ARRANGEMENT AGREEMENT

THIS AGREEMENT is made as of the 11th day of January, 2013, and is

BETWEEN:

ESCUDO CAPITAL CORPORATION, a company incorporated under the laws of the Province of British Columbia

("Escudo")

AND:

ASTON BAY VENTURES LTD., a company incorporated under the laws of the Province of British Columbia

("Aston Bay")

BACKGROUND

A. Escudo is a reporting issuer whose common shares are listed for trading on the TSX Venture Exchange and is a capital pool company pursuant to the policies of the TSX Venture Exchange.

B. Escudo and Aston Bay propose that Aston Bay effect an arrangement under the British Columbia *Business Corporations Act* that will result in the shareholders of Aston Bay receiving common shares of Escudo in exchange for their shares of Aston Bay and, as a result, Aston Bay becoming the wholly owned subsidiary of Escudo, on the terms and conditions set forth in the Plan of Arrangement attached as Schedule A.

IN CONSIDERATION of the covenants and agreement herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree as follows:

ARTICLE 1. DEFINITIONS AND INTERPRETATION

1.1 **Definitions.** In this Agreement:

(a) "Act" mans the *Securities Act* British Columbia), including the regulations promulgated thereunder, as amended from time to time;

(b) "Agreement" means this Arrangement Agreement;

(c) "Arrangement" means the arrangement under the provisions of the BCA on the terms and conditions set forth in the Plan of Arrangement;

(d) "Arrangement Resolution" means a special resolution as defined in the BCA of the Aston Bay Shareholders approving the Arrangement;

(e) “Aston Bay Financial Statements” has the meaning given thereto in section 4.1(k) hereof;

(f) “Aston Bay Shareholders” means the holders of Aston Bay Shares;

(g) “Aston Bay Shares” means the common shares in the capital of Aston Bay;

(h) “BCA” means the British Columbia *Business Corporations Act*, as amended;

(i) “Canadian Securities Laws” means (a) the Act and the equivalent legislation in each Province and Territory of Canada; (b) the rules, regulations, instruments and policies adopted by the securities regulatory authority in any Province or Territory of Canada; and (c) the policies of the TSX Venture Exchange, each as amended from time to time;

(j) “Concurrent Private Placement” means the private placement of a minimum of 2,000,000 and a maximum of 5,000,000 Escudo Common Shares on a flow-through basis at a per share price of $0.25 and a minimum of 1,000,000 and a maximum of 3,000,000 Escudo Common Shares on a non-flow-through basis at a per share price of $0.20, such private placement to close immediately before the Arrangement being effected;

(k) “Court” means the Supreme Court of British Columbia;

(l) “Effective Date” means the second business day in Vancouver, British Columbia following the day on which the Order is made;

(m) “Effective Time” means 10:00 a.m. (Vancouver time) on the Effective Date;

(n) “Encumbrances” means security interests, liens, royalties, charges, mortgages, pledges and encumbrances of any nature or kind whatsoever, whether written or oral, or direct or indirect;

(o) “Environmental Claims” mean any and all administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigations or proceedings relating in any way to any Environmental Law or any permit issued under any such Environmental Law, including, without limitation:

(i) any and all claims by Governmental Entity for enforcement, clean-up, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law; and

(ii) any and all claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive or other relief resulting from hazardous materials, including any release thereof, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment.

(p) "Environmental Law" means all requirements of the common law, civil code or of environmental, health or safety statutes, regulations, rules, ordinances, policies, orders, approvals, notices, licenses, permits or directives of any federal, territorial, provincial or local judicial, regulatory or administrative agency, board or governmental authority including, but not limited to those relating to:

(i) noise,

(ii) pollution or protection of the air, surface water, ground water or land,

(iii) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation,

(iv) exposure to hazardous or toxic substances, or

(v) the closure, decommissioning, dismantling or abandonment of any facilities, mines or workings and the reclamation or restoration of lands.

(q) "Escudo Common Shares" means common shares in the capital of Escudo as they are constituted as at the date hereof;

(r) "Escudo Financial Statements" has the meaning given thereto in section 4.2(j) hereof;

(s) "Exchange" means the TSX Venture Exchange Inc.;

(t) "Filing Statement" means the filing statement of Escudo to be prepared and filed pursuant to the policies of the Exchange;

(u) "Governmental Entity" means any:

(i) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, agency, domestic or foreign;

(ii) any subdivision, agent, commission, board or authority of any of the foregoing; or

(iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;

(v) "Laws" means all laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgements or other requirements of any Governmental Entity and includes, for greater certainty, Canadian Securities Laws;

(w) "Order" means the order of the Court approving the Arrangement, as such order may be amended at any time prior to the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed;

(x) "Parties" means Escudo and Aston Bay, and "Party" means either one of them;

(y) "Permitted Encumbrance" means:

(i) easements, rights of way, servitudes or other similar rights in land including, without limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil pipelines, gas and water mains, electrical light, power, telephone, telegraph or cable television conduits, poles, wires and cables;

(ii) the right reserved to or vested in any Governmental Entity by the terms of any or by any statutory provision, to terminate, revoke or forfeit any of the lease or mining claims or to require annual or other periodic payments as a condition of the continuance thereof;

(iii) rights reserved to or vested in any Governmental Entity to control or regulate any of the Project in any manner, and all applicable Laws of any Governmental Entity; and

(iv) the reservations, limitations, provisos and conditions in any original grants from the Crown on the Project or interests therein and statutory exceptions to title.

(z) "Person" includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, Governmental Entity or other entity;

(aa) "Plan of Arrangement" means the plan of arrangement substantially as annexed as Schedule A hereto and any amendment or variation thereto made in accordance with its terms or the terms of this Agreement;

(bb) "Project" means the Storm Copper Property and the Seal Zinc Property, both located on Somerset Island, Nunavut, as more fully described in Schedule B hereto;

(cc) "Project Agreement" means the letter of agreement dated November 17, 2011, between Commander Resources Ltd. and Aston Bay, as amended by amending agreements made the 30th day of December 2011, January 16, 2012, February __, 2012, July 20, 2012, pursuant to which Aston Bay has an option to acquire an up to 70% interest in and to the Project;

(dd) "Returns" means all reports, information statements and returns relating to, or required to be filed in connection with, any Taxes;

(ee) "Securities Commissions" means collectively, the Ontario Securities Commission, the Alberta Securities Commission and the British Columbia Securities Commission;

(ff) "SEDAR" means the System for Electronic Document Analysis and Retrieval;

(gg) "Taxes" means all taxes, however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by a Governmental Entity, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and provincial income taxes), capital taxes, payroll and employee withholding taxes, unemployment insurance, social insurance taxes (including Canada Pension Plan payments), sales and use taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation, pension assessment and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a Party to this Agreement or the Subsidiary is required to pay, withhold or collect;

(hh) "Teck License" has the meaning given thereto in section 4.1(bb) hereof;

(ii) "Teck SRA" has the meaning given thereto in section 4.1(bb) hereof;

(jj) "Teck SRA Assumption Agreement" has the meaning given thereto in section 3.5(a) hereof; and

(kk) "Termination Date" means June 30, 2013.

1.2 **Interpretation Not Affected by Headings.** The division of this Agreement into Articles, Sections, subsections and paragraphs 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.

