ARRANGEMENT AGREEMENT

THIS AGREEMENT made as of the 22nd day of March, 2018.

BETWEEN:

ALMADEX MINERALS LIMITED, a company incorporated under the laws of the Province of British Columbia,

(“**Parentco**”)

AND:

1154229 B.C. Ltd., a company incorporated under the laws of the Province of British Columbia,

(“**Spinco**”)

WHEREAS Parentco and Spinco wish to effect a statutory plan of arrangement under Section 288 of the BCBCA on the terms and conditions set out in this Agreement and the Plan of Arrangement annexed hereto as Schedule A.

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

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement the following terms have the following meanings, respectively:

“**Acquisition Proposal**” means, other than the transactions contemplated by this Agreement and other than any transaction involving only Parentco and one or more of its wholly-owned Subsidiaries, any offer, proposal, expression of interest or inquiry from any Person or group of Persons after the date of this Agreement, whether or not in writing and whether or not delivered to Parentco Shareholders, relating to: (i) any sale or disposition (or any lease, license, long-term supply agreement or other arrangement having the same economic effect as a sale or disposition), direct or indirect, through one or more related transactions of assets representing 20% or more of the consolidated assets (based on book value) of Parentco and its Subsidiaries or 20% or more of the voting or equity securities (or rights or interests in such voting or equity securities) of Parentco or any of its Subsidiaries whose assets, individually or in the aggregate, represent 20% or more of the consolidated assets (based on book value) of Parentco and its Subsidiaries; (ii) any take-over bid, tender offer, exchange offer or other similar transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of Parentco or any of its Subsidiaries whose assets represent 20% or more of the consolidated assets of Parentco and its Subsidiaries (based on book value); or (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, or other similar transaction or series of related transactions involving Parentco or any of its Subsidiaries whose assets, individually or in the aggregate, represent 20% or more of the consolidated assets (based on book value) of Parentco and its Subsidiaries;

“**Affiliate**” means, with respect to any Person, any other Person which directly or indirectly, controls, or is controlled by, or is under common control with, such Person;

“**Agreement**” means this arrangement agreement entered into between the Parties as first referenced above, including all Schedules attached hereto;

“**Almaden de Mexico**” means Almaden de Mexico, S.A. de C.V.

“**Applicable Law**” means any law (including common law and equity), any international or other treaty, any domestic or foreign constitution or any multinational, federal, provincial, territorial, state, municipal, county or local statute, law, ordinance, code, rule, regulation, Order (including any securities laws or requirements of stock exchanges and any consent decree or administrative Order), or Authorization of a Governmental Body in any case applicable to any specified Person, property, transaction or event, or any such Person’s property or assets;

“**Arrangement**” means an arrangement under Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of this Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of Parentco and Spinco, each acting reasonably;

“**Arrangement Consents**” means the material third party consents required to complete the Arrangement, as more particularly set forth in Schedule G;

“**Arrangement Resolution**” means the special resolution of Parentco Shareholders authorizing and approving the Plan of Arrangement at the Meeting;

“**Authorization**” means any authorization, approval, consent, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Body having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval, mining permit, development permit or building permit) or from any Person in connection with any easements, contractual rights or other matters;

“**BCBCA**” means the *Business Corporations Act* (British Columbia);

“**Board**” means the board of directors of Parentco as constituted from time to time;

“**Board Recommendation**” has the meaning ascribed thereto in Section 2.5(b)(ii);

“**Business Day**” means a day which is not a Saturday, Sunday, or a day when commercial banks are not open for business in Vancouver, British Columbia;

“**Change in Recommendation**” means the Board or any committee of the Board fails to unanimously recommend or withdraws, amends, modifies or qualifies, or fails to publicly reaffirm (without qualification) the Board Recommendation for more than ten (10) Business Days after the public announcement of an Acquisition Proposal;

“**Circular**” means the notice of the Meeting and accompanying management information circular, together with all schedules, appendices and exhibits thereto and any information incorporated by reference therein, to be delivered to Parentco Shareholders in connection with the Meeting;

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

“**Dissent Rights**” has the meaning attributed to that term in Section 3.1 in the Plan of Arrangement;

“**Effective Date**” means the second Business Day after the date upon which the Parties have confirmed in writing (such confirmation not to be unreasonably withheld or delayed) that all conditions to the completion of the Plan of Arrangement have been satisfied or waived in accordance with Article 5 of this Agreement and all documents and instruments required under this Agreement, the Plan of Arrangement and the Final Order have been delivered;

"**Effective Time**" means 12:01 a.m. on the Effective Date;

"**El Cobre Entities**" means Parentco, Pangeon Holdings Ltd. and Minera Alondra S.A. de C.V;

"**Encumbrance**" means any mortgage, debenture, pledge, hypothec, lien, charge, assignment by way of security, consignment, lease, hypothecation, security interest, including a purchase money security interest, or other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or obligation, title retention right, or any other encumbrance or prior claim of any nature or kind whatsoever;

"**Environmental Laws**" means all Applicable Laws relating to the protection of the environment, natural resources, human health and safety, Hazardous Substances, the assessment of environmental and social impacts or the rehabilitation, reclamation or closure of lands;

"**Final Order**" means the final order made after application to the Court pursuant to Section 291 of the BCBCA approving the Plan of Arrangement as such order may be amended, modified, supplemented or varied by the Court (with the consent of the Parties, acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended (with the consent of the Parties, acting reasonably) on appeal, which order will include a statement to the following effect: "The terms and conditions of the Plan of Arrangement are procedurally and substantially fair to Parentco Shareholders and are hereby approved by the Court.";

"**Financial Statements**" means the audited consolidated financial statements of Parentco as at and for the year ended December 31, 2016, including the notes thereto, together with the auditor's report thereon, and the unaudited consolidated financial statements of Parentco as at and for the three and nine months ended September 30, 2017, each of which form part of the Public Disclosure Documents;

"**Gavilan**" means Minera Gavilan, S.A. de C.V.;

"**Gavilan Receivables**" means the following indebtedness owing from Gavilan to Parentco:

(i) a non-interest bearing debt having a principal amount of USD$213,339.49;

(ii) a non-interest bearing debt having a principal amount of MXP$29,800,000; and

(iii) a non-interest bearing debt having a principal amount of CAD$1,730,682.96;

"**Good Industry Practice**" means, in relation to any decision or undertaking, the exercise of that degree of diligence, skill and care which is commonly observed by experienced professionals in the Canadian, U.S., or Australian mining industry engaged in the same type of undertaking under the same or similar circumstances;

"**Governmental Body**" means any domestic or foreign federal, provincial, regional, state, municipal or other government, governmental department, agency, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory authority, including any securities regulatory authorities or stock exchange;

"**Hazardous Substance**" means any hazardous substance or material regulated, or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, petroleum and petroleum products, polychlorinated biphenyls, chlorinated solvents and asbestos;

"**Interim Order**" means the interim order made after application to the Court pursuant to Section 291 of the BCBCA, providing for, among other things, the calling and holding of the Meeting and the requisite majority for the approval of the Arrangement, as such order may be amended, supplemented or varied by the Court (with the consent of the Parties, acting reasonably);

"**Material Adverse Effect**" means, in respect of the Project, any change, event, occurrence, condition, circumstance, effect, fact or development that, either individually or in the aggregate, has, or could reasonably be expected to have, a material and adverse effect on: (a) the business, affairs, capitalization, assets, liabilities, results of operations or condition (financial or otherwise) of Parentco and its Subsidiaries, taken as a whole, (b) the Project; or (c) the ability of Parentco to consummate the transactions contemplated by this Agreement, provided, in each case, that it shall not include any change, event, occurrence, condition, circumstance, or effect arising out of, relating to, resulting from or attributable to:

(i) any change affecting the industry in which Parentco or its Subsidiaries operate;

(ii) any change, development or condition in or relating to global, national or regional political conditions or in general economic, business, banking, regulatory, credit, currency exchange, interest rate, rates of inflation or market conditions or in national or global financial or capital markets;

(iii) any change in applicable generally accepted accounting principles, including IFRS;

(iv) the commencement or continuity of any act of war, armed hostilities or acts of terrorism;

(v) any change in Applicable Law by any Governmental Body;

(vi) the announcement or pendency of the Arrangement or the performance of any obligation which is required to be taken (or omitted to be taken) hereunder; or

(vii) any decrease in the market price or any decline in the trading volume of the Parentco Common Shares on the TSX-V (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred);

provided, however, if an effect referred to in clauses (i), (ii), and (v) above has a materially disproportionate effect on Parentco and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industry in which Parentco or its Subsidiaries operate, such effect may be taken into account in determining whether a Material Adverse Effect has occurred.

"**Meeting**" means the special meeting of Parentco Shareholders scheduled to be held on May 8, 2018, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Parentco Resolution and for any other purpose set out in the Circular;

"**Misrepresentation**" has the meaning ascribed thereto under Securities Laws.

"**Newcrest**" means Newcrest International Pty Ltd.;

"**NI 43-101**" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators;

"**NI 54-101**" has the meaning ascribed thereto in Section 2.4(a);

"**Option Exchange**" has the meaning attributed to that term in Subsection 2.2(e) in the Plan of Arrangement;

"**Order**" means any order, directive, decree, judgment, ruling, award, injunction, direction or request of any Governmental Body or other decision-making authority of competent jurisdiction, including an arbitrator;

"**Ordinary Course**" means, with respect to an action taken by any Person, that such action is taken in the ordinary course of the normal day-to-day operations and activities of the business consistent with past practice;

"**Outside Date**" means May 27, 2018;

"**Parentco**" means a company incorporated under the laws of the Province of British Columbia known as Almadex Minerals Limited at the commencement of this Plan of Arrangement and renamed "Azucar Minerals Ltd." pursuant to Subsection 2.2(j) in the Plan of Arrangement;

"**Parentco Common Shares**" means Parentco Old Common Shares prior to the Effective Time and Parentco New Common Shares after the Effective Time;

"**Parentco Indemnified Party**" has the meaning ascribed thereto in Section 8.2;

"**Parentco New Common Shares**" means the Class B Common shares in the authorized share structure of Parentco created pursuant to Paragraph 2.2(b)(ii) in the Plan of Arrangement and whose identifying name is changed to "Common shares" pursuant to Paragraph 2.2(h)(ii) in the Plan of Arrangement;

"**Parentco Old Common Shares**" means the Common shares in the authorized share structure of Parentco whose identifying name is changed to "Class A Common shares" pursuant to Paragraph 2.2(b)(i) in the Plan of Arrangement and which are eliminated from Parentco's authorized share structure pursuant to Paragraph 2.2(h)(i) in the Plan of Arrangement;

"**Parentco Options**" means an option exchangeable into a Parentco Common Share pursuant to the Parentco Stock Option Plan;

"**Parentco Replacement Stock Option**" means an option to acquire a Parentco New Common Share granted by Parentco to a holder of a Parentco Stock Option pursuant to an Option Exchange, with the exercise price of each such Parentco Replacement Stock Option determined in accordance with the Plan of Arrangement and the other terms and conditions of each such Parentco Replacement Stock Option determined in accordance with the Parentco Stock Option Plan and any agreements thereunder including, where necessary, appropriate adjustments to any performance-based or other vesting conditions, as such plan and agreements may be amended by the Board or a committee thereof;

"**Parentco Resolution**" means the special resolution of Parentco Shareholders approving the Plan of Arrangement;

"**Parentco Securityholders**" means Parentco Shareholders, the holders of Parentco Stock Options and the holders of Parentco Warrants;

"**Parentco Shareholders**" means the holders of Parentco Common Shares;

"**Parentco Stock Option**" means an option granted pursuant to the Parentco Stock Option Plan exercisable to acquire a Parentco Old Common Share;

"**Parentco Stock Option Plan**" means the Parentco rolling stock option plan dated July 12, 2017;

"**Parentco Warrants**" means a common share purchase warrant of Parentco exercisable to acquire a Parentco Old Common Share;

"**Parties**" means, together, Parentco and Spinco and "**Party**" means any one of them;

"**Person**" means and includes individuals, corporations, bodies corporate, limited or general partnerships, joint stock companies, limited liability companies, joint ventures, associations, companies, trusts, banks, trust companies, Governmental Bodies or any other type of organization or entity, whether or not a legal entity;

"**Plan of Arrangement**" means the plan of arrangement in substantially the form set out as Schedule A hereto as the same may be amended from time to time in accordance with the terms hereof and the terms of the Plan of Arrangement or made at the direction of the Court in the Final Order;

