Section 8.8 Expenses

All expenses incurred in connection with this Agreement, the Arrangement and the transactions contemplated hereby and thereby shall be borne by G2.

Section 8.9 Counterparts

This Agreement may be executed in one or more counterparts, by original, facsimile or pdf signature, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date and year first above written.

G2 GOLDFIELDS INC.

By: "Paul Murphy"
Authorized Signatory

S2 MINERALS INC.

By: "Daniel Noone"
Authorized Signatory

SCHEDULE “A”
PLAN OF ARRANGEMENT
UNDER THE PROVISIONS OF SECTION 192
OF THE CANADA BUSINESS CORPORATIONS ACT

ARTICLE 1
INTERPRETATION

1.1 Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“Final Order” means the final order of the Court pursuant to Section 192(3) of the CBCA, after a hearing upon the fairness of the terms and conditions of the Arrangement, in a form acceptable to G2 approving the Arrangement as such order may be amended by the Court (with the consent of G2) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to G2) on appeal, and after notice and a hearing at which all G2 Securityholders have the right to appear;

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

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

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

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

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

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

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

“Plan of Arrangement” means this plan of arrangement and any amendments or variations thereto made in accordance with this Agreement, the Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of G2;

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

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

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

“**S2 Common Shares**” means the common shares of S2;

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

“**S2 Shareholders**” means the holders of G2 Common Shares who receive S2 Common Shares pursuant to the Arrangement;

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

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

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

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

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

1.2 Sections and Headings

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

1.3 Number, Gender and Persons

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

1.4 Statutory References

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

1.5 Currency

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

1.6 Business Day

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

1.7 Governing Law

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

1.8 Binding Effect

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

ARTICLE 2 ARRANGEMENT

2.1 Preliminary Steps to the Arrangement

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

2.2 Arrangement

Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following sequence or as otherwise provided below or herein, without any further act or formality:

- (a) Each G2 Common Share in respect of which a G2 Shareholder has validly exercised Dissent Rights (each a "**Dissent Share**") shall be cancelled and the holder (the "**Dissenting Shareholder**") shall cease to have any rights as a holder of such G2 Common Share other than the right to be paid the fair value of such G2 Common Share in accordance with Article 3 of this Plan of Arrangement.
- (b) G2 will transfer all of the claims comprising the Sandy Lake Property in exchange for that number of S2 Common Shares as determined by the Board of Directors of G2 and G2 and S2 will file a joint election under Section 85 of the Tax Act and any applicable provincial tax laws.

- (c) G2 will distribute one S2 Common Share in accordance with the provisions of Article 4 of this Plan of Arrangement for every ten G2 Common Shares then held by G2 Shareholders (other than a Dissenting Shareholder) as of the Effective Date as a return of capital pursuant to a reorganization of G2's business and a distribution of proceeds from a disposition of G2's property outside the ordinary course of G2's business.
- (d) S2 will issue to the S2 Shareholders one S2 Right for each S2 Common Share and the S2 Rights shall be distributed in accordance with the provisions of the Rights Agency Agreement.

ARTICLE 3 RIGHTS OF DISSENT

3.1 Rights of Dissent

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

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

3.2 Recognition of Dissenting Shareholders

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

3.3 General Dissent Rights

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

ARTICLE 4 CERTIFICATES AND FRACTIONAL SECURITIES

4.1 Delivery of Securities

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

4.2 Withholding Rights

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

4.3 No Fractional Securities

No fractional S2 Common Shares or S2 Rights will be distributed or issued, as applicable. In the event that a G2 Shareholder or S2 Shareholder would otherwise be entitled to a fractional S2 Common Share or S2 Right hereunder, the number of S2 Common Shares or S2 Rights, as applicable, distributed or issued to such G2 Shareholder or S2 Shareholder, as applicable, shall, without any additional compensation, be rounded down to the next lesser whole number of S2 Common Shares or S2 Rights, as applicable. In calculating such fractional interests, all G2 Common Shares registered in the name of or beneficially held by such G2 Shareholder or their nominee shall be aggregated.

ARTICLE 5 AMENDMENTS

5.1 Right to Amend

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

- (a) approved by S2;
- (b) filed with the Court and, if made following the Meeting, approved by the Court; and

- (c) communicated to G2 Shareholders in the manner required by the Court (if so required).

5.2 Amendment Before the Meeting

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

5.3 Amendment After the Meeting

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

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

5.4 Amendment After the Effective Date

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

ARTICLE 6 FURTHER ASSURANCES

6.1 Further Assurances

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

ARTICLE 7 TERMINATION

7.1 Termination

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

SCHEDULE "B"

ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE G2 SHAREHOLDERS THAT:

1. The arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* (the "**CBCA**") involving G2 Goldfields Inc., a corporation existing under the laws of Canada ("**G2**"), its shareholders and S2 Minerals Inc., a corporation existing under the laws of the Province of Ontario ("**S2**"), all as more particularly described and set forth in the management information circular (the "**Circular**") of G2 dated ●, 2021 accompanying the notice of 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**") implementing the Arrangement, the full text of which is appended 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 G2 and S2 dated February 2, 2021 and all the transactions contemplated therein, the actions of the directors of G2 in approving the Arrangement and the actions of the directors and officers of G2 in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved.
4. Notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of G2 or that the Arrangement has been approved by the Ontario Superior Court of Justice (Commercial List), the directors of G2 are hereby authorized and empowered, without further notice to, or approval of, the shareholders of G2:
 - (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 G2 is hereby authorized and directed, for and on behalf of G2 to execute Articles of Arrangement to give effect to the Plan of Arrangement and to deliver such other documents as are necessary or desirable under the CBCA in accordance with the Articles of Arrangement.
6. Any director or officer of G2 is hereby authorized and directed, for and on behalf and in the name of G2, to execute and deliver, whether under the corporate seal of G2 or otherwise, all such deeds, instruments, assurances, agreements, forms, waivers, notices, certificates, confirmations and other documents and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement, the Articles of Arrangement 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 G2, 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 G2,

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.