1.3 **Article References.** Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

1.4 **Number and Gender.** In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender shall include all genders; and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any Governmental Entity, political subdivision or instrumentality thereof).

1.5 **Schedule.** Schedule A annexed to this Agreement, being the Plan of Arrangement, and Schedule B annexed to this Agreement, being a description of the Project, are incorporated by reference into and form part of this Agreement.

ARTICLE 2. THE ARRANGEMENT

2.1 **Arrangement.** In a timely and expeditious manner upon receipt of the Arrangement Resolution, Aston Bay shall, with the assistance and cooperation of Escudo, apply to the Court for the Order. Subject to the fulfilment or waiver of the conditions set forth herein, Escudo and Aston Bay shall do all such things necessary to give effect to the Arrangement as soon as reasonably possible.

2.2 **Effective Date.** The Arrangement shall become effective on the Effective Date and the steps to be carried out pursuant to the Arrangement shall become effective on the Effective Date in the order set out in the Plan of Arrangement.

2.3 **Aston Bay Approval.** Aston Bay represents, as of the date hereof, that its Board of Directors has determined unanimously that:

(a) the Arrangement is fair to its shareholders;

(b) its Board of Directors will recommend that its shareholders vote in favour of the Arrangement;

(c) this Agreement is in the best interests of Aston Bay; and

(d) its directors have advised it that they intend to vote Aston Bay Shares held by them in favour of the Arrangement.

ARTICLE 3. COVENANTS

3.1 **Mutual Covenants.** Each of the Parties covenants and agrees that, except as contemplated in this Agreement or the Arrangement, until the Effective Date or the day upon which this Agreement is terminated, whichever is earlier:

(a) it shall conduct its business only in, and not take any action except in, the usual, ordinary and regular course of business and consistent with past practice;

(b) it shall not, without the prior written consent of the other Party hereto, not to be unreasonably withheld, directly or indirectly do or permit to occur any of the following:

(i) issue, sell, pledge, lease, dispose of, encumber or agree to issue, sell, pledge, lease, dispose of or encumber any of its shares, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any of its shares, other than:

(A) pursuant to the exercise of stock options currently outstanding or under existing share issuance plans which have been disclosed in writing to the other Party to this Agreement, and

(B) in the case of Aston Bay the issuance of 2,200,000 Aston Bay Shares to Teck Metals Ltd. pursuant to the Teck License and the issuance of up to 1,000,000 Aston Bay Shares as compensation to its directors or for general business purposes;

(ii) amend or propose to amend its articles or notice of articles;

(iii) split, combine or reclassify any of its outstanding shares, or declare, set aside or pay any dividend or other distribution payable in cash, stock, property or otherwise with respect to its shares;

(iv) redeem, purchase or offer to purchase any of its shares or other securities, unless otherwise required by the terms of such securities;

(v) reorganize, amalgamate or merge with any other person, corporation, partnership or other business organization whatsoever;

(vi) acquire or agree to acquire any person, corporation, partnership, joint venture or other business organization or division or acquire or agree to acquire any assets, which, in each case, are individually or in the aggregate, material; or

(vii) except in the usual, ordinary and regular course of business and consistent with past practice:

(A) satisfy or settle any claims or liabilities, except such as have been reserved against in its financial statements delivered to the other Party to this Agreement, which are individually or in the aggregate, material;

(B) relinquish any contractual rights, which are individually or in the aggregate, material; or

(C) enter into any interest rate, currency or commodity swaps, hedges or other similar financial instruments;

(c) it shall not:

(i) without the prior consent of the other Party hereto and other than pursuant to existing employment, pension, supplemental pension, termination, compensation arrangements or policies, enter into or modify any employment, severance, collective bargaining or similar agreements, policies or arrangements with, or grant any bonuses, salary increases, stock options, pension or supplemental pension benefits, profit sharing, retirement allowances, deferred compensation, incentive compensation, severance or termination pay to, or make any loan to, any of its directors or officers; or

(ii) other than pursuant to existing employment, pension, supplemental pension, termination, compensation arrangements or policies, in the case of employees who are not officers or directors, take any action with respect to the entering into or modifying of any employment, severance, collective bargaining or similar agreements, policies or arrangements or with respect to the grant of any bonuses, salary increases, stock options, pension or supplemental pension benefits, profit sharing, retirement allowances, deferred compensation, incentive compensation, severance or termination pay or any other form of compensation or profit sharing or with respect to any increase of benefits payable;

(d) it shall:

(i) use its reasonable commercial efforts to preserve intact its business organization and goodwill, to keep available the services of its officers and employees as a group and to maintain good relationships with others having business relationships with it;

(ii) not take any action that would interfere with or be inconsistent with the completion of the transactions contemplated hereunder or would render, or that reasonably may be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to the Effective Date if then made; and

(iii) promptly notify the other Party to this Agreement of any material adverse change, or any change which could reasonably be expected to become a material adverse change, in respect of its business or in the operation of its properties, and of any Governmental Entity or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated);

(e) it shall not settle or compromise any claim brought by any present, former or purported holder of any of its securities in connection with the transactions contemplated by this Agreement or the Arrangement prior to the Effective Date without the prior written consent not to be unreasonably withheld of the other Party to this Agreement;

(f) it shall not enter into or modify in any material respect any contract, agreement, commitment or arrangement which new contract or series of related new contracts or modification to an existing contract or series of related existing contracts would be material to a Party hereto or which would have a material adverse effect on a Party hereto;

(g) it shall use all commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article 5 to the extent the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Arrangement, including using its commercially reasonable efforts to:

(i) obtain all necessary waivers, consents and approvals required to be obtained by it from the other parties to loan agreements, leases and other contracts;

(ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable Law;

(iii) effect all necessary registrations and filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the Arrangement and participate and appear in any proceedings of either Party before Governmental Entities;

(iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop, or otherwise adversely affecting the ability of the parties to consummate, the transactions contemplated hereby or by the Arrangement;

(v) fulfill all conditions and satisfy all provisions of this Agreement and the Arrangement; and

(vi) cooperate with the other Party to this Agreement in connection with the performance by it of its obligations hereunder;

(h) it shall not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Arrangement, provided that where a Party hereto is required to take any such action or refrain from taking such action as a result of this Agreement, that Party shall immediately notify the other Party in writing of such circumstances;

(i) it will, in all material respects, conduct itself so as to keep the other Party to this Agreement fully informed as to the material decisions or actions required or required to be made with respect to the operation of its business; and

(j) it shall make or cooperate as necessary in the making of all other necessary filings and applications under all applicable Laws required in connection with the transactions contemplated herein and take all reasonable action necessary to be in compliance with such Laws.

3.2 **Covenants of Escudo.** Escudo covenants and agrees that, except as contemplated in this Agreement or pursuant to the Arrangement, until the Effective Date or the day upon which this Agreement is terminated, whichever is earlier, it will:

(a) upon Aston Bay’s receipt of the Arrangement Resolution, fully cooperate with and assist Aston Bay in making its application to the Court for the Order;

(b) fully cooperate in implementing the Arrangement;

(c) to the extent within its power, forthwith carry out the terms of the Order; and

(d) complete the Concurrent Private Placement.