"**Project**" means the El Cobre gold-copper porphyry project, located in the state of Veracruz, Mexico, as such Project is described in the Technical Report for such Project as filed on SEDAR and in the other Public Disclosure Documents;

"**Project Property**" means all of the property, assets, undertaking, approvals, licenses, permits and rights of any of the El Cobre Entities in and relating to the Project, including real property, personal property and other mineral rights, mineral concessions set forth in Schedule B and other mineral interests;

"**Public Disclosure Documents**" means, collectively, all of the documents which have been filed by or on behalf of Parentco with the relevant Securities Regulators pursuant to the requirements of Securities Laws, including all documents publicly available on Parentco's SEDAR profile;

"**Registrar**" means the Registrar of Companies for the Province of British Columbia, duly appointed pursuant to Section 400 of the BCBCA;

"**Representative**" means any director, officer, employee, agent, advisor or consultant of either Party;

"**Royalties**" means the royalties set out in Schedule D;

"**Securities Act**" means the *Securities Act* (British Columbia) together with all rules and regulations promulgated thereunder or with respect thereto;

"**Securities Laws**" means all applicable securities laws and the respective regulations, rulings and orders made thereunder in each of the provinces of British Columbia, Alberta and Ontario, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of the Securities Regulators, and all rules and policies of the TSX-V and any other stock exchange on which securities of Parentco are traded;

"**Securities Legislation**" means the Securities Act and the equivalent law in the other applicable provinces and territories of Canada, and the published policies, instruments, rules, judgments, orders and decisions of any authority administering those statutes, as well as the rules, regulations, by-laws and policies of the Toronto Stock Exchange and the TSX-V, as applicable;

"**Securities Regulators**" means, collectively, the securities regulators or other securities regulatory authorities in each of the provinces of British Columbia, Alberta and Ontario and in any other jurisdictions whose Securities Laws are applicable to Parentco, and the TSX-V;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;

"**Spinco**" means a company incorporated under the laws of the Province of British Columbia known at the commencement of this Plan of Arrangement as 1154229 B.C. Ltd. and renamed "Almadex Minerals Ltd." pursuant to Subsection 2.2(k) in the Plan of Arrangement;

"**Spinco Common Shares**" means the common shares in the authorized share structure of Spinco;

"**Spinco Indemnified Party**" has the meaning ascribed thereto in Section 8.1;

“**Spinco Replacement Stock Option**” means an option to acquire a Spinco Common Share granted by Spinco to a holder of an Parentco Stock Option pursuant to an Option Exchange, with the exercise price of each such Spinco Replacement Stock Option determined in accordance with this Plan of Arrangement and the other terms and conditions of each such Spinco Replacement Stock Option determined in accordance with the Spinco Stock Option Plan and any agreements thereunder and including, where necessary, appropriate adjustments to any performance-based or other vesting conditions, as such plan or agreements may be amended by the board of directors of Spinco or a committee thereof;

“**Spinco Stock Option Plan**” means the Spinco stock option plan;

“**Subsidiary**” means with respect to any Person, any other Person which is controlled directly or indirectly by that Person;

“**Superior Proposal**” means any unsolicited *bona fide* written Acquisition Proposal to acquire, directly or indirectly, not less than all of the outstanding Parentco Common Shares or all or substantially all of the assets of Parentco and its Subsidiaries on a consolidated basis that did not result from a breach of Article 5 and: (i) that is reasonably capable of being completed, without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal; (ii) that is not subject to a financing condition, other than a financing condition permitted under National Instrument 62-104 *Take-Over Bids and Issuer Bids*, and in respect of which it has been demonstrated to the satisfaction of the Board after receipt of advice from its financial advisors and outside legal counsel, that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal; (iii) that is not subject to a due diligence or access condition (but, for greater certainty, may include a customary access covenant); (iv) in respect of which the Board determines, in its good faith judgment, after receiving the advice of its outside legal counsel and its financial advisors, that it would, if consummated in accordance with its terms (but without assuming away the risk of non-completion), result in a transaction which is more favourable, from a financial point of view, to Parentco Shareholders than the Arrangement; and (v) in the case of a transaction that involves the acquisition of Parentco Common Shares, is made available to all Parentco Shareholders on the same terms and conditions (in form and substance);

“**Tax Act**” means the *Income Tax Act*, R.S.C. 1985 (5th Supp.) c.1, as amended;

“**Tax Returns**” means any and all returns (including any withholding tax returns and information return), reports, declarations, elections, designations, notices, filings, forms, statements, and other documents (whether in tangible or intangible form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, filed or required to be filed with any applicable Governmental Body in respect of Taxes;

“**Taxes**” means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Body, including all supranational, national, federal, provincial, state, local or other taxes whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to income, branch, earnings, profits, capital gains, gross receipts, windfall profits, value added, severance, ad valorem, property, capital, net worth, production, sales, use, goods and services, harmonized sales, value added, licence, franchise, environmental, transfer, withholding or similar, payroll, employment, employer health, government pension plan premiums and contributions, social security premiums, workers’ compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp, occupation, premium, alternative or add-on minimum, and transfer, gift, production, real or personal property, import or export and customs duties, (ii) any instalments in respect thereof, (iii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Body, and (iv) any liability for any of the foregoing as a transferee, successor, guarantor, or by contract, operation of law or otherwise;

“**Technical Report**” means the technical report titled “NI 43-101 Technical Report on The El Cobre Property, Veracruz, Mexico”, dated November 3, 2014, prepared by APEX Geoscience Ltd.;

"**Transfer Agreement**" means the asset transfer agreement of even date entered into between Parentco and Spinco, whereby Parentco transferred the Transferred Assets to Spinco;

"**Transferred Assets**" means:

(i) 10,200 Common shares of Almadex Royalties Limited;

(ii) the sole Common share of Ixtaca Precious Metals Inc.;

(iii) the sole Common share of Republic Resources Inc.;

(iv) 50 Common shares of ATW Resources Ltd.;

(v) 4,040,015 Common shares of Almaden de Mexico;

(vi) 170,901,982 Common shares of Gavilan;

(vii) 104,666 Common shares of Cosigo Resources Ltd.;

(viii) 6,000 Common shares of North Arrow Minerals Inc.;

(ix) 380,000 Common shares of Lincoln Mining Corp.;

(x) 7,773 Common shares of Blue Sky Uranium Corp.;

(xi) 785,000 Common shares of Alianza Minerals Ltd.;

(xii) 500,000 Common shares of Westhaven Ventures Inc.;

(xiii) 41,666 Common shares of Abacus Mining and Exploration Corp.;

(xiv) 450,000 Common shares of Aloro Mining Corp.;

(xv) 1,597 ounces of gold bullion; and

(xvi) an undivided 100% interest in certain mineral tenures located in the Province of British Columbia free and clear of any and all defects, charges, liens and encumbrances of any nature or kind whatsoever, whether written or oral, direct or indirect, as more particularly described in Schedule "C" hereto;

"**Trustee Shares**" means:

(i) one (1) Common share of Almaden de Mexico registered in the name of Duane Poliquin, as trustee for Parentco; and

(ii) one (1) Common share of Gavilan registered in the name of Duane Poliquin, as trustee for Parentco;

"**TSX-V**" means the TSX Venture Exchange or any successor thereto;

"**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder; and

"**Working Capital**" means, at any applicable time, the current assets minus current liabilities of Parentco on a consolidated basis, where current assets and current liabilities will be determined in accordance with IFRS as currently applied.

1.2 Schedules

Schedule A – Plan of Arrangement

Schedule B – Project Property Mineral Rights and Concessions

Schedule C – British Columbia Mineral Tenures

Schedule D – Royalties

Schedule E – Parentco Common Share Rights

Schedule F – Corporate Structure

Schedule G – Arrangement Consents

All Schedules attached to this Agreement form part hereof.

1.3 Construction

In this Agreement, unless otherwise expressly stated or the context otherwise requires:

(a) references to "**Agreement**", "**this Agreement**", "**the Agreement**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions are references to this Agreement and not to any particular Article, Section, Subsection, Paragraph, Schedule or Exhibit;

(b) references to an "**Article**", "**Section**", "**Subsection**", "**Paragraph**", "**Schedule**" or "**Exhibit**" are references to an Article, Section, Subsection, Paragraph, Schedule or Exhibit of or to this Agreement;

(c) words importing the singular shall include the plural and *vice versa*, words importing gender shall include the masculine, feminine and neuter genders;

(d) the use of headings is for convenience of reference only and shall not affect the construction or interpretation hereof;

(e) the word "**including**", when following any general term or statement, is 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 referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement;

(f) a reference to a statute or code includes every regulation made pursuant thereto, all amendments to the statute or code or to any such regulation in force from time to time, and any statute, code or regulation which supplements or supersedes such statute, code or regulation;

(g) the term "**control**" (including, with correlative meanings, the terms "**controlled by**" and "**under common control with**"), as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that person, whether through the ownership of voting securities, by contract or otherwise.

1.4 Knowledge

For the purposes of this Agreement, with respect to any matter, the knowledge of a Party shall mean the actual knowledge of any of the directors and officers of such Party having conducted a reasonable inquiry into the matters in question.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement

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

2.2 U.S. Securities Act Matters

The Parties agree that the Arrangement will be carried out with the intention that all Parentco Common Shares and Spinco Common Shares issued on completion of the Arrangement will be issued and exchanged by Parentco or Spinco, as applicable, in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof. In order to ensure the availability of the exemption under Section 3(a)(10) of the U.S. Securities Act, the Parties agree that the Arrangement will be carried out on the following basis:

(a) the Arrangement will be subject to the approval of the Court;

(b) the Court will be advised, prior to the hearing of the Court to give approval of the Final Order, that the Parties will rely on the exemption under Section 3(a)(10) of the U.S. Securities Act with respect to the issuance and exchange of Parentco Common Shares and Spinco Common Shares based on the Court's determination of the fairness of the Plan of Arrangement and approval of the Arrangement;

(c) the Court will be required to satisfy itself as to the fairness of the Arrangement to all Parentco Shareholders who are entitled to receive Parentco Common Shares and Spinco Common Shares pursuant to the Arrangement and the Final Order approving the Arrangement that is obtained from the Court will expressly state that the Arrangement is approved by the Court as being fair to such Parentco Shareholders;

(d) Parentco will ensure that Parentco Shareholders entitled to receive the Parentco Common Shares and Spinco Common Shares on completion of the Arrangement will be given adequate and timely notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;

(e) the Parentco Shareholders entitled to receive Parentco Common Shares and Spinco Common Shares will be advised that the Parentco Common Shares and Spinco Common Shares issued pursuant to the Arrangement have not been registered under the U.S. Securities Act and will be issued by the Parties in reliance on the exemption under Section 3(a)(10) of the U.S. Securities Act, and shall be without trading restrictions under the U.S. Securities Act (other than those that would apply under the U.S. Securities Act to Persons who are at the Effective Time, or who have been within 90 days prior to the Effective Time affiliates (as defined by Rule 144 of the U.S. Securities Act) of Parentco or Spinco); and

(f) the Interim Order providing for the calling and holding of the Meeting will specify that each Parentco Shareholder entitled to receive Parentco Common Shares and Spinco Common Shares will have the right to appear before the Court at the hearing of the Court to give approval of the Arrangement so long as they file and deliver a Response to Petition and all supporting evidence in accordance with the Interim Order.

2.3 Interim Order

As soon as reasonably practicable after the date of this Agreement, and in any event on or before April 7, 2018, Parentco shall, pursuant to Section 291 of the BCBCA and, in cooperation with Spinco, prepare, file and diligently pursue an application for the Interim Order, which must provide, among other things:

(a) for the classes of Persons (which for greater certainty shall include all Parentco Securityholders) to whom notice is to be provided in respect of the Arrangement and the Meeting and for the manner in which such notice is to be provided;

(b) that the required level of approval for the Arrangement Resolution shall be two-thirds of the votes cast on such resolution by Parentco Shareholders present in person or represented by proxy at the Meeting voting together as a single class;

(c) that, in all respects, the terms, restrictions and conditions of Parentco's constating documents, including quorum requirements and all other matters, shall apply in respect of the Meeting;

(d) for the grant of Dissent Rights to those Parentco Shareholders who are registered Parentco Shareholders as contemplated in the Plan of Arrangement;

(e) for the notice requirements with respect to the presentation of the application to the Court for the Final Order (which for greater certainty shall include all Parentco Securityholders);

(f) that it is the Parties intention to rely upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Parentco Common Shares and Spinco Common Shares pursuant to the Arrangement, based on the Court's approval of the Arrangement, which approval through the issuance of the Final Order will constitute its determination of the fairness of the Arrangement;

(g) that the Meeting may be adjourned or postponed from time to time by Parentco in accordance with the terms of this Agreement without the need for additional approval of the Court; and

(h) for such other matters as the Parties may reasonably require.