3.3 **Covenants of Aston Bay.** Aston Bay covenants and agrees that, except as contemplated in this Agreement or pursuant to the Arrangement, until the Effective Date or the day upon which this Agreement is terminated, whichever is earlier, it will:

(a) in a timely and expeditious manner use its reasonable commercial efforts to obtain the Arrangement Resolution;

(b) upon receipt of the Arrangement Resolution, forthwith proceed with and diligently prosecute, with the assistance and cooperation of Escudo, an application to the Court for the Order;

(c) fully cooperate in implementing the Arrangement; and

(d) to the extent within its power, forthwith carry out the terms of the Order.

3.4 **Regulatory Approval.** The Parties will cooperate with each other in connection with the necessary submissions to the Exchange for approval of the Arrangement and the Concurrent Private Placement.

3.5 **Teck Metals Ltd.** Escudo acknowledges receipt of copies of the Teck License and the Teck SRA and, in particular, Escudo acknowledges the provisions of sections 2.2 and 5.4(c) of the Teck SRA. Escudo covenants and agrees with Aston Bay that:

(a) in accordance with section 5.4(c) of the Teck SRA Escudo will enter into an agreement with Teck Metals Ltd. effective upon the Arrangement being effected, assuming the obligations of Aston Bay under the Teck SRA and granting the same rights that Teck Metals Ltd. has under the Teck SRA (the "Teck SRA Assumption Agreement"); and

(b) if when the Arrangement is effected additional Escudo Common Shares are to be issued to Teck Metals Ltd. pursuant to section 2.2 of the Teck SRA, Escudo will issue such Escudo Common Shares to Teck Metals Ltd. upon the Arrangement being effected.

ARTICLE 4. REPRESENTATIONS AND WARRANTIES

4.1 **Representations and Warranties of Aston Bay.** Aston Bay represents, warrants and covenants to Escudo as follows, and acknowledges that Escudo is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated hereby:

(a) Aston Bay is duly incorporated and validly existing under the laws of its jurisdiction of incorporation and is in good standing with respect to the filing requirements of such jurisdiction.

(b) Aston Bay has all necessary corporate power, authority and capacity to own its assets and properties and to carry on its respective business as now being carried on by it.

(c) Aston Bay has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by Aston Bay and the consummation by Aston Bay of the transactions contemplated by this Agreement have been duly authorized by its board of directors and no other corporate proceedings on its part are necessary to authorize this Agreement or the transactions contemplated hereby other than, with respect to the completion of the Arrangement, the Arrangement Resolution.

(d) This Agreement has been duly executed and delivered by Aston Bay and constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other similar laws affecting creditors' rights, including equitable remedies, generally.

(e) All of the information delivered by Aston Bay to Escudo for inclusion in the Filing Statement will, taken as a whole, constitute full, true and plain disclosure of all "material facts" (as that term is defined in the

Act) in respect of Aston Bay and Aston Bay's securities and not contain a "misrepresentation" (as that term is defined in the Act).

(f) The authorized share capital of Aston Bay consists of an unlimited number of common shares of which 15,515,000 common shares have been validly issued and are outstanding as fully paid and non-assessable as the date hereof.

(g) On the Effective Date, Aston Bay shall not have any outstanding agreements, subscriptions, warrants, options or commitments (nor has it granted any rights or privileges capable of becoming an agreement, subscription, warrant, option or commitment) obligating Aston Bay to issue additional shares or other securities.

(h) Aston Bay has no investments or interests in any Person.

(i) Aston Bay owns, possesses or has obtained and is in compliance with, all licences, registrations, permits, certificates, costs, orders, grants and other authorizations of or from any Governmental Entity necessary to conduct its business as now conducted or as proposed to be conducted, except for those for which the failure to own, possess, obtain or be in compliance with is not individually or in the aggregate materially adverse to Aston Bay.

(j) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the terms and provisions hereof do not and will not:

(i) violate any provision of Law or administrative regulation or any judicial or administrative order, award, judgement or decree applicable to Aston Bay; or

(ii) breach, violate or conflict with any of the terms, conditions or provisions of the articles or notice of articles of Aston Bay; or

(iii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, commitment or instrument to which Aston Bay is party or by which it is bound or to which its property is subject, or result in the cancellation, suspension or alteration in the terms of any licence, permit or authority held by Aston Bay, or result in the creation of any lien, charge, security interest or encumbrance upon any of the assets or property of Aston Bay or give to others any interest or rights, including rights of purchase, termination, cancellation or acceleration, under any such agreement or instrument.

(k) Aston Bay's audited financial statements for the year ended September 30, 2012 including the notes thereto (the "Aston Bay Financial Statements"), true copies of which have been provided to Escudo, present fairly the financial position of Aston Bay, the results of its operations and the changes in its financial position as at the dates and for the periods indicated in such statements and have been prepared in accordance with International Financial Reporting Standards, consistently applied.

(l) Since September 30, 2012, and except as has been disclosed prior to the date hereof to Escudo,

(i) there has been no material adverse change in the business, operations, assets or condition, financial or otherwise, of Aston Bay from that shown in the Aston Bay Financial Statements or reserved for as provided therein;

(ii) Aston Bay has no liability or obligation (including, without limitation, tax liabilities) whether accrued, absolute, contingent or otherwise, not reflected in the Aston Bay Financial Statements, except for liabilities and obligations incurred in the ordinary course of business since September 30, 2012, up to and including the date hereof, which liabilities and obligations are not individually or in the aggregate materially adverse; and

(iii) Aston Bay has conducted its business only in the ordinary and regular course of business consistent with past practice.

(m) Aston Bay has not declared or paid any dividend or made any other distribution of its properties or assets to shareholders and Aston Bay has not disposed of any of its properties and assets or incurred any material indebtedness, except in the ordinary course of business, or defaulted in any material respect in the payment or performance of any of its obligations or liabilities or entered into any material transaction or agreement other than those contemplated herein.

(n) There are no actions, suits, proceedings, investigations, or outstanding claims or demands (whether or not purportedly on behalf of Aston Bay) instituted, pending or threatened against or affecting Aston Bay at law or in equity by any Person before or by any Governmental Entity, nor is there any judgment, order, decree or award of any court or Governmental Entity, obtained, pending, or to the knowledge of Aston Bay, anticipated against or affecting Aston Bay, which would prevent or materially hinder the consummation of the Arrangement or the other transactions contemplated by this Agreement or which would involve the reasonable possibility of any material judgment or liability not fully covered by insurance in excess of a reasonable deductible amount, or which in the aggregate would have a material adverse effect on the business, operations, properties, assets or condition, financial or otherwise, of Aston Bay.

(o) All Returns required to be filed by or on behalf of Aston Bay have been duly filed on a timely basis and such Returns are true, complete and correct in all material respects. All Taxes shown to be payable on the Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and no other Taxes are payable by Aston Bay with respect to items or periods covered by such Returns.

(p) No deficiencies exist or have been asserted with respect to Taxes of Aston Bay, Aston Bay is not a party to any action or proceeding for assessment or collection of Taxes, nor has such event been asserted or threatened against Aston Bay or any of its assets.

(q) Aston Bay is not party to any written or oral policy, agreement, obligation or understanding providing for severance or termination payments to, or any employment agreement with, any officer or employee of Aston Bay which is outside the ordinary course of business.