2.4 The Meeting

(a) Parentco shall:

(i) call the Meeting in accordance with the Interim Order, Parentco's constating documents and Applicable Law as soon as reasonably practicable and in any event, on or before April 9, 2018 and, in that regard, Parentco may abridge, as necessary, any time periods that may be abridged under National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and set the record date for the Parentco Shareholders entitled to vote at the Meeting as promptly as practicable, and not adjourn, postpone or cancel (or propose the adjournment, postponement or cancellation of) the Meeting, except as required for quorum purposes (in which case, the Meeting shall be adjourned and not cancelled) or as required by Applicable Law or by a Governmental Body;

(ii) use commercially reasonable efforts to solicit proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any Person that is inconsistent with the Arrangement Resolution and the completion of any of the transactions contemplated by this Agreement; and

(iii) not change the record date for the Parentco Shareholders entitled to vote at the Meeting in connection with any adjournment or postponement of the Meeting unless required by Applicable Law.

2.5 The Circular

(a) Parentco shall as promptly as reasonably practicable prepare and complete, the Circular together with any other documents required by Applicable Law in connection with the Meeting, and Parentco shall, promptly after obtaining the Interim Order, cause the Circular and such other documents to be filed and sent to each Parentco Shareholder and other persons as required by the Interim Order and Applicable Law, in each case so as to permit the Meeting to be held on or before May 22, 2018. If necessary, Parentco may abridge the timing contemplated by NI 54-101 (provided, however, that for greater certainty, the foregoing shall not extend to the making of an application for a waiver or extension from NI 54-101).

(b) Parentco shall ensure that the Circular complies in all material respects with Applicable Law and the Interim Order, does not contain any Misrepresentation and provides the Parentco Shareholders with sufficient information to permit them to form a reasoned judgement concerning the matters to be placed before the Meeting. Without limiting the generality of the foregoing, the Circular must include: (i) a statement that the Board has, after receiving legal and financial advice, determined that the Arrangement is in the best interests of Parentco and is fair to the Parentco Shareholders and unanimously recommends that Parentco Shareholders vote in favour of the Arrangement Resolution (the "**Board Recommendation**"); and (ii) include statements that each executive officer and director of Parentco has signed a support and voting agreement to vote all of his or her Parentco Common Shares in favour of the Arrangement Resolution.

2.6 Final Order

If the Interim Order is obtained and the Arrangement Resolution is passed at the Meeting as provided for in the Interim Order, Parentco shall take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 291 of the BCBCA, as soon as reasonably practicable, but in any event on or before the third (3rd) Business Day after the Arrangement Resolution is passed at the Meeting.

2.7 Court Proceedings

In connection with all Court proceedings relating to obtaining the Interim Order and the Final Order, Parentco shall diligently pursue the Interim Order and the Final Order. Parentco will ensure that all material filed with the Court in connection with the Arrangement is consistent in all material respects with the terms of this Agreement and the Plan of Arrangement.

2.8 Plan of Arrangement and Effective Date

The Arrangement shall become effective on the date upon which the Parties agree in writing as the Effective Date or, in the absence of such agreement, three (3) Business Days following the satisfaction or waiver of all conditions to completion of the Arrangement set out in Article 6 (excluding any conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, waiver of those conditions as of the Effective Date by the applicable Party or Parties for whose benefit such conditions exist) and the Arrangement shall be effective in the sequence set out therein or as otherwise specified in the Plan of Arrangement at the Effective Time on the Effective Date and will have all of the effects provided by Applicable Law. Parentco shall file on the Effective Date all records and information with the Registrar that are required to be filed with the Registrar under Section 292 of the BCBCA.

2.9 Convertible Securities Matters

The Parties acknowledge that the outstanding Parentco Options under the Parentco Stock Option Plan and the Parentco Warrants shall be treated in accordance with the provisions of the Plan of Arrangement, and Parentco shall take all such reasonable steps as may be necessary or desirable to give effect thereto.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Spinco

Spinco represents and warrants to and in favour of Parentco as follows, and acknowledges that Parentco is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

(a) Organization and Powers. Spinco: (i) has been duly incorporated and is validly existing under the laws of British Columbia; and (ii) has all requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder.

(b) Authorization; No Conflict. The execution and delivery by Spinco of this Agreement, and the performance by it of its obligations hereunder, have been duly authorized by all necessary corporate or other action on its part and do not and will not: (i) contravene any provision of its constating documents or any resolution of its shareholders or directors (or any committee thereof); or (ii) violate any Applicable Law; or (iii) conflict with, result in a breach of, or constitute a default or an event creating rights of acceleration, termination, modification or cancellation or a loss of rights under (with or without the giving notice or lapse of time or both), any contract, agreement, license, concession, indenture, mortgage, debenture, note or other instrument to which Spinco or any of its Subsidiaries is a party, subject or otherwise bound.

(c) Execution; Binding Obligation. This Agreement has been duly executed and delivered by Spinco, and constitutes a legal, valid and binding agreement of Spinco, enforceable against Spinco in accordance with its terms, except to the extent enforcement may be affected by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Applicable Laws affecting creditors' rights generally and subject to the qualification that equitable remedies may be granted in the discretion of a court of competent jurisdiction. On the Effective Date, the other Transfer Agreement will be duly executed and delivered by Spinco, and will constitute legal, valid and binding agreements of Spinco, enforceable against Spinco in accordance with its terms, except to the extent enforcement may be affected by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Applicable Laws affecting creditors' rights generally and subject to the qualification that equitable remedies may be granted in the discretion of a court of competent jurisdiction.

(d) Consents. Spinco is not required to give any notice to, make any filing with or obtain any Authorization or Order of any Person in connection with the execution or delivery of or performance of its obligations under this Agreement, other than filings to be made under Securities Laws relating to Newcrest's beneficial ownership of securities of Parentco.

3.2 Representations and Warranties of Parentco

Parentco represents and warrants to and in favour of Spinco as follows, and acknowledges that Spinco is relying on such representations and warranties in connection with the matters contemplated in this Agreement:

(a) Organization and Powers. Each of Parentco and its Subsidiaries, as applicable: (i) has been duly incorporated and is validly existing under the laws of its jurisdiction of incorporation; (ii) has all requisite corporate power and capacity to own and lease its property and assets and to carry on its business; (iii) has all requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder; and (iv) is duly qualified, licensed or registered to do business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it make such qualification, licensing or registration necessary. No proceeding has been instituted or, to Parentco's knowledge, threatened in any such jurisdiction revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and capacity or qualification, licensing or registration. Each of Parentco and its Subsidiaries is in good standing in respect of its corporate filings under applicable corporate laws, except to the extent that being in default of such filings does not constitute a Material Adverse Effect.

(b) Authorization; No Conflict. The execution and delivery by Parentco of this Agreement, and the performance by it of its obligations hereunder or thereunder, have been duly authorized by all necessary corporate or other action on its part and do not and will not: (i) contravene any provision of its constating documents or any resolution of its shareholders or directors (or any committee thereof); (ii) violate any Applicable Law; (iii) conflict with, result in a breach of, or constitute a default or an event creating rights of acceleration, termination, modification or cancellation or a loss of rights under (with or without the giving notice or lapse of time or both), any material contract, agreement, license, concession, indenture, mortgage, debenture, note or other instrument to which Parentco or any of its Subsidiaries is a party, subject or otherwise bound (including any of its property or assets); or (iv) result in, or require, the creation or imposition of any Encumbrance on any property or assets of Parentco or any of its Subsidiaries.

(c) Execution; Binding Obligation. This Agreement has been duly executed and delivered by Parentco, and constitutes a legal, valid and binding agreement of Parentco, enforceable against Parentco in accordance with its terms, except to the extent enforcement may be affected by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Applicable Laws affecting creditors' rights generally and subject to the qualification that equitable remedies may be granted in the discretion of a court of competent jurisdiction. Contemporaneously with, or immediately prior to the Effective Date, the Transfer Agreement will be duly executed and delivered by Parentco, and will constitute legal, valid and binding agreements of Parentco, enforceable against Parentco in accordance with its terms, except to the extent enforcement may be affected by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Applicable Laws affecting creditors' rights generally and subject to the qualification that equitable remedies may be granted in the discretion of a court of competent jurisdiction.

(d) Consents. Neither Parentco nor any of its Subsidiaries is required to give any notice to, make any filing with or obtain any Authorization or Order of any Person in connection with the execution or delivery of or performance of its obligations under this Agreement or the Transfer Agreement other than (i) the TSX-V's acceptance of the transactions contemplated herein or therein, and the filings required to be made in connection therewith, under the requirements of the TSX-V; (ii) obtaining the Interim Order and Final Order; (iii) the Arrangement Resolution's approval by a special majority vote of Parentco Shareholders at the Meeting; and (iv) filing information and records with the Registrar under Section 292 of the BCBCA.

(e) Arrangement Consents. The Arrangement Consents set out in Schedule G are the only Authorizations or Orders required to be obtained in connection with the Arrangement, other than (i) the TSX-V's acceptance of the Arrangement and the filings required to be made in connection therewith, under the requirements of the TSX-V; (ii) approval of the Arrangement Resolution by a special majority vote of Parentco Shareholders at the Meeting; and (iii) the Final Order. Parentco has not received any notice or other written communication from any Person alleging that any other consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with the Arrangement.

(f) Solvency. Neither Parentco nor any of its Subsidiaries is insolvent within the meaning of Applicable Law.

(g) Authorized and Issued Capital.

(i) The authorized capital of Parentco consists of an unlimited number of common shares, of which 48,453,869 Parentco Old Common Shares have been validly issued and are outstanding as of the date hereof. All of the issued and outstanding Parentco Old Common Shares are fully paid and non-assessable and have been duly authorized and issued, in compliance with Applicable Laws and not in violation of or subject to any pre-emptive or similar right that entitles any Person to acquire from Parentco any Parentco Old Common Shares or other securities of Parentco or any of its Subsidiaries. The rights, privileges, restrictions and conditions attached to the Parentco Old Common Shares are as set out in the notice of articles and articles of Parentco most recently filed on SEDAR.

(ii) Upon completion of the Arrangement, the authorized capital of Parentco will consist of an unlimited number of Parentco New Common Shares. All of the issued and outstanding Parentco New Common Shares will be fully paid and non-assessable and will be duly authorized and issued, in compliance with Applicable Laws and not in violation of or subject to any pre-emptive or similar right that entitles any Person to acquire from Parentco any Parentco New Common Shares or other securities of Parentco or any of its Subsidiaries. The rights, privileges, restrictions and conditions attached to the Parentco Common Shares are as set out in Schedule E.

(h) Corporate Structure; Subsidiaries. Schedule F sets forth the true and complete list of all Subsidiaries of Parentco, including the type and number of issued and outstanding shares or other equity interests of each Subsidiary and the Person in whose name such shares or equity interests are registered as of the date hereof and on the Effective Date.

(i) Acquisition and Repurchase Rights. No Person has any option, warrant, right (pre-emptive, contractual or otherwise) or other security or conversion privilege issued or granted by Parentco or its Subsidiaries or any of their Affiliates that is exercisable or convertible into, or exchangeable for, or otherwise carries the right of the holder to purchase or otherwise acquire (whether or not subject to conditions) Parentco Common Shares or other securities of Parentco, including pursuant to one or more exercises, conversions and/or exchanges or other securities or rights (pre-emptive, contractual or otherwise), other than (i) options outstanding as of the date hereof to purchase an aggregate of 4,672,500 Parentco Old Common Shares and (ii) warrants outstanding as of the date hereof to purchase an aggregate of 1,292,400 Parentco Common Shares. No Person has any right to require Parentco to purchase, redeem or otherwise acquire any of its issued and outstanding Parentco Common Shares or any other securities of Parentco. No shareholder or other Person has any pre-emptive right or right of first refusal in respect of the allotment and issuance of any unissued Parentco Common Shares or other securities of Parentco.