(r) Aston Bay is not subject to any claim for wrongful dismissal, constructive dismissal or any tort claim, actual or threatened, or any litigation, actual or threatened, relating to employment or termination of employment of employees or independent or dependent contractors or agents.

(s) Aston Bay has operated in accordance with all applicable Laws in all material respects with respect to employment and labour, including, but not limited to, employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights and labour relations and there are no current, pending or threatened proceedings before any court, board or tribunal with respect to any of the areas listed herein.

(t) Each contract or agreement between Aston Bay and any other Person which is material to the ownership, use or operation of the business, properties or assets of Aston Bay, is in full force and effect and is valid, binding and enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other similar laws affecting creditors' rights, including equitable remedies, generally; and no material breach or default exists in respect thereof on the part of any party thereto, and no event has occurred which, with the giving of notice or the lapse of time or both, would constitute such a material breach or default.

(u) Aston Bay has complied and is in compliance in all material respects with all applicable Laws.

(v) The corporate records and minute books of Aston Bay have been maintained in accordance with applicable Laws and are complete and accurate in all material respects.

(w) Other than as disclosed in writing to Escudo, Aston Bay is not party to or bound by any contract or commitment to pay any royalty, fee or land payment with respect to the Project or any of its other properties or any portion thereof or interest therein.

(x) So far as the directors of Aston Bay are aware, Commander Resources Ltd. is the registered owner of the right, title and working interest in and to the Project as set out in Schedule B and except for the Permitted Encumbrances and the Project Agreement, the Project (including all ores, concentrates, minerals, metals or products in, on or under the Project or which may be removed or extricated therefrom) is free and clear of any and all Encumbrances and is not subject to any right, claim or interest of any other person.

(y) So far as the directors of Aston Bay are aware, the Project is properly and accurately described in Schedule B hereto and:

   (i) has been duly and properly staked and recorded in accordance with laws in effect in the jurisdiction in which the Project is located; and

   (ii) is in good standing under the laws of the jurisdiction in which the Project is located up to and including at least the expiry dates set forth in Schedule B.

(z) So far as the directors of Aston Bay are aware, the conditions on and relating to the Project respecting all past and current operations thereon are in compliance with all applicable federal, provincial and municipal laws including all Environmental Laws, and Aston Bay has not received from any Governmental Entity any notice of, or communication relating to, any actual or alleged Environmental Claims, and there are no outstanding work orders or actions required to be taken relating to environmental matters respecting the Project or any operations carried out thereon.

(aa) Aston Bay has provided Escudo with a true and complete copy of the Project Agreement and there are no other agreements, whether or not in writing, between Commander Resources Ltd. and Aston Bay with respect to the Project and Aston Bay's interest therein. So far as the directors of Aston Bay are aware, Commander Resources Ltd. has fulfilled all of its obligations under the Project Agreement to be fulfilled by it to the date hereof. As of the date hereof Aston Bay is, and on the Effective Date will be, in compliance with all of its obligations under the Project Agreement to be fulfilled by it to such date. As of the date hereof Aston Bay has, and on the Effective Date Aston Bay will have, made all of the payments, issued all of the shares and fulfilled all of the covenants and agreements to be paid, issued and fulfilled by it to such date in order for Aston Bay to maintain its rights to acquire an up to 70% interest in the Project.

(bb) Aston Bay has provided Escudo with true and complete copies of the Data License Acquisition Agreement made as of December 27, 2012 between Aston Bay and Teck Metals Ltd. (the "Teck License") and the Shareholder Rights Agreement made as of December 27, 2012 between Aston Bay and Teck Metals Ltd. (the "Teck SRA"), and there are no other agreements, whether or not in writing, between Teck Metals Ltd. and Aston Bay with respect to the Project or the subject matter of either the Teck License or the Teck SRA. So far as the directors of Aston Bay are aware, Teck Metals Ltd. has fulfilled all of its obligations under the Teck License and the Teck SRA to be fulfilled by it to the date hereof. As of the date hereof Aston Bay is, and on the Effective Date will be, in compliance with all of its obligations under the Teck License and the Teck SRA to be fulfilled by it to such date. As of the date hereof Aston Bay has, and on the Effective Date Aston Bay will have, issued all of the shares and fulfilled all of the covenants and agreements to be issued and fulfilled by it to such date in order for Aston Bay to maintain its license to use the Data (as defined in the Teck License). for the exploration and development of the Property.

(cc) So far as the directors of Aston Bay are aware, there are no actions, suits or proceedings pending or threatened against or adversely affecting, or which could adversely affect, the Project or any portion thereof or interest therein or before or by and federal, provincial, municipal or other governmental court or Governmental Entity whether or not insured, and which might involve the possibility of any judgment or liability affecting the Project or any portion thereof or interest therein or lien, charge or encumbrance thereon.

4.2 **Representations and Warranties of Escudo.** Escudo represents, warrants and covenants to Aston Bay as follows, and acknowledges that Aston Bay is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated hereby:

(a) Escudo is duly incorporated and validly existing under the laws of British Columbia and is in good standing with respect to the filing of annual reports.

(b) Escudo is a Capital Pool Company under the policies of the Exchange and has not carried on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction, as defined in the Policy 2.4 of the Exchange.

(c) Escudo has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by Escudo and the consummation by Escudo of the transactions contemplated by this Agreement have been duly authorized by its board of directors and no other corporate proceedings on its part are necessary to authorize this Agreement or the transactions contemplated hereby.

(d) This Agreement has been duly executed and delivered by Escudo and constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other similar laws affecting creditors' rights, including equitable remedies, generally.

(e) Escudo is a reporting issuer in the provinces of Ontario, Alberta and British Columbia and is not in default of any requirement of the Act or similar legislation in British Columbia. Other than the voluntary halt by Escudo with respect to the trading of the Escudo Common Shares on the TSX Venture Exchange, no order ceasing or suspending trading in securities of Escudo or prohibiting the transactions contemplated hereby has been issued and no proceedings for such purpose are pending or have been threatened against Escudo.

(f) The forms, reports, news releases, financial statements and other documents filed by Escudo with the Securities Commissions and on SEDAR are: (i) as of their respective dates, in compliance in all material respects with Canadian Securities Laws; (ii) all of the documents filed or required to be filed by Escudo with the Securities Commissions; and (iii) taken as a whole, do not contain a "misrepresentation" (as that term is defined in the Act).

(g) The authorized share capital of Escudo consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in one or more series. As at the date hereof there are 3,035,000 common shares and no preferred shares issued and outstanding.

(h) As at the date hereof Escudo has no outstanding agreements, subscriptions, warrants, options or commitments (nor has it granted any rights or privileges capable of becoming an agreement, subscription, warrant, option or commitment) obligating Escudo to issue additional shares or other securities except for the following: incentive stock options for the purchase of up to 265,000 Escudo Common Shares, and warrants to acquire up to 150,000 Escudo Common Shares.

(i) The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the terms and provisions hereof do not and will not:

(i) violate any provision of Law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to Escudo,

(ii) breach, violate or conflict with any of the terms, conditions or provisions of the articles or notice of articles of Escudo, or

(iii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, commitment or instrument to which Escudo is a party or by which it is bound or to which its property is subject, or result in the cancellation, suspension or alteration in the terms of any licence, permit or authority held by Escudo, or result in the creation of any lien, charge, security interest or encumbrance upon any of the assets or property of Escudo or give to others any interest or rights, including rights of purchase, termination, cancellation or acceleration, under any such agreement or instrument.

(j) Escudo's audited financial statements for the years ending March 31, 2011 and 2012, and its unaudited financial statements for the three- and six-month periods ended September 30, 2012 (together, the "Escudo Financial Statements"), present fairly the financial position of Escudo, the results of its operations and the changes in its financial position as at the dates and for the periods indicated in such statements and have been prepared in accordance with International Financial Reporting Standards consistently applied.

(k) Since September 30, 2012, and except as has been publicly disclosed prior to the date hereof:

(i) there has been no material adverse change in the business, operations, assets or condition, financial or otherwise, of Escudo on from that shown in the Escudo Financial Statements or reserved for as provided therein;

(ii) Escudo has no liability or obligation (including, without limitation, tax liabilities) whether accrued, absolute, contingent or otherwise, not reflected in the Escudo Financial Statements, except for liabilities and obligations incurred in the ordinary course of business since September 30, 2012, up to and including the date hereof, which liabilities and obligations are not individually or in the aggregate materially adverse; and

(iii) Escudo has conducted its business only in the ordinary and regular course of business consistent with past practice.

(l) Escudo has not declared or paid any dividend or made any other distribution of its properties or assets to shareholders and has not disposed of any of its properties and assets or incurred any material indebtedness, except in the ordinary course of business, or defaulted in any material respect in the payment or performance of any of its obligations or liabilities or entered into any material transaction or agreement other than those contemplated herein.

(m) There are no actions, suits, proceedings, investigations, or outstanding claims or demands (whether or not purportedly on behalf of Escudo) instituted, pending or threatened against or affecting Escudo at law or in equity by any Person before or by any Governmental Entity, nor is there any judgment, order, decree or award of any court or Governmental Entity, obtained, pending, or to the knowledge of Escudo, anticipated against or affecting Escudo, which would prevent or materially hinder the consummation of the Arrangement or the other transactions contemplated by this Agreement or which would involve the reasonable possibility of any material judgment or liability not fully covered by insurance in excess of a reasonable deductible amount, or which in the aggregate would have a material adverse effect on the business, operations, properties, assets or condition, financial or otherwise, of Escudo.

(n) All Returns required to be filed by or on behalf of Escudo have been duly filed on a timely basis and such Returns are true, complete and correct in all material respects. All Taxes shown to be payable on the Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and no other Taxes are payable by Escudo with respect to items or periods covered by such Returns.

(o) Escudo is not a party to any written or oral policy, agreement, obligation or understanding providing for severance or termination payments to, or any employment agreement with, any officer or employee of Escudo, which is outside the ordinary course of business.

(p) Escudo is not subject to any claim for wrongful dismissal, constructive dismissal or any tort claim, actual or threatened, or any litigation, actual or threatened, relating to employment or termination of employment of employees or independent or dependent contractors or agents.

(q) Escudo has operated in accordance with all applicable Laws in all material respects with respect to employment and labour, including, but not limited to, employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights and labour relations and there are no current, pending or threatened proceedings before any court, board or tribunal with respect to any of the areas listed herein.

(r) Each contract or agreement between Escudo and any other Person which is material to the ownership, use or operation of the business, properties or assets of Escudo on a consolidated basis, is in full force and effect and is valid, binding and enforceable against it in accordance with its terms subject to bankruptcy, insolvency and other similar laws affecting creditors' rights, including equitable remedies, generally; and no material breach or default exists in respect thereof on the part of any party thereto and no event has occurred which, with the giving of notice or the lapse of time or both, would constitute such a material breach or default.

(s) Escudo has complied and is in compliance in all material respects with all applicable Laws.

(t) The corporate records and minute books of Escudo have been maintained in accordance with applicable Laws and are complete and accurate in all material respects.

4.3 **Survival.** The representations and warranties of each of Aston Bay and Escudo contained herein shall survive the execution and delivery of this Agreement and shall terminate on the earlier of the termination of this Agreement in accordance with its terms and the day after the Effective Date.

ARTICLE 5. CONDITIONS

5.1 **To the Benefit of Escudo.** The obligations of Escudo to complete the Arrangement are subject to fulfillment of the following conditions on or before the Effective Date or such other time as is specified below:

(a) the representations and warranties of Aston Bay set forth in Section 4.1 shall be true and correct on the Effective Date as though made on that date and Escudo shall have received a certificate of Aston Bay addressed to Escudo and dated the Effective Date, signed on behalf of Aston Bay by two senior executive officers thereof, confirming the same as at the Effective Date;

(b) Aston Bay shall have fulfilled all of its obligations hereunder to be fulfilled by it on or before the Effective Date and Escudo shall have received a certificate of Aston Bay addressed to Escudo and dated the Effective Date, signed on behalf of Aston Bay by two senior executive officers thereof, confirming the same as at the Effective Date;

(c) from the date hereof up to and including the Effective Date, there shall have been no change, condition, event or occurrence which has or is reasonably likely to have a material adverse effect on Aston Bay;

(d) a certified true copy of the Arrangement Resolution shall have been delivered to Escudo on or before March 31, 2013;

(e) all of the Aston Bay Shareholders required by the Exchange to place the Escudo Common Shares they receive in exchange for their Aston Bay Shares pursuant to the Arrangement in escrow have executed and delivered an escrow agreement in the form required by the Exchange;

(f) Benjamin Cox, Michael Dufresne, Oren Inc., 677081 Alberta Ltd., Commander Resources Ltd. and Teck Metals Ltd. shall have entered into a voluntary pooling agreement with Escudo pursuant to which they have agreed not to transfer the Escudo Common Shares they receive in exchange for their Aston Bay Shares pursuant to the Arrangement for a period of two years from the Effective Date, on terms and conditions satisfactory to Escudo;

(g) Escudo shall have received a technical report written in compliance with National Instrument 43-101 on the Project in form and content satisfactory to Escudo; and

(h) counsel for Aston Bay shall have delivered to Escudo a title opinion on the Project in form and content satisfactory to Escudo and any other legal opinions required by Escudo, acting reasonably.

These conditions are for the sole benefit of Escudo and may be waived in whole or in part by Escudo at any time. If any of such conditions precedent are not satisfied or waived as aforesaid on or before the date required for performance thereof, Escudo may rescind and terminate this Agreement by written notice to Aston Bay.

5.2 **To the Benefit of Aston Bay.** The obligations of Aston Bay to complete the Arrangement are subject to fulfillment of the following conditions on or before the Effective Date or such other time as is specified below:

(a) the representations and warranties of Escudo set forth in Section 4.2 shall be true and correct on the Effective Date as though made on that date and Aston Bay shall have received a certificate of Escudo addressed to Aston Bay and dated the Effective Date, signed on behalf of Escudo by two senior executive officers thereof confirming the same as at the Effective Date;

(b) Escudo shall have fulfilled all of its obligations hereunder to be fulfilled by it on or before the Effective Date and Aston Bay shall have received a certificate of Escudo addressed to Aston Bay and dated the Effective Date, signed on behalf of Escudo by two senior executive officers thereof confirming the same as at the Effective Date;

(c) Escudo shall have entered into the Teck SRA Assumption Agreement;

(d) from the date hereof up to and including the Effective Date, there shall have been no change, condition, event or occurrence which has or is reasonably likely to have a material adverse effect on Escudo; and

(e) all necessary documentation as is required to cause the board of directors of Escudo to be reorganized effective immediately after the Effective Time so that there are a minimum of five directors, one of whom shall be a nominee of Escudo, and as otherwise determined by Escudo and Aston Bay, shall have been executed and delivered.