(j) Voting and Registration Rights. Parentco is not a party or subject to any agreement or understanding, and to the knowledge of Parentco there is no agreement between any securityholders of Parentco that affects or relates to the voting or giving of written consents with respect to, any of Parentco's securities. Parentco has not granted any registration rights or similar rights with respect to its securities to any Person.

(k) Transfer Agent. Computershare Investor Services Inc., at its offices in Vancouver, British Columbia, is the duly appointed registrar and transfer agent of Parentco with respect to the Parentco Old Common Shares and, following the Effective Date, will be the duly appointed registrar and transfer agent of Parentco with respect to the Parentco New Common Shares.

(l) Listing of Common Shares. The Parentco Common Shares are listed and posted for trading on the TSX-V and no order ceasing or suspending trading in any securities of Parentco or prohibiting the sale or issuance of the Parentco New Common Shares or the Spinco Common Shares or the trading of any of Parentco's issued securities has been issued and no (formal or informal) proceedings for such purpose are pending or, to the knowledge of Parentco, have been threatened. Parentco has not taken any action which would reasonably be expected to result in the delisting or suspension of the Parentco Common Shares on or from the TSX-V.

(m) Issuance of Newcrest Securities. Parentco has the full power and capacity to issue the Parentco New Common Shares. At the Effective Time, the issuance of the Parentco New Common Shares will have been duly authorized and, when issued and delivered, the Parentco New Common Shares will be validly issued as fully paid and non-assessable shares of Parentco.

(n) Regulatory and Other Compliance.

(i) Parentco is a "reporting issuer" (or the equivalent) in each of the provinces of British Columbia, Alberta and Ontario and is not included on a list of defaulting reporting issuers maintained by the Securities Regulators. Parentco has not taken any action to cease to be a reporting issuer in any jurisdiction in which it is a reporting issuer, and has not received any notification from a Securities Regulator seeking to revoke Parentco's reporting issuer status.

(ii) Since December 31, 2016, as of their respective filing dates, each of the Public Disclosure Documents complied with the requirements of applicable Securities Laws in all material respects and none of the Public Disclosure Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading. There is no material change as of the date hereof relating to Parentco which has occurred and with respect to which the requisite material change report has not been filed with the Securities Regulators and made publicly available on SEDAR. Parentco has not filed any confidential material change report or other confidential report with any Securities Regulator or other Governmental Body which at the date hereof remains confidential.

(iii) Parentco and each of its Subsidiaries is carrying on its business in material compliance with all Applicable Laws.

(iv) None of Parentco, the Subsidiaries, nor, to the knowledge of Parentco, any director, officer, agent, employee or other Person acting on behalf of Parentco or any Subsidiary has, in the course of its actions for, or on behalf of, Parentco or any Subsidiary (i) used, or authorized the use of, any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made, or authorized the making of, any direct or indirect unlawful payments to any Canadian or foreign government official or employee from corporate funds; (iii) violated or is in violation of any provision of the Canadian *Corruption of Foreign Public Officials Act*, the Mexican Anti-bribery Law (*Ley General de Responsabilidades Administrativas*) or any other statutes that conform to the *Sistema Nacional Anticorrupción* or any similar Applicable Laws that Parentco or any of its Subsidiaries is subject to; (iv) made, or authorized the making of, any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful kickback or other unlawful payment to any foreign or domestic government official or employee; or (v) violated or is in violation of any provision of any anti-bribery legislation implemented by the signatories of the Organization for Economic Co-operation and Development Convention on Combating Bribery of Foreign Officials in International Business Transactions, as amended from time to time, or Mexico's *Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Ilícita*, as amended from time to time.

(v) No proceedings have been taken, instituted or are pending for the dissolution or liquidation of Parentco or any of its Subsidiaries or under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or other similar Applicable Laws in respect of Parentco or any of its Subsidiaries.

(o) <u>Financial Statements</u>.

(i) The Financial Statements have been prepared in accordance with International Financial Reporting Standards applied on a consistent basis throughout the periods involved and present fairly, in all material respects, the financial condition and performance of Parentco and its Subsidiaries, on a consolidated basis, as at the dates specified therein and for the periods then ended. Parentco does not intend to correct or restate, nor, to the knowledge of Parentco, is there any basis for any correction or restatement of, any aspect of the Financial Statements.

(ii) There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of Parentco or any of its Subsidiaries with unconsolidated entities or other Persons.

(iii) Davidson & Company LLP has been the auditor of Parentco since 2015 and is "independent" as required under Securities Laws. There has never been a "reportable event" (within the meaning of National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators) with the current or any prior auditor of Parentco.

(iv) Neither Parentco nor any Subsidiary has any liabilities, direct or indirect, contingent or otherwise, not disclosed in the Public Disclosure Documents, other than liabilities: (i) incurred in the normal course of business; or (ii) which would not constitute a Material Adverse Effect.

(p) <u>Project Property</u>.

(i) The El Cobre Entities own or otherwise have valid rights to the Project Property, and no Person other than any of the El Cobre Entities has any rights to conduct exploration or mining operations on the Project and, with the exceptions noted in Schedule B, the mining concessions and surface lands set forth in Schedule B comply with all legal and registration requirements to be valid, legally binding and enforceable vis-à-vis third parties;

(ii) The Project Property includes all real property, mining concessions and ancillary rights necessary for the operation of the Project as currently conducted;

(iii) Other than the Royalties or the Encumbrance disclosed to Spinco in writing **[certain property matters redacted]**, none of the Project Property is subject to any option, right of first refusal or right, title, interest, reservation, claim, rent, royalty, or payment in the nature of rent or royalty, or right capable of becoming an agreement, option, right of first refusal or right, title, interest, reservation, claim, rent, royalty, or payment in the nature of rent or royalty;

(iv) Except for the Royalties and except for the Encumbrance disclosed to Spinco in writing **[certain property matters redacted]**, the Project Property is free from any and all Encumbrances.

(q) Ownership. Parentco is the sole legal and beneficial owner of the Transferred Asset and the Gavilan Receivables and the sole beneficial owner of the Trustee Shares.

(r) Debt. The Gavilan Receivables have not been prepaid in full or in part, and Gavilan has been given notice of the sale of the Gavilan Receivables, the full amount of which are due and owing by Gavilan to Parentco.

(s) No Expropriation. Neither the Project nor the Transferred Assets nor the Gavilan Receivables nor the Trustee Shares nor any other assets or property of Parentco or any of its Subsidiaries, nor any part thereof, has been taken or expropriated by any Governmental Body nor has any notice been given or proceeding commenced by a Governmental Body in respect thereof nor, to the knowledge of Parentco, is there any intent or proposal to give any such notice or commence any such proceeding.

(t) Applicable Laws; Conduct of Operations. Parentco and its Subsidiaries are, and have been, in compliance in all material respects with all Applicable Laws, and, without limiting the generality of the foregoing, all activities currently conducted in respect of the Project by Parentco or its Subsidiaries or any subcontractors have been conducted in accordance with Good Industry Practice and all material workers' compensation and health and safety regulations have been complied with in all material respects.

(u) Environmental Compliance. Without limiting the generality of Section 3.2(t):

(i) Parentco and its Subsidiaries, including without limitation the conduct of operations at the Project, have been and are in compliance in all material respects with all Environmental Laws;

(ii) Parentco and its Subsidiaries have obtained all material Authorizations required under Environmental Laws necessary to conduct their exploration or drilling operations to date, including without limitation, on the Project;

(iii) neither Parentco nor any of its Subsidiaries have used or permitted to be used, except in material compliance with all Environmental Laws, any property, including without limitation, the Project Property, to release, dispose, recycle, generate, manufacture, process, distribute, use, treat, store, transport or handle any Hazardous Substance;

(iv) to Parentco's knowledge there is no presence of any Hazardous Substance on, in or under the Project Property and no Hazardous Substances will be generated from an El Cobre Entity's current operations at the Project, except in material compliance with all Environmental Laws and Good Industry Practice;

(v) Parentco has made available to Spinco a true, accurate and complete copy of each material environmental audit, assessment, study or test of which it is aware relating to the Project, including any environmental and social impact assessment study reports and any other material environmental information; and

(vi) as of the date hereof, there are no pending or, to the knowledge of Parentco, proposed (in writing) changes to Environmental Laws or environmental Authorizations referred to in Paragraph (ii) above that would render illegal or materially restrict the conduct of operations at the Project Property, or that could otherwise reasonably be expected to result in a Material Adverse Effect.

(v) Books and Records. The minute books and corporate records of each of Parentco and its Subsidiaries are true and correct in all material respects and contain all minutes of all meetings and all resolutions of the shareholders or directors (or any committee thereof) of each of Parentco and its Subsidiaries, as applicable.

(w) Liabilities.

(i) Upon completion of the Arrangement, none of the El Cobre Entities will have any material liabilities, contingent or otherwise, other than those related to the Project which: (A) are reflected in the Financial Statements; or (B) have been incurred in the Ordinary Course since December 31, 2017.

(ii) Upon completion of the Arrangement, and after giving effect to the Transfer Agreement, but without giving effect to Newcrest's subscription for Parentco New Common Shares or repayments to Parentco, the Working Capital will be not less than CAD$0.

(x) Litigation. There are no Orders which remain unsatisfied against any of Parentco and its Subsidiaries, the Project Property, the Transferred Assets or the Trustee Shares or consent decrees or injunctions to which any of Parentco and its Subsidiaries, the Project Property, the Transferred Assets or the Trustee Shares is subject. Except as disclosed in the Public Disclosure Documents, there are no material investigations, actions, suits or proceedings at law or in equity or by or before any Governmental Body pending or, to the knowledge of Parentco, threatened against or directly affecting any of Parentco or its Subsidiaries (or their respective properties or assets) and, to the knowledge of Parentco, there is no ground on which any such action, suit or proceeding might be commenced.

(y) Technical Disclosure. Parentco is in compliance, in all material respects, with the requirements of NI 43-101. At the date hereof, there are no outstanding unresolved comments of any Securities Regulator or the TSX-V in respect of the technical disclosure made in the Public Disclosure Documents.

(z) Employee and Labour Matters. Parentco and the Subsidiaries are in material compliance with all Applicable Laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages, including but not limited to any obligation related to the *Seguro Social, Instituto del Fondo Nacional de la Vivienda para los Trabajadores,* and *Sistema de Ahorro para el Retiro*. There is not currently any labour disruption or conflict directly affecting the Project. Neither Parentco nor the Subsidiaries are a party to a collective bargaining agreement.

(aa) Tax.

(i) Parentco and each of its Subsidiaries has prepared and filed when due with each relevant Governmental Body all Tax Returns required to be filed by or on their behalf. All such Tax Returns are correct and complete in all relevant respects, and no material fact has been omitted therefrom.

(ii) Parentco and each of its Subsidiaries has paid in full and when due all Taxes, including instalments or prepayments of Taxes, required to be paid by it whether or not shown on any Tax Return or assessed or reassessed by any relevant Governmental Body, and has paid all assessments and reassessments it has received in respect of such Taxes.

(iii) The Financial Statements contain adequate provision in accordance with GAAP for all Taxes payable by Parentco and each of its Subsidiaries in respect of each period covered thereby and all prior periods, whether or not assessed and whether or not shown to be due on any Tax Returns.

(iv) No deficiencies or assessments or reassessments for any Taxes have been proposed, asserted or assessed in writing by any Governmental Body against Parentco or any Subsidiary that are still pending. There are no matters (including any Tax Return filed by Parentco or any Subsidiary) under discussion, audit or appeal with or by any Governmental Body, and there are no proceedings, claims, demands, investigations, or actions now pending or, to Parentco's knowledge, threatened against any of Parentco or any Subsidiary in respect to Taxes.

(v) Parentco and each of its Subsidiaries has duly and timely withheld and collected all amounts required by Applicable Law to be withheld or collected by it on account of Taxes (including Taxes and other amounts required to be withheld by it in respect of any amount paid or credited by it to or for the account or benefit of any Person, including any employee, officer or director and any Person not resident in Canada for purposes of the Tax Act) and has duly remitted to the appropriate Governmental Body within the time prescribed under any Applicable Law all such amounts and other amounts required to be remitted by it.

(vi) There are no outstanding agreements, arrangements, waivers or objections extending the statutory period or providing for an extension of time with respect to the assessment or reassessment of Taxes or the filing of any Tax Return by, or any payment of Taxes by, Parentco or any of its Subsidiaries, nor is there any outstanding request for any such agreement, waiver, objection or arrangement. Neither Parentco nor any Subsidiary has made any elections, designations or similar filings with respect to Taxes or entered into any agreement in respect of Taxes or Tax Returns that have an effect for any period ending after the Effective Date and which have not been disclosed to Spinco. Neither Parentco nor any Subsidiary has requested, received or entered into any advance Tax rulings or advance pricing agreements from or with any Governmental Body.