These conditions are for the sole benefit of Aston Bay and may be waived in whole or in part by Aston Bay at any time. If any of such conditions precedent are not satisfied or waived as aforesaid on or before the date required for performance thereof, Aston Bay may rescind and terminate this Agreement by written notice to Escudo.

5.3 **To the Benefit of Both Parties.** The obligations of both Escudo and Aston Bay to complete the Arrangement are subject to fulfilment of the following conditions on or before the Effective Date or such other time as is specified below:

(a) the due diligence review by each Party on the other Party and its respective assets, liabilities and operations shall have been completed, the results of which are satisfactory to each Party in its sole discretion, such review to be concluded by January 15, 2013;

(b) each of Escudo and Aston Bay shall have operated its business in a manner consistent with past practices in the ordinary course;

(c) there shall have been no material adverse changes in Escudo's or Aston Bay's assets, business or liabilities;

(d) the Concurrent Private Placement shall have been completed;

(e) the Arrangement Resolution shall have been passed and a certified true copy thereof delivered to Escudo;

(f) the Order shall have been granted in form and substance satisfactory to Escudo and Aston Bay, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to such Parties on appeal or otherwise;

(g) the Effective Date shall be on or before the Termination Date;

(h) there shall be no action taken under any Law or by any Governmental Entity that:

   (i) makes it illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Arrangement or any other transactions contemplated herein; or

   (ii) results in a judgement or assessment of damages, directly or indirectly, relating to the transactions contemplated herein which is materially adverse;

(i) all approvals shall have been obtained and all other consents, waivers, permits, orders and approvals of any Governmental Entity or other Person, and the expiry of any waiting periods, in connection with, or required to permit, the consummation of the Arrangement, the failure of which to obtain or the non-expiry of which would be materially adverse to Escudo or Aston Bay, as the case may be, or materially impede the completion of the Arrangement, shall have been obtained or received on terms reasonably satisfactory to each Party;

(j) the Exchange shall have provided such approval of the Arrangement as is required under its rules, subject to the filing of required documentation; and

(k) any prospectus exemptions required in connection with the issuance of the Escudo Common Shares issuable under the Arrangement shall have been obtained.

The foregoing conditions are for the mutual benefit of Escudo and Aston Bay and may be waived, in whole or in part, by Escudo and Aston Bay at any time. If any of the said conditions precedent are not satisfied or waived as aforesaid on or before the date required for the performance thereof, either Escudo or

Aston Bay may rescind and terminate this Agreement by written notice to the other Party and shall have no other right or remedy.

5.4 **Merger of Conditions.** The conditions set out in Sections 5.1, 5.2 and 5.3 shall be conclusively deemed to have been satisfied, waived or released upon the Arrangement becoming effective in accordance with this Agreement.

ARTICLE 6. GENERAL MATTERS

6.1 **Communication with Public**. All press releases and publicly available filings in respect of the Arrangement made by either Party will be approved by both Parties. However, notwithstanding the foregoing:

(a) either Party may make such disclosure as may be required by any stock exchange on which any of the securities of such Party are listed or by any securities commission or other similar regulatory authority having jurisdiction over such Party or pursuant to any requirement of any Law to which either Party is subject; and

(b) nothing in this Agreement shall prevent either Party from discussing the terms hereof with regulators and financial and investment analysts or responding to unsolicited inquiries from the media.

If such disclosure is required, the Party making such disclosure shall use reasonable efforts to give prior written or oral notice to the other Party, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure.

6.2 **Amendment.** This Agreement may, at any time and from time to time, be amended by mutual written agreement of the Parties without further notice to or authorization on the part of their respective shareholders.

6.3 **Termination.** This Agreement may be terminated at any time prior to the Effective Date by mutual consent of Escudo and Aston Bay or as provided in Sections 5.1, 5.2 or 5.3. This Agreement will terminate if the Effective Date is not on or before the Termination Date.

6.4 **Expenses.** All costs and expenses of the transactions contemplated hereby, including legal fees, financial advisory fees, regulatory filing fees, all disbursements by advisors and printing and mailing costs shall be paid by the Party incurring such expense.

6.5 **Notices.** Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party to the other Party shall be in writing and may be given by delivering same or sending same by facsimile transmission or electronic mail or by delivery addressed to the Party to which the notice is to be given at its address set out below. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if on a business day, and if not, then on the next succeeding business day), and if sent by facsimile transmission or electronic mail be deemed to have been given and received at the time of receipt unless received after 4:00 p.m. at the point of delivery, in which case it shall be deemed to have been given and received on the next business day as follows:

(a) if to Escudo:

#3507 – 1033 Marinaside Crescent
Vancouver, British Columbia V6Z 3A3
Attention: John Boddie
Fax Number: (604) 266-1840
Email: jboddie@shaw.ca

with a copy to:

Getz Prince Wells LLP
1810 – 1111 West Georgia Street
Vancouver, British Columbia V6E 4M3
Attention: Zahra Ramji
Fax Number: (604) 685-9798
Email: zahra@getzpw.com

(b) if to Aston Bay:

#2900 – 550 Burrard Street
Vancouver, British Columbia V6C 0A3
Attention: Benjamin Cox
Fax Number: +44 20 7917 8555 (Attn Catherine Moss)
Email: benjamin.cox@astonbayventures.com

with a copy to:

Fasken Martineau LLP
17 Hanover Square
London W1S 1HU
Attention: Catherine Moss
Email: cmoss@fasken.co.uk

6.6 **Further Assurances.** Each Party will, from time to time, and at all times hereafter, at the request of the other Party, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

6.7 **Entire Agreement.** This Agreement, including the Schedule hereto, together with the agreements and other documents to be delivered pursuant hereto, constitutes the entire agreement among the Parties pertaining to the subject matter hereof and supersedes any and all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties.

6.8 **Third Party Beneficiaries.** The Parties intend that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties.

6.9 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. Each Party hereby attorns to the non-exclusive jurisdiction of the Courts of the Province of British Columbia in the City of Vancouver in respect of all matters arising under or in relation to this Agreement.

6.10 **Execution in Counterparts.** This Agreement may be executed in counterparts, and the counterparts collectively are to be conclusively deemed to be one instrument.

6.11 **Waiver.** No waiver by any Party shall be effective unless in writing and any waiver shall affect only the matter, and the occurrence thereof, specifically identified and shall not extend to any other matter or occurrence.

6.12 **Enurement and Assignment.** This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. This Agreement is personal to the Parties and may not be assigned by any Party without the prior written consent of the other Party.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

ESCUDO CAPITAL CORPORATION

By:

(signed) *"John Boddie"*
Authorized Signatory

ASTON BAY VENTURES LTD.