(vii) Neither Parentco nor any Subsidiary is a party to, bound by, or has any obligation under, any Tax allocation or sharing agreement or similar contract or arrangement or any agreement that obligates it to make any payment computed by reference to the Taxes, taxable income or taxable losses of any other Person. Neither Parentco nor any Subsidiary has acquired property from any Person in circumstances where it became liable for any Taxes of such Person. Neither Parentco nor any Subsidiary has entered into any agreement with, or provided any undertaking to, any Person pursuant to which it has assumed liability for the payment of Taxes owing by such Person.

(viii) No claim has ever been made by a Governmental Body in a jurisdiction where Parentco or any Subsidiary does not file Tax Returns that it is or may be subject to the imposition of any Tax by, or required to file Tax Returns in, that jurisdiction.

(ix) The terms and conditions made or imposed in respect of every transaction (or series of transactions), other than the interest free loans made from time to time to a Subsidiary to fund business operations, between Parentco or any Subsidiary and any Person that is not dealing at arm's length with such entity, for purposes of the Tax Act or any other Applicable Law, do not differ from those that would have been made between persons dealing at arm's length for purposes of the Tax Act. Contemporaneous documentation substantiating the transfer pricing practices and methodology has been executed and maintained.

(x) Neither Parentco nor any Subsidiary has claimed any reserves (other than an allowance for doubtful accounts) for purposes of the Tax Act (or any other Applicable Law) for the most recent Tax or fiscal period ending prior to the date of this Agreement or for any Tax period ending as a result of the completion of the transactions contemplated in this Agreement.

(xi) Since the date of the most recent Financial Statements, neither Parentco nor any Subsidiary has incurred any liability for Taxes or engaged in any transaction or event that would result in any liability for Taxes, other than in the Ordinary Course.

(xii) There are no circumstances which exist and are expected to result in, or have existed and resulted in, the application of any of Sections 17, 79, 79.1 or 80 to 80.04, inclusive, of the Tax Act (or any similar provision under any Applicable Law) to Parentco or any Subsidiary. Neither Parentco nor any Subsidiary has made any payment or is obligated to make any payment that may not be deductible by virtue of Section 67 of the Tax Act (or any similar provision under any Applicable Law).

(bb) Absence of Change. Except as disclosed in the Public Disclosure Documents as of the date hereof, since December 31, 2016, there has been no change which, individually or in the aggregate, is a Material Adverse Effect.

(cc) No Finders. Parentco is not a party to any contract with any Person that would give rise to a valid claim against Parentco or Spinco for a brokerage commission, finder's fee or like payment in connection with the transactions contemplated by this Agreement.

3.3 Survival of Representations and Warranties

The representations and warranties of each of the Parties contained herein will survive the execution and delivery of this Agreement and will terminate on the earlier of the termination of this Agreement in accordance with its terms and the Effective Time.

ARTICLE 4
COVENANTS

4.1 Mutual Covenants of Spinco and Parentco

Each of Spinco and Parentco covenants with the other Party that, subject to the terms and conditions of this Agreement, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, it shall:

(a) use commercially reasonable efforts and do all things reasonably required of it to cause the Plan of Arrangement to become effective on or before the Outside Date;

(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, both prior to and after the Effective Date, to facilitate the carrying out of the intent and purposes of this Agreement;

(c) use commercially reasonable efforts to cause each of the conditions precedent set forth in Article 6, which are within its control, to be satisfied on or prior to the Outside Date;

(d) not take any action, shall refrain from taking any action, and shall not permit any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to, individually or in the aggregate, materially impede or materially delay the consummation of the Arrangement or the other transactions contemplated herein;

(e) use its commercially reasonable efforts to, and shall use its commercially reasonable efforts to cause its Subsidiaries to, cause the representations and warranties in Section 3.1, in the case of Spinco, and Section 3.2, in the case of Parentco: (i) that are qualified by reference to a Material Adverse Effect or materiality, remain true and correct in all respects; or (ii) that are not qualified by reference to a Material Adverse Effect or materiality, remain true and correct in all material respects; as of the Effective Date as if such representations and warranties were made at and as of such date except to the extent such representations and warranties speak as of an earlier date;

(f) use commercially reasonable efforts to: (A) defend all lawsuits or other legal, regulatory or other proceedings against itself or any of its Subsidiaries challenging or affecting this Agreement or the consummation of the transactions contemplated hereby; (B) appeal, overturn or have lifted or rescinded any injunction or restraining order or other order relating to itself or any of its Subsidiaries which may materially adversely affect the ability of the Parties to consummate the Arrangement; and (C) appeal or overturn or otherwise have lifted or rendered non-applicable in respect of the Arrangement, any Applicable Law that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins Parentco or Spinco from consummating the Arrangement;

(g) carry out the terms of the Interim Order and Final Order applicable to it and use commercially reasonable efforts to comply promptly with all requirements which Applicable Laws may impose on it or its Subsidiaries or Affiliates with respect to the transactions contemplated hereby;

(h) take or permit to be taken all actions necessary to ensure that the Arrangement complies with the requirements of Section 3(a)(10) of the U.S. Securities Act and the relevant interpretations and guidance of the staff of the U.S. Securities and Exchange Commission related thereto;

(i) use commercially reasonable efforts to cause the Spinco Common Shares to be listed on the TSX-V with effect as soon as practicable following the Effective Date; and

(j) cooperate with and assist each other in dealing with transitional matters relating to or arising from the Arrangement or this Agreement.

4.2 Covenants of Parentco

(a) Parentco covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of Spinco; (ii) as required or permitted by this Agreement; or (iii) as required by Applicable Law; Parentco shall, and shall cause each of its Subsidiaries to, conduct its business in the Ordinary Course, and Parentco shall use commercially reasonable efforts to maintain and preserve intact its and its Subsidiaries' business organization, assets, properties, employees, goodwill and business relationships with customers, suppliers, partners and other Persons with which Parentco or any of its Subsidiaries has material business relations;

(b) Without limiting the generality of Section 4.2(a), Parentco covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of Spinco; (ii) as required or permitted by this Agreement; (iii) as required by Applicable Law; or (iv) as contemplated by Parentco Disclosure Letter, Parentco shall not, and shall not take any action to permit any of its Subsidiaries to, directly or indirectly:

(i) amend or propose to amend any of Parentco's constating documents or the articles of incorporation, articles of amalgamation, by-laws, shareholders agreements or similar organizational documents of any of its Subsidiaries;

(ii) split, combine, reclassify or amend the terms of any shares of Parentco or of any Subsidiary;

(iii) reduce the capital of Parentco or any of its Subsidiaries;

(iv) redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire any shares of capital stock of Parentco or any of its Subsidiaries;

(v) other than the issuance of Parentco Common Shares in connection with the exercise of Parentco Options or Parentco Warrants granted prior to the date hereof, issue, grant, deliver, sell, pledge or otherwise encumber, or authorize the issuance, grant, delivery, sale, pledge or other Encumbrance of, any shares of capital stock or any options, warrants or similar rights exercisable or exchangeable for or convertible into such capital stock, of Parentco or any of its Subsidiaries;

(vi) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, any assets, securities, properties, interests or businesses, other than Ordinary Course acquisitions of equipment or inventory or Ordinary Course acquisitions under procurement contracts;

(vii) sell, lease, transfer or otherwise dispose, directly or indirectly, in one transaction or in a series disposed of related transactions, any of Parentco's or its Subsidiaries' assets, other than the sale, lease, transfer or other disposition of equipment or inventories or of obsolete or worn-out assets in the Ordinary Course;

(viii) create, incur, assume or suffer to exist, or permit one of its Subsidiaries to create, incur, assume or suffer to exist any Encumbrance in the Ordinary Course;

(ix) reorganize, amalgamate or merge Parentco or any Subsidiary;

(x) adopt a plan of liquidation or resolutions providing for the liquidation, winding-up or dissolution of Parentco or any of its Subsidiaries;

(xi) pay, discharge or satisfy any claim, liability, indebtedness or obligation prior to the same being due other than in the Ordinary Course;

(xii) create, incur, assume or otherwise become liable, in one transaction or in a series of related transactions, with respect to any indebtedness for borrowed money or guarantees thereof other than in the Ordinary Course;

(xiii) make any loan or advance to, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person other than in the Ordinary Course;

(xiv) make any material change in Parentco's accounting principles, except as required by concurrent changes in IFRS, or pursuant to written instructions, comments or orders of a Securities Authority;

(xv) enter into any material agreement or modify or amend in any material respect, transfer or terminate any material contract, or waive, release, or assign any material rights or claims thereto or thereunder, other than in the Ordinary Course;

(xvi) enter into or terminate any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or other financial instruments or like transaction, other than in the Ordinary Course.

(c) Parentco covenants and agrees that during the period from the date of this Agreement until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms, Parentco and its Subsidiaries will:

(i) ensure that the information set forth in the Circular relating to Parentco and its Subsidiaries, and their respective businesses and properties and the effect of the Plan of Arrangement thereon will be true, correct and complete in all material respects and will not contain any untrue statement of any material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading in light of the circumstances in which they are made;

(ii) make application to the applicable regulatory authorities for such orders under applicable securities and/or corporate laws as may be necessary or desirable in connection with the Plan of Arrangement; and

(iii) perform the obligations required to be performed by it under the Plan of Arrangement and do all such other acts and things as may be necessary or desirable and are within its power and control in order to carry out and give effect to the Plan of Arrangement; and

(iv) use commercially reasonable efforts to obtain:

(A) the consent to the Plan of Arrangement of the holders of Parentco Stock Options; and

(B) such other consents, orders, rulings or Authorizations, approvals and assurances as are necessary or desirable for the implementation of the Plan of Arrangement, including those referred to in Article 5.

4.3 Covenants of Spinco

Spinco hereby covenants and agrees with Parentco that during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of Parentco; (ii) as required or permitted by this Agreement; (iii) as required by Applicable Law, Spinco shall:

(a) not issue any additional Spinco Common Shares or other securities of Spinco other than in connection with the Plan of Arrangement or transactions required in order to effect the Plan of Arrangement;

(b) not issue or enter into any agreement or agreements to issue or grant options, warrants or rights to purchase any Spinco Common Shares or other securities of Spinco; and

(c) not alter or amend its constating documents as the same exist at the date of this Agreement except as specifically provided for hereunder;

(d) perform the obligations required to be performed by it under the Plan of Arrangement and do all such other acts and things as may be necessary or desirable and are within its power and control in order to carry out and give effect to the Plan of Arrangement; and

(e) use its commercially reasonable efforts to obtain such consents, orders, rulings or approvals and assurances as are necessary or desirable for the implementation of the Plan of Arrangement, including those referred to in Article 6.

4.4 Board of Directors of Spinco

Parentco shall take all necessary actions to ensure that upon the completion of the Arrangement, the board of directors of Spinco immediately after the Effective Time shall include all of the members of the Board on the date of this Agreement.

ARTICLE 5
ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

5.1 Non-Solicitation

(1) Except as expressly provided in this Article 5, Parentco shall not, directly, indirectly or through any Representative:

(a) solicit, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities and books and records) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any negotiations or discussions with any person (other than with Spinco or any person acting jointly or in concert with Spinco) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute, an Acquisition Proposal;

(c) make a Change in Recommendation;

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend any Acquisition Proposal, or take no position or remain neutral with respect to any publicly announced Acquisition Proposal, it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than five (5) Business Days following the formal announcement of such Acquisition Proposal will not be considered to be in violation of this Article 5, provided the Board has affirmed the Board Recommendation by or before the end of such five (5) Business Day period (or in the event that the Meeting is scheduled to occur within such five (5) Business Days period, prior to the third (3rd) Business Day prior to the date of the Meeting); or

(e) approve, recommend or enter into (other than a confidentiality agreement permitted by and in accordance with Section 5.3) or publicly propose to enter into any agreement in respect of an Acquisition Proposal.