By:

(signed) *"Benjamin Cox"*
Authorized Signatory

(signed) *"Moshe Cohen"*
Authorized Signatory

SCHEDULE A

PLAN OF ARRANGEMENT

ARTICLE 1. DEFINITIONS AND INTERPRETATION

1.1 **Definitions.** In this Plan of Arrangement the following capitalized words and terms shall have the following meanings:

(a) "Arrangement Agreement" means the arrangement agreement dated as of January 10, 2013 to which this Plan of Arrangement is attached as Schedule A;

(b) "Arrangement" means the arrangement under the provisions of the BCA on the terms and conditions set forth in this Plan of Arrangement;

(c) "Aston Bay" means Aston Bay Ventures Ltd., a company incorporated under the BCA;

(d) "Aston Bay Shareholders" means the holders of Aston Bay Shares;

(e) "Aston Bay Shares" means the common shares in the capital of Aston Bay;

(f) "Business Day" means any day other than Saturday, Sunday and a statutory holiday in the Province of British Columbia;

(g) "BCA" means the British Columbia *Business Corporations Act*, as amended;

(h) "Court" means the Supreme Court of British Columbia;

(i) "Effective Date" means the second Business Day following the day on which the Order is made;

(j) "Effective Time" means 10:00 a.m. (Pacific Standard Time) on the Effective Date;

(k) "Escudo" means Escudo Capital Corporation, a company incorporated under the BCA;

(l) "Escudo Common Shares" means common shares in the capital of Escudo as they are constituted as at the date hereof;

(m) "Order" means the order of the Court approving the Arrangement, as such order may be amended at any time prior to the Effective Date, or, if appealed, then unless such appeal is withdrawn or denied, as affirmed;

(n) "Parties" means Escudo and Aston Bay, and "Party" means either one of them; and

(o) "Transfer Agent" means Escudo's transfer agent, which is as at the date of the Arrangement Agreement Olympia Trust Company 1003, 750 West Pender Street, Vancouver, British Columbia V6C 2T8.

1.2 **Interpretation Not Affected by Headings.** The division of this Plan of Arrangement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Plan of Arrangement.

1.3 **Article References.** Unless the contrary intention appears, references in this Plan of Arrangement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Plan of Arrangement.

1.4 **Number and Gender.** In this Plan of Arrangement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender shall include all genders; and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof).

1.5 **Capitalized Terms.** Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Arrangement Agreement.

ARTICLE 2. ARRANGEMENT AGREEMENT

2.1 **Arrangement Agreement.** This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement. The implementation of this Plan of Arrangement is expressly subject to the fulfilment and/or waiver (by the Party or Parties entitled) of the conditions precedent set out in the Arrangement Agreement.

ARTICLE 3. THE ARRANGEMENT

3.1 **The Arrangement.** At the Effective Time each issued and outstanding Aston Bay Share will be transferred, and will be deemed to be transferred, without any act or formality on the holder's part, to Escudo in exchange for one Escudo Common Share.

ARTICLE 4. CERTIFICATES AND FRACTIONAL SHARES

4.1 **Exchange of Share Certificates.** Each Aston Bay Shareholder shall be entitled to receive the Escudo Common Shares issuable pursuant to this Plan of Arrangement as soon as practicable after the later of the Effective Date and the date of receipt by the Transfer Agent of a letter of transmittal in the form required by the Transfer Agent and Escudo together with the certificates representing such holder's Aston Bay Shares and such other documents and instruments as are required under the BCA and the Articles of Escudo to effect the transfer of securities formerly represented by such certificates or such additional documents as the Transfer Agent may reasonably require.

4.2 **Transfer of Ownership.** In the event of a transfer of ownership of Aston Bay Shares that is not registered in the records of Aston Bay, certificates representing the proper numbers of Escudo Common Shares may be issued to the transferee if the certificate representing such Aston Bay Shares is presented to the Transfer Agent together with the letter of transmittal and the other documents required in accordance with Article 4, accompanied by all documents required to evidence and effect such transfer.

4.3 **Lost Share Certificates.** If any certificate which represents Aston Bay Shares has been 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, satisfactory to the Transfer Agent and to Escudo, and upon such Person giving an indemnity satisfactory to Escudo and the Transfer Agent against any claims that may be made against Escudo with respect to the certificate alleged to have been lost, stolen or destroyed, in exchange for such lost, stolen or destroyed certificate, certificates representing the Escudo Common Shares deliverable in accordance with such holder's letter of transmittal will be issued.

4.4 **Unsurrendered Certificates.** Until surrendered as contemplated by Section 4.1, each certificate or agreement which immediately prior to the Effective Time represented one or more outstanding Aston Bay Share shall be deemed at all times after the Effective Time to represent only the right to receive the securities contemplated by Section 4.1.

4.5 **Distributions with respect to Unsurrendered Share Certificates.** No dividends or other distributions declared or made after the Effective Time with respect to Escudo Common Shares with a record date after the Effective Time shall be paid to the holder of any unsurrendered certificate which immediately prior to the Effective Time represented outstanding Aston Bay Shares that were exchanged pursuant to Section 3.1, unless and until the holder of record of such certificate shall surrender such certificate in accordance with Section 4.1.

4.6 **Surrender of Rights.** Notwithstanding any of the other provisions hereof, any certificate which immediately prior to the Effective Time represented outstanding Aston Bay Shares shall cease to represent a claim or interest of any kind or nature against Escudo if it has not been surrendered with all other instruments required hereby on or prior to the third anniversary of the Effective Date. In such circumstances, the person ultimately entitled to any certificate hereunder shall be deemed to have surrendered such entitlement to Escudo, together with all entitlement to dividends and distributions thereon held for such person for no consideration.

4.7 **Fractional Shares.** If the number of Escudo Common Shares to which an Aston Bay Shareholder is entitled results in that Aston Bay Shareholder being entitled to a fractional share, the fraction will be rounded down and such fractional share shall be cancelled without compensation.

ARTICLE 5. MISCELLANEOUS

5.1 **Amendment.** The Parties reserve the right to amend, modify and/or supplement this Plan of Arrangement at any time and from time to time provided that any such amendment, modification or supplement must be contained in a written document which is signed by the Parties.

5.2 **Termination.** At any time up until the time the Arrangement is effected, the Parties may mutually determine not to proceed with this Plan of Arrangement, or to terminate this Plan of Arrangement, notwithstanding passage of the Arrangement Resolution. In addition to the foregoing, this Plan of Arrangement shall automatically, without notice, terminate immediately and be of no further force or effect, upon the termination of the Arrangement Agreement in accordance with its terms.

5.3 **Further Assurances.** Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and be deemed to occur without any additional act or formality, each of the Persons affected hereby 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 the Parties in order to better implement this Plan of Arrangement.