(2) Parentco shall, and shall cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion or negotiations with any person (other than with Spinco) with respect to any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute an Acquisition Proposal, and in connection therewith, Parentco will:

(a) discontinue access to and not allow disclosure or access to any information of Parentco, including any data room and any confidential information, properties, facilities and books and records; and

(b) request, and exercise all rights it has (or cause its Subsidiaries to exercise any rights they have) to require the return or destruction of all copies of any confidential information regarding Parentco or any Subsidiary provided to any Person other than Spinco in connection with an Acquisition Proposal, including ensuring that such requests are fully complied with in accordance with the terms of such rights or entitlements.

(3) Parentco covenants and agrees not to release any person from, or waive such person's obligations under any confidentiality, standstill or similar agreement or restriction to which Parentco or a Subsidiary is a party (it being acknowledged by Spinco that the automatic termination or release of any restrictions of any such agreements as a result of entering into and announcing this Agreement shall not be a violation of this Section 5.1(3)), and Parentco undertakes to seek to enforce, or cause it Subsidiaries to seek to enforce, all confidentiality, standstill, or similar agreements or restrictions that it or any of its Subsidiaries have entered into prior to the date hereof or enter into after the date hereof. Other than in the Ordinary Course in respect of matters not related to the transaction contemplated by this Agreement and not related to any Acquisition Proposal, Parentco represents and covenants that, as of the date of this Agreement, neither Parentco nor any of its Subsidiaries has released any Person from, or waived such Person's obligations under any confidentiality, standstill or similar agreement or restriction to which Parentco or a Subsidiary is a party.

5.2 Notification of Acquisition Proposals

If after the date of this Agreement Parentco or any of its Subsidiaries or any of their respective Representatives, receives any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to Parentco or any Subsidiary, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of Parentco or any Subsidiary, in connection with an Acquisition Proposal, Parentco shall promptly notify Spinco, at first orally, and then within 24 hours, in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions and the identity of all persons making the Acquisition Proposal, inquiry, proposal, offer or request and copies of all written documents, materials or correspondence or other material received in respect of, from or on behalf of any such person. Parentco shall keep Spinco fully informed of any developments with respect to any such Acquisition Proposal, inquiry, proposal, offer or request, including any changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request.

5.3 Responding to an Acquisition Proposal

Notwithstanding Section 5.1, if at any time prior to obtaining the approval of Parentco Shareholders of the Arrangement Resolution, Parentco receives an Acquisition Proposal, Parentco may engage in or participate in discussions or negotiations with, and otherwise cooperate with and assist, such person regarding such Acquisition Proposal, and, subject to Parentco (i) entering into a confidentiality and standstill agreement with such person (if one has not already been entered into), (ii) concurrently providing Spinco with access to any information that is provided to such person and was not previously provided to Spinco and (iii) promptly providing Spinco with a true, complete and final executed copy of such confidentiality and standstill agreement, may provide copies of, access to or disclosure of information, properties, facilities, books or records of Parentco or its Subsidiaries, if:

(a) the Board first determines in good faith, after consultation with its financial advisors and its outside legal counsel, that such Acquisition Proposal constitutes or could reasonably be expected to lead to a Superior Proposal; and

(b) Parentco has been, and continues to be, in compliance with its obligations under this Article 5.

5.4 Other

(1) The Board shall promptly reaffirm the Board Recommendation by press release after any Acquisition Proposal the Board has determined not to be a Superior Proposal is publicly announced or publicly disclosed.

(2) Nothing in this Agreement shall prohibit the Board from: (i) responding through a directors' circular or otherwise as required by applicable Securities Laws to an Acquisition Proposal that it determines is not a Superior Proposal; (ii) making disclosure to the securityholders of Parentco if the Board, acting in good faith and upon the advice of its legal advisors, shall have determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the Board or such disclosure is otherwise required by Applicable Law; (iii) calling and holding a meeting of Parentco Shareholders requisitioned by Parentco Shareholders, in accordance with the BCBCA, or (iv) calling and holding a meeting of Parentco Shareholders ordered to be held by a court in accordance with Applicable Law.

ARTICLE 6
CONDITIONS

6.1 Mutual Conditions Precedent

The respective obligations of the Parties to complete the transactions contemplated by this Agreement and otherwise to give effect to the Plan of Arrangement shall be subject to the satisfaction, on or before the Effective Date, of the following conditions:

(a) the Interim Order shall not have been set aside or modified in a manner unacceptable to any of the Parties, acting reasonably, on appeal or otherwise;

(b) the Arrangement Resolution shall have been approved by the required number of votes cast by Parentco Shareholders at the Meeting, in accordance with the Interim Order;

(c) the Court shall have determined that the terms and conditions of the exchange of Parentco Common Shares for Spinco Common Shares in the Plan of Arrangement are procedurally and substantively fair to Parentco Shareholders, and the Final Order shall have been obtained in form and substance satisfactory to all Parties, each acting reasonably, not later than the Outside Date or such later date as the Parties may agree;

(d) any securities 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) the consent to the Plan of Arrangement of the holders of Parentco Stock Options shall have been obtained in form and substance satisfactory to the Parties;

(f) the transfer of the Transferred Assets from Parentco to Spinco shall have been completed to the satisfaction of the Parties, acting reasonably;

(g) the TSX-V shall have given conditional acceptance to the listing thereon of the Spinco Common Shares to be distributed pursuant to the Plan of Arrangement, subject to compliance with the usual requirements of the TSX-V;

(h) Newcrest will have concurrently closed its subscription for a number of common shares which will represent 19.9% of the outstanding Parentco New Common Shares following the Effective Time;

(i) all material consents, orders, rulings, approvals and assurances, including regulatory and judicial approvals and orders, required for the completion of the transactions provided for in this Agreement and the Plan of Arrangement shall have been obtained or received from the authorities, including applicable orders, rulings, no action letters and registrations pursuant to Securities Legislation to permit the Spinco Common Shares to be distributed pursuant to the Plan of Arrangement;

(j) no action shall 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 Plan of Arrangement and there shall 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 shall have been issued and remain outstanding;

(k) none of the consents, orders, rulings, approvals or assurances required for the implementation of the Plan of Arrangement shall contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by any of the Parties, acting reasonably;

(l) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Plan of Arrangement, including any material change to the income tax laws of Canada, which would have a Material Adverse Effect upon Parentco Securityholders if the Plan of Arrangement is completed;

(m) this Agreement shall not have been terminated under Article 7; and

(n) Dissent Rights shall not have been exercised by Parentco Shareholders holding more than five percent (5%) of the issued and outstanding Parentco Old Common Shares.

6.2 Additional Conditions to Obligations of Each Party

The obligation of each Party to complete the transactions contemplated by this Agreement is further subject to the condition, which may be waived by such Party without prejudice to its right to rely on any other condition in its favour, that the covenants of the other Party to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been duly performed by it and that the representations and warranties of the other Party shall be true and correct in all material respects as at the Effective Date (except for representations and warrants made as of the specified date, the accuracy of which shall be determined as at that specified date), with the same effect as if such representations and warranties had been made at, and as of, such time and each such Party shall receive a certificate, dated the Effective Date, of a senior officer of each other Party confirming the same.

6.3 Merger of Conditions

The conditions set out in Article 6 shall be conclusively deemed to have been satisfied, waived or released on the Arrangement becoming effective.

ARTICLE 7
AMENDMENT AND TERMINATION

7.1 Amendment and Waiver

Subject to any restrictions under the BCBCA or in the Final Order, this Agreement may, at any time and from time to time before and after the holding of the Meeting, but not later than the Effective Date, be amended by the written agreement of the Parties without, subject to Applicable Law, further notice to or authorization on the part of their respective shareholders. Without limiting the generality of the foregoing, any such amendment may:

(a) waive compliance with or modify any of the covenants contained herein or waive or modify performance of any of the obligations of the Parties or satisfaction of any of the conditions precedent set forth in Article 6 of this Agreement;

(b) waive any inaccuracies or modify any representation contained herein or in any document to be delivered pursuant hereto;

(c) change the time for performance of any of the obligations, covenants or other acts of the Parties; or

(d) make such alterations in this Agreement as the Parties may consider necessary or desirable in connection with the Interim Order or otherwise.

7.2 Termination

This Agreement may, at any time prior to the Plan of Arrangement becoming effective under the provisions of the BCBCA and without approval of Parentco Securityholders, be terminated by the mutual agreement of the Parties.

ARTICLE 8
INDEMNIFICATION

8.1 Indemnity by Parentco

Parentco agrees to indemnify and hold harmless Spinco and its directors (or equivalent), officers, employees and agents (each, a "**Spinco Indemnified Party**") from all losses (other than loss of profit) and damages (including related costs and expenses) suffered or incurred by a Spinco Indemnified Party arising out of, relating to or in connection with any breach of any covenant of Parentco in this Agreement, excluding any losses or damages suffered or incurred by the Spinco Indemnified Party as a result of the breach of the terms of this Agreement by Spinco, or gross negligence or willful misconduct of, the Spinco Indemnified Party. Spinco hereby accepts the above indemnities in favour of its directors (or equivalent), officers, employees and agents as agent and trustee for each such Persons which is not a Party, and Parentco agrees that Spinco may enforce such indemnities in favour and for the benefit of such Persons. The indemnities provided for in this Article 8 will survive the execution and delivery of this Agreement and the Effective Time for a period of two (2) years from the Effective Date, except for those representations and warranties contained in Section 3.2(aa) which will survive until three (3) months after the expiration of the period during which any assessment, reassessment or other form of recognized document assessing or reassessing Taxes under Applicable Law may be issued by a Governmental Body.

8.2 Indemnity by Spinco

Spinco agrees to indemnify and hold harmless Parentco and its directors (or equivalent), officers, employees and agents (each, a "**Parentco Indemnified Party**") from and against any and all losses (other than loss of profit) and damages (including related costs and expenses) suffered or incurred by Parentco Indemnified Party arising out of, relating to or in connection with:

(a) any liabilities in connection with the Transferred Assets; and

(b) any breach of any covenant of Spinco in this Agreement,

in each case, excluding any losses or damages suffered or incurred by the Parentco Indemnified Party as a result of the breach of the terms of this Agreement by Parentco, or gross negligence or willful misconduct of, the Parentco Indemnified Party. Parentco hereby accepts the above indemnities in favour of its directors (or equivalent), officers, employees and agents as agent and trustee for each such Persons which is not a party, and Spinco agrees that Parentco may enforce such indemnities in favour and for the benefit of such Persons. The indemnities provided for in this Article 8 will survive the execution and delivery of this Agreement and the Effective Time for a period of two (2) years from the Effective Date.

ARTICLE 9
GENERAL

9.1 Severability

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

9.2 Enurement

This Agreement will be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns from time to time.

9.3 Assignment

This Agreement may not be assigned by any Party without the prior written consent of each of the other Parties.

Notwithstanding anything to the contrary contained herein, each Party shall have the right, without being released, to transfer or assign this Agreement to any third party as security for any *bona fide* financing or as security for any guarantee granted by such transferor in respect of the obligations of its Affiliates to such third party for any *bona fide* financing.

9.4 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia 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 British Columbia.

Each Party agrees that any action or proceeding arising out of or relating to this Agreement may be instituted in the courts of British Columbia, waives any objection which it may have now or later to the venue of that action or proceeding, irrevocably submits to the non-exclusive jurisdiction of those courts in that action or proceeding and agrees to be bound by any judgement of those courts.

9.5 Time of Essence

Time is of the essence in respect of this Agreement.

9.6 Entire Agreement

This Agreement, the Plan of Arrangement and the other agreements contemplated hereby and thereby constitute the entire agreement between the Parties pertaining to the subject matter hereof. There are no warranties, conditions, or representations (including any that may be implied by statute) and there are no agreements in connection with such subject matter, except as specifically set forth or referred to in this Agreement or as otherwise set out in writing and delivered on the Effective Date. No reliance is placed on any warranty, representation, opinion, advice or assertion of fact made by any Party or its directors, officers, employees or agents, to any other Party or its directors, officers, employees or agents, except to the extent that the same has been reduced to writing and included as a term of this Agreement. Accordingly, there will be no liability, either in tort or in contract, assessed in relation to any such warranty, representation, opinion, advice or assertion of fact, except to the extent aforesaid.

9.7 Further Assurances

Each of the Parties hereto will promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and will use reasonable efforts and take all such steps as may reasonably be within its power to implement to their full extent the provisions of this Agreement.

9.8 Language

The Parties to this Agreement confirm their express wish that this Agreement and all documents and agreements directly or indirectly relating thereto be drawn up in the English language. Les Parties reconnaissent leur volonté express que la présente Entente ainsi que tous les documents et contrats s'y rattachant directement ou indirectement soient rédigés en anglais.

9.9 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.

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

ALMADEX MINERALS LIMITED

Per: *(signed) "Douglas McDonald"*
Name: Douglas McDonald
Title: Director

1154229 B.C. LTD.

Per: *(signed) "Korm Trieu"*
Name: Korm Trieu
Title: Chief Financial Officer

Schedule A

Plan of Arrangement

PLAN OF ARRANGEMENT
UNDER SECTION 288 OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 **Definitions**

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms will have the respective meanings set forth below:

"**20 Day VWAP**" in respect of a security means the volume weighted average price of the security on the principal exchange on which the security is traded for the period of twenty trading days beginning on the first trading day after the Effective Date;

"**Arrangement Agreement**" means the agreement dated March 22, 2018 between Parentco and Spinco to which this Plan of Arrangement is attached as Exhibit A, as it may be supplemented or amended from time to time;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Business Day**" means a day which is not a Saturday, Sunday, or a day when commercial banks are not open for business in Vancouver, British Columbia;

"**Computershare**" means Computershare Investor Services Inc.;

"**Court**" means the Supreme Court of British Columbia;

"**Dissent Rights**" has the meaning attributed to that term in section 3.1 of this Plan of Arrangement;

"**Dissent Share**" has the meaning attributed to that term in subsection 2.2(a) of this Plan of Arrangement;

"**Dissenting Shareholder**" means a registered Parentco Shareholder that has duly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Parentco Old Common Shares in respect of which Dissent Rights are validly exercised by such Parentco Shareholder;

"**Effective Date**" means the second Business Day after the date upon which the Parties have confirmed in writing (such confirmation not to be unreasonably withheld or delayed) that all conditions to the completion of the Plan of Arrangement have been satisfied or waived in accordance with Article 5 of the Arrangement Agreement and all documents and instruments required under the Arrangement Agreement, the Plan of Arrangement and the Final Order have been delivered;

"**Effective Time**" means 12:01 a.m. on the Effective Date;

"**Eligible Dividend**" has the meaning attributed to that term in subsection 89(1) of the *Income Tax Act* (Canada);

"**Encumbrance**" means any mortgage, debenture, pledge, hypothec, lien, charge, assignment by way of security, consignment, lease, hypothecation, security interest, including a purchase money security interest, or other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or obligation, title retention right, or any other encumbrance or prior claim of any nature or kind whatsoever;

"**Final Order**" means the order made after application to the Court pursuant to section 291 of the BCBCA approving the Plan of Arrangement as such order may be amended by the Court (with the consent of the Parties, acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (with the consent of the Parties, acting reasonably) on appeal, which order will include a statement to the following effect: "The terms and conditions of the Plan of Arrangement are procedurally and substantially fair to Parentco Shareholders and are hereby approved by the Court.";

"**In the Money Amount**" at a particular time with respect to a Parentco Stock Option, Parentco Replacement Stock Option, or Spinco Replacement Stock Option means the amount, if any, by which the fair market value of the relevant underlying security exceeds the exercise price of the relevant option at the particular time;

"**Interim Order**" means the order made after application to the Court pursuant to section 291 of the BCBCA, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, supplemented or varied by the Court (with the consent of the Parties, acting reasonably);

"**Meeting**" means the annual general and special meeting of Parentco Shareholders scheduled to be held on May 8, 2018 and any adjournment(s) or postponement(s) thereof, to be called to consider, and if deemed advisable, approve the Parentco Resolution;

"**Newcrest**" means Newcrest International Pty Ltd.;

"**Option Exchange**" has the meaning attributed to that term in subsection 2.2(e) of this Plan of Arrangement;

"**Parentco**" means a company incorporated under the laws of the Province of British Columbia known as Almadex Minerals Limited at the commencement of this Plan of Arrangement and renamed "Azucar Minerals Ltd." pursuant to subsection 2.2(j) of this Plan of Arrangement;

"**Parentco New Common Shares**" means the Class B Common shares in the authorized share structure of Parentco created pursuant to paragraph 2.2(b)(ii) of this Plan of Arrangement and whose identifying name is changed to "Common shares" pursuant to paragraph 2.2(h)(ii) of this Plan of Arrangement;

"**Parentco Old Common Shares**" means the Common shares in the authorized share structure of Parentco whose identifying name is changed to "Class A Common shares" pursuant to paragraph 2.2(b)(i) of this Plan of Arrangement and which are eliminated from Parentco's authorized share structure pursuant to paragraph 2.2(h)(i) this Plan of Arrangement;

"**Parentco Replacement Stock Option**" means an option to acquire a Parentco New Common Share granted by Parentco to a holder of a Parentco Stock Option pursuant to an Option Exchange, with the exercise price of each such Parentco Replacement Stock Option determined in accordance with this Plan of Arrangement and the other terms and conditions of each such Parentco Replacement Stock Option determined in accordance with the Parentco Stock Option Plan and any agreements thereunder including, where necessary, appropriate adjustments to any performance-based or other vesting conditions, as such plan and agreements may be amended by the Board or a committee thereof;

"**Parentco Resolution**" means the special resolution of Parentco Shareholders approving the Plan of Arrangement;

"**Parentco Shareholder**" means, at a particular time, a holder of one or more Parentco Old Common Shares;

"**Parentco Stock Option**" means an option granted pursuant to the Parentco Stock Option Plan exercisable to acquire a Parentco Old Common Share;

"**Parentco Stock Option Plan"** means the Parentco rolling stock option plan dated July 12, 2017;

"**Parentco Warrant**" means a common share purchase warrant of Parentco exercisable to acquire a Parentco Old Common Share;

"**Parties**" means Parentco and Spinco;

"**Plan of Arrangement,** "**hereof**", "**herein**", "**hereunder**" and similar expressions means this Plan of Arrangement, including the appendices hereto, and any amendments, variations or supplements hereto made in accordance with the terms hereof and the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order;

"**Share Exchange**" has the meaning attributed to that term in subsection 2.2(g) of this Plan of Arrangement;

"**Spinco**" means a company incorporated under the laws of the Province of British Columbia known at the commencement of this Plan of Arrangement as 1154229 B.C. Ltd. and renamed "Almadex Minerals Ltd." pursuant to subsection 2.2(k) of this Plan of Arrangement;

"**Spinco Common Shares**" means the common shares in the authorized share structure of Spinco;

"**Spinco Replacement Stock Option**" means an option to acquire a Spinco Common Share granted by Spinco to a holder of an Parentco Stock Option pursuant to an Option Exchange, with the exercise price of each such Spinco Replacement Stock Option determined in accordance with this Plan of Arrangement and the other terms and conditions of each such Spinco Replacement Stock Option determined in accordance with the Spinco Stock Option Plan and any agreements thereunder and including, where necessary, appropriate adjustments to any performance-based or other vesting conditions, as such plan or agreements may be amended by the board of directors of Spinco or a committee thereof;

"**Spinco Stock Option Plan**" means the Spinco stock option plan; and

"**Tax Act**" means the *Income Tax Act*, R.S.C. 1985 (5th Supp.) c.1, as amended.

1.2 Number and Gender

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

1.3 Interpretation Not Affected by Headings, etc.

The division of this Plan of Arrangement into Articles, Sections and other parts and the insertion of headings are for convenience only and will not affect the construction or interpretation of this Plan of Arrangement.

1.4 Date of Any Action

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

1.5 Time

Time will be of the essence in every matter or action contemplated hereunder. All times expressed herein are local time in Vancouver, British Columbia unless otherwise stipulated herein.

1.6 **Currency**

All references to currency in this Plan of Arrangement are to Canadian dollars, being lawful money of the Canada.

1.7 **Statutory References**

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

1.8 **Governing Law**

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

ARTICLE 2
THE ARRANGEMENT

2.1 **Effectiveness**

Subject to the terms of the Arrangement Agreement, the Arrangement will become effective at the Effective Time and be binding at and after the Effective Time on: (i) Spinco, (ii) Parentco, (iii) Parentco Shareholders, (iv) holders of Parentco Stock Options, and (v) holders of Parentco Warrants.

2.2 **The Arrangement**

Commencing at the Effective Time, the events and transactions set out in Subsections (a) to (h) inclusive will occur and be deemed to occur in the order set out below without any further act or formality, and with each event or transaction occurring and being deemed to occur immediately after the occurrence of the immediately preceding event or transaction:

(a) Each Parentco Old Common Share in respect of which a Parentco Shareholder has exercised Dissent Rights and for which the Parentco Shareholder is ultimately entitled to be paid fair value (each a "**Dissent Share**") will be deemed to have been repurchased by Parentco for cancellation in consideration for a debt-claim against Parentco to be paid the fair value of such Dissent Share in accordance with Article 3 of this Plan of Arrangement, net of any applicable withholding tax, and such Dissent Share will thereupon be cancelled;

(b) The authorized share structure of Parentco will be reorganized and altered by

(i) changing the identifying name of the issued and unissued Parentco Old Common Shares from "Common shares" to "Class A Common shares" and amending the special rights and restrictions attached to such shares to provide the holders thereof with two votes in respect of each share held, and

(ii) creating a new class of shares without par value issuable in an unlimited number with the identifying name "Class B Common shares" having special rights and restrictions identical to those attaching to the Parentco Old Common Shares prior to the amendments described in paragraph (b)(i) above;

(c) Parentco will issue 4,000,000 fully paid and non-assessable Parentco New Common Shares to Spinco for an aggregate issue price equal to the fair market value thereof and add an amount equal to such issue price to the capital of the Parentco New Common Shares and in consideration therefor, Spinco will issue the number of fully paid and non-assessable

Spinco Common Shares having a fair market value equal to the fair market value of the Parentco New Common Shares received to Parentco for an aggregate issue price equal to the fair market value thereof and add an amount equal to such issue price to the capital of the Spinco Common Shares;

(d) The issued and outstanding Spinco Common Shares will be subdivided into that number of Spinco Common Shares equal to the number of issued and outstanding Parentco Old Common Shares;

(e) Each holder of a Parentco Stock Option will dispose of and be deemed to dispose of the Parentco Stock Option and in consideration therefor will concurrently receive

(i) one Parentco Replacement Stock Option having an exercise price equal to the product obtained by multiplying: (A) the exercise price of the Parentco Stock Option by (B) the quotient obtained by dividing the 20 Day VWAP of a Parentco New Common Share by the aggregate of the 20 Day VWAP of a Parentco New Common Share and the 20 Day VWAP of a Spinco Common Share, rounded to the nearest whole cent and subject to adjustment as set out below, and

(ii) one Spinco Replacement Stock Option having an exercise price equal to the product obtained by multiplying: (A) the exercise price of the Parentco Stock Option by (B) the quotient obtained by dividing the 20 Day VWAP of a Spinco Common Share by the aggregate of the 20 Day VWAP of a Parentco New Common Share and the 20 Day VWAP of a Spinco Common Share, rounded to the nearest whole cent and subject to adjustment as set out below,

and all Parentco Stock Options will thereupon be cancelled (each such disposition, receipt, and cancellation, collectively, an "**Option Exchange**"), provided that the exercise prices of each Parentco Replacement Stock Option and each Spinco Replacement Stock Option issued pursuant to an Option Exchange will be and be deemed to be automatically increased if necessary so that the aggregate In the Money Amounts thereof immediately after the Option Exchange does not exceed the In the Money Amount of the exchanged Parentco Stock Option determined immediately before the Option Exchange, with the intention that subsection 7(1.4) of the Tax Act will apply to each Option Exchange;

(f) Each outstanding Parentco Warrant will remain outstanding in accordance with its terms and will, in lieu of being exercisable for one (1) Parentco Old Common Share, be exercisable for:

(i) one (1) Parentco New Common Share having an exercise price equal to the product obtained by multiplying: (A) the exercise price of the Parentco Warrant by (B) the quotient obtained by dividing the 20 Day VWAP of a Parentco New Common Share by the aggregate of the 20 Day VWAP of a Parentco New Common Share and the 20 Day VWAP of a Spinco Common Share, rounded to the nearest whole cent, and

(ii) one (1) Spinco Common Share having an exercise price equal to the product obtained by multiplying: (A) the exercise price of the Parentco Warrant by (B) the quotient obtained by dividing the 20 Day VWAP of a Spinco Common Share by the aggregate of the 20 Day VWAP of a Parentco New Common Share and the 20 Day VWAP of a Spinco Common Share, rounded to the nearest whole cent;