SCHEDULE B

DESCRIPTION OF PROPERTY

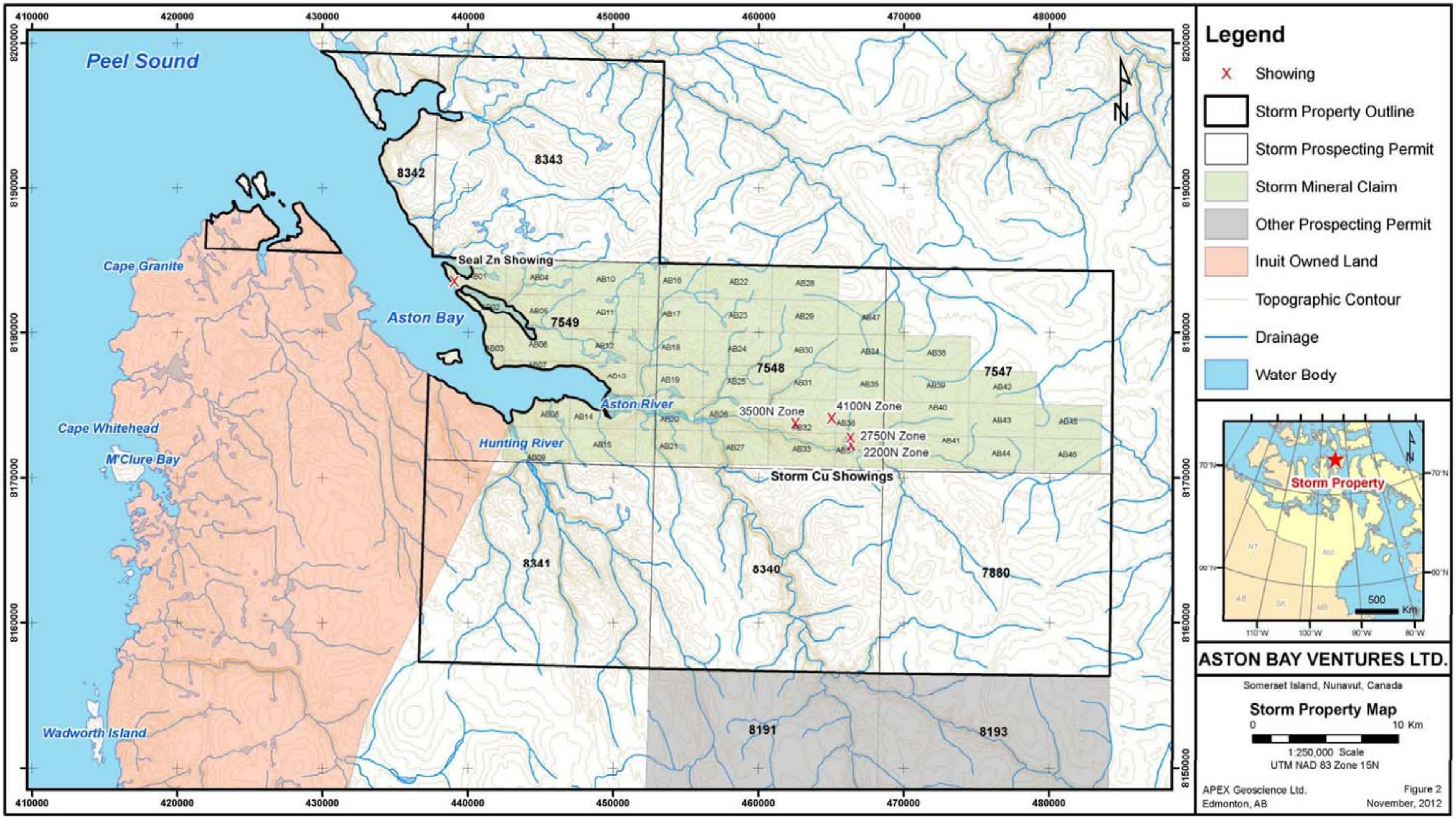
Storm Property Prospecting Permit and Mineral Claim Details

Permit Number	Owner	NTS Sheet	Area (acres)	Date Issued	Expiry Date
7547	Commander Resources Ltd.	058C10	51,040.00	Feb. 1, 2008	Jan. 31, 2013
7548	Commander Resources Ltd.	058C11	51,040.00	Feb. 1, 2008	Jan. 31, 2013
7549	Commander Resources Ltd.	058C11	42,318.89	Feb. 1, 2008	Jan. 31, 2013
7880	Commander Resources Ltd.	058C10	51,040.00	Feb. 1, 2010	Jan. 31, 2015
8340	Aston Bay Ventures Inc.	058C11	51,040.00	Feb. 1, 2012	Jan. 31, 2017
8341	Aston Bay Ventures Inc.	058C11	51,040.00	Feb. 1, 2012	Jan. 31, 2015
8342	Aston Bay Ventures Inc.	058C13	15,285.07	Feb. 1, 2012	Jan. 31, 2017
8343	Aston Bay Ventures Inc.	058C14	50,233.00	Feb. 1, 2012	Jan. 31, 2017
		Total Acres:	**363,036.96**		
		Total Ha:	**146,915.84**		

Tag Number	Claim Name	Date Staked	Record Date	Expiry Date	Area (acres)	Owner
16471	AB1	24/07/2012	12/09/2012	12/09/2014	2237	Commander Resources Ltd.
16472	AB2	24/07/2012	12/09/2012	12/09/2014	1331	Commander Resources Ltd.
16473	AB3	24/07/2012	12/09/2012	12/09/2014	895.2	Commander Resources Ltd.
16474	AB4	24/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16475	AB5	24/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16476	AB6	24/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16477	AB7	24/07/2012	12/09/2012	12/09/2014	550.7	Commander Resources Ltd.
16478	AB8	24/07/2012	12/09/2012	12/09/2014	1506	Commander Resources Ltd.
16479	AB9	24/07/2012	12/09/2012	12/09/2014	2545	Commander Resources Ltd.
16480	AB10	24/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16481	AB11	24/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16482	AB12	24/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16483	AB13	24/07/2012	12/09/2012	12/09/2014	1661	Commander Resources Ltd.
16484	AB14	24/07/2012	12/09/2012	12/09/2014	2189	Commander Resources Ltd.
16485	AB15	24/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16486	AB16	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16487	AB17	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16488	AB18	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16489	AB19	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16490	AB20	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16491	AB21	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16492	AB22	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16493	AB23	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16494	AB24	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16495	AB25	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16496	AB26	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.

Tag Number	Claim Name	Date Staked	Record Date	Expiry Date	Area (acres)	Owner
16497	AB27	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16498	AB28	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16499	AB29	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16500	AB30	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16501	AB31	25/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16502	AB32	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16503	AB33	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16504	AB34	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16505	AB35	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16506	AB36	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16507	AB37	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16508	AB38	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16509	AB39	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16510	AB40	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16511	AB41	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16512	AB42	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16513	AB43	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16514	AB44	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16515	AB45	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16516	AB46	26/07/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
16517	AB47	01/08/2012	12/09/2012	12/09/2014	2582.5	Commander Resources Ltd.
				Total Acres	**113632.4**	
				Total Hectares	**45985.4**	

See map on following page.


Peel Sound
Cape Granite
Aston Bay
Cape Whitehead
M'Clure Bay
Wadworth Island
Aston River
Hunting River
Seal Zn Showing
3500N Zone
4100N Zone
2750N Zone
2200N Zone
Storm Cu Showings
8343
8342
7549
7548
7547
8341
8340
7880
8191
8193
Legend
Showing
Storm Property Outline
Storm Prospecting Permit
Storm Mineral Claim
Other Prospecting Permit
Inuit Owned Land
Topographic Contour
Drainage
Water Body
Storm Property
ASTON BAY VENTURES LTD.
Somerset Island, Nunavut, Canada
Storm Property Map
1:250,000 Scale
UTM NAD 83 Zone 15N
APEX Geoscience Ltd.
Edmonton, AB
Figure 2
November, 2012