(g) Each Parentco Shareholder will dispose of each Parentco Old Common Share held to Parentco and in consideration therefor Parentco will issue or distribute to the Parentco Shareholder

(i) one fully paid and non-assessable Parentco New Common Share having an issue price equal to the fair market value thereof, and

(ii) one Spinco Common Share (the "**Share Exchange**"),

and, in respect thereof,

(iii) the name of each Parentco Shareholder will be removed from the central securities register for the Parentco Old Common Shares and added to the central securities register for the Parentco New Common Shares and the Spinco Common Shares as the holder of the number of Parentco New Common Shares and Spinco Common Shares, respectively, received pursuant to the Share Exchange,

(iv) the Parentco Old Common Shares will be cancelled and the capital in respect of such shares will be reduced to nil, and

(v) an amount equal to the capital of the Parentco Old Common Shares immediately before the Share Exchange less the aggregate fair market value of the Spinco Common Shares distributed on the Share Exchange will be added to the capital in respect of the Parentco New Common Shares issued on the Share Exchange;

(h) The authorized share structure of Parentco will be reorganized and altered by

(i) eliminating the Parentco Old Common Shares from the authorized share structure of Parentco, and

(ii) changing the identifying name of the issued and unissued Parentco New Common Shares from "Class B Common shares" to "Common shares";

(i) Parentco will issue to Newcrest a number of fully paid and non-assessable Parentco New Common Shares having an aggregate issue price equal to CAD$19,074,425 such that immediately after the issuance, Newcrest will own 19.9% of the issued and outstanding Parentco New Common Shares and, in respect thereof:

(i) Newcrest will be added to the central securities register for the Parentco New Common Shares as the holder of that number of Parentco New Common Shares, and

(ii) an amount equal to the issue price of the Parentco New Common Shares so issued will be added to the capital in respect of the Parentco New Common Shares;

(j) Parentco will change its name to "Azucar Minerals Ltd."; and

(k) Spinco will change its name to "Almadex Minerals Ltd."

2.3 **<u>Completion Time Procedures</u>**

On or immediately prior to the Effective Date, Parentco will deliver or arrange to be delivered to Computershare certificates representing the Spinco Common Shares required hereunder, which certificates will be distributed to Parentco Shareholders in accordance with Article 4 hereof.

ARTICLE 3
DISSENT RIGHTS

3.1 **Dissent Rights of Parentco Shareholders**

(1) Each registered Parentco Shareholder may exercise dissent rights under section 238(1)(d) of the BCBCA ("**Dissent Rights**") in connection with the Arrangement with respect to the registered Parentco Shareholder's Parentco Old Common Shares pursuant to and in the manner set forth in the Interim Order, sections 242 to 247 of the BCBCA and this Article, as the same may be modified by the Interim Order or the Final Order, provided that the written notice setting forth the objection of such registered Parentco Shareholders to the Arrangement and exercise of Dissent Rights must be received by Parentco not later than 4:00 p.m. (Vancouver 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. Registered Parentco Shareholders who duly exercise such Dissent Rights and who:

(a) are ultimately entitled to be paid fair value for their Dissent Shares will be deemed not to have participated in the Share Exchange and such Dissent Shares will be deemed to have been repurchased by Parentco for cancellation at the Effective Time in consideration for a debt-claim against Parentco to be paid the fair value of such Dissent Shares, which fair value will be determined as of the close of business on the Business Day before the day on which the Parentco Resolution is passed, and will not be entitled to any other payment or consideration, and the name of each such Dissenting Shareholder will thereupon be removed from the register of holders of Parentco Old Common Shares; or

(b) are ultimately not entitled, for any reason, to be paid fair value for their Parentco Old Common Shares will be deemed to have participated in the Plan of Arrangement on the same basis as any non-dissenting Parentco Shareholder as at and from the Effective Time and will be treated in the same manner as such a holder, on the basis set out in this Plan of Arrangement.

(2) The aggregate of all amounts paid to Parentco Shareholders by Parentco in respect of Dissent Shares in accordance with Subsection 3.1(1)(a) will be deducted from the stated capital account maintained by Parentco for the Parentco Old Common Shares.

(3) The amount of any deemed dividend resulting from application of subsection 84(3) of the Tax Act to the repurchase of Dissent Shares held by Dissenting Shareholders is hereby designated by Parentco as an Eligible Dividend.

(4) All payments made to a Dissenting Shareholder pursuant to this Article will be subject to, and paid net of, all applicable withholding taxes.

3.2 **General – Dissent Rights**

For greater certainty, in addition to any other restrictions in section 242 to 247 of the BCBCA, no person who has voted in favour of this Plan of Arrangement will be entitled to dissent with respect to the Plan of Arrangement.

ARTICLE 4
DELIVERY OF SECURITIES

4.1 **Delivery of Securities**

Upon completion of the Plan of Arrangement, Parentco will deliver to each Parentco Shareholder a certificate representing the Spinco Common Shares to which such holder is entitled to receive hereunder.

4.2 **Withholding Rights**

Parentco and Computershare shall be entitled to deduct and withhold from any amount otherwise payable to any Parentco Shareholder such amounts as Parentco or Computershare 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 Parentco Shareholder 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 Encumbrances**

Any distribution of securities pursuant to this Plan of Arrangement shall be free and clear of any Encumbrances.

ARTICLE 5
AMENDMENTS

5.1 **Amendments**

Parentco, in its sole discretion, reserves the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Time provided that any such amendment, modification or supplement must be contained in a written document that is filed with the Court and, if made following the Meeting, approved by the Court.

5.2 **Effectiveness of Amendments Made Prior to or at the Meeting**

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Parentco at any time prior to or at the Meeting with or without any prior notice or communication, and if so proposed and accepted by the Parentco Shareholders voting at the Meeting, will become part of this Plan of Arrangement for all purposes.

5.3 **Effectiveness of Amendments Made Following the Meeting**

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Parentco after the Meeting but prior to the Effective Time and any such amendment, modification or supplement which is approved by the Court following the Meeting will be effective and will become part of the Plan of Arrangement for all purposes.

5.4 **Effectiveness of Amendments Made After the Effective Date**

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

Schedule B

Project Property Mineral Rights and Concessions

LOT	TITLEHOLDER	SURFACE (Hectares)	TITLE	TYPE OF CONCESSION	EXPIRATION DATE	LOCATION
"Caballo Blanco III"	Minera Alondra, S.A. de C.V. (MA)	1,145.0000	218457	Mining	November 4, 2052	Actopan, Veracruz
"Caballo Blanco V"	MA	450.0000	218955	Mining	January 27, 2053	Actopan, Veracruz
"Reyna Negra Fracción 2"	MA	18.0436	221152	Mining	December 2, 2053	Actopan and Alto Lucero, Veracruz
"Reducción Reyna Negra F. 4"	MA	5.1600	224416	Mining	December 2, 2053	Actopan and Alto Lucero, Veracruz
"Rey Negro"	MA	3.6294	234279	Mining	June 9, 2059	Actopan, Veracruz
"C.B. X.a"	MA	1,721.0000	237440	Mining	December 15, 2060	Actopan, Veracruz
"Caballo Blanco VIII Fracción 1"	MA	897.0837	243937	Mining	December 2, 2054	Actopan, Veracruz
"Caballo Blanco IX Fracción 1" 1	Candymin, S.A. de C.V. (assignment in process)	10,361.1170	240776	Mining	June 27, 2062	Alto Lucero and Actopan, Veracruz
"CB X c"1	Application of mining concession in process.	4,408.0000 upon application filed	File number: 5/3/2020	In Process	In Process	Actopan, Veracruz

[1] Regarding these claims, MA is following the necessary administrative steps for these rights to be valid towards third parties

Schedule C

British Columbia Mineral Tenures

Title Number	Property	Claim Name	Owner	Title Type	Title Sub Type	Map Number	Issue Date	Good To Date	Status	Area (ha)
506068	Merit	MRT1	281393 (100%)	Mineral	Claim	092I	2005/FEB/07	2022/AUG/30	GOOD	414.386
511682	Merit		281393 (100%)	Mineral	Claim	092I	2005/APR/26	2022/DEC/31	GOOD	518.272
511707	Merit		281393 (100%)	Mineral	Claim	092I	2005/APR/26	2022/DEC/31	GOOD	808.071
518712	Merit	MRT2	281393 (100%)	Mineral	Claim	092I	2005/AUG/04	2022/OCT/01	GOOD	165.828
506513	Nicoamen	ZAK3	281393 (100%)	Mineral	Claim	092I	2005/FEB/10	2018/MAY/06	GOOD	517.419
508830	Nicoamen	ZAK4	281393 (100%)	Mineral	Claim	092I	2005/MAR/11	2018/MAY/06	GOOD	496.391
511667	Nicoamen		281393 (100%)	Mineral	Claim	092I	2005/APR/26	2020/DEC/31	GOOD	413.932
511671	Nicoamen		281393 (100%)	Mineral	Claim	092I	2005/APR/26	2020/DEC/31	GOOD	517.418
528760	Nicoamen	ZAK 5	281393 (100%)	Mineral	Claim	092I	2006/FEB/22	2018/MAY/06	GOOD	331.282
528761	Nicoamen	ZAK 6	281393 (100%)	Mineral	Claim	092I	2006/FEB/22	2018/MAY/06	GOOD	331.191
557587	Nicoamen	ZAK 7	281393 (100%)	Mineral	Claim	092I	2007/APR/25	2018/MAY/06	GOOD	455.1163
557588	Nicoamen	ZAK 8	281393 (100%)	Mineral	Claim	092I	2007/APR/25	2018/MAY/06	GOOD	82.8211
557589	Nicoamen	ZAK 9	281393 (100%)	Mineral	Claim	092I	2007/APR/25	2018/MAY/06	GOOD	186.2701
521382	Ponderosa		281393 (100%)	Mineral	Claim	092I	2005/OCT/20	2019/OCT/27	GOOD	41.5112
941108	Munro Lake	MUNRO LAKE EAST	281393 (100%)	Mineral	Claim	082E	2012/JAN/16	2018/JUN/30	GOOD	124.4015

Schedule D

Royalties

1. El Cobre 1.75% net smelter returns royalty held by Minera Gavilan S.A. de C.V.

2. El Cobre 0.5% net smelter returns royalty held by Charlie Edward Warren et al.

Schedule E

Parentco Common Share Rights

1) Current Share Capital

The authorized share capital of Parentco consists of an unlimited number of Parentco Old Common Shares. As of the date hereof, there were 48,453,869 Parentco Old Common Shares issued and outstanding.

Parentco Old Common Shares

The Parentco Old Common Shares have the following rights, privileges, restrictions and conditions:

> ***Voting Rights:*** Holders of Parentco Old Common Shares are entitled to receive notice of, to attend and to vote at all meetings of shareholders and are entitled to one vote per Parentco Old Common Share held at such meetings, except meetings of holders of another class or one or more series of another class of shares who are entitled to vote separately as a class at such meeting.
>
> ***Dividends:*** Holders of Parentco Old Common Shares are entitled to receive if, as and when declared by the Board, such dividends or other distributions as may be declared thereon by the Board from time to time.
>
> ***Ranking:*** In the event of any voluntary or involuntary liquidation, dissolution or winding- up of Parentco or any other distribution of Parentco's assets among its shareholders for the purpose of winding-up its affairs, holders of Parentco Old Common Shares are entitled to share equally, share for share, in the remaining property of Parentco.

2) Arrangement

Pursuant to the Plan of Arrangement, the identifying name of the Parentco Old Common Shares will be changed from "Common shares" to "Class A Common shares", and the special rights and restrictions attached to such shares will be amended to provide the holders thereof with two votes in respect of each share held.

Pursuant to the Plan of Arrangement, an unlimited number of the Parentco New Common Shares named Class B Common shares in the capital of Parentco, which are without par value and without special rights or restrictions, will be created.

Parentco New Common Shares

Upon creation under the Plan of Arrangement, the Parentco New Common Shares will have the following rights, privileges, restrictions and conditions:

> ***Voting Rights:*** Holders of Parentco New Common Shares are entitled to receive notice of, to attend and to vote at all meetings of shareholders and are entitled to one vote per Parentco New Common Share held at such meetings, except meetings of holders of another class or one or more series of another class of shares who are entitled to vote separately as a class at such meeting.
>
> ***Dividends:*** Holders of Parentco New Common Shares are entitled to receive if, as and when declared by the Board, such dividends or other distributions as may be declared thereon by the Board from time to time.
>
> ***Ranking:*** In the event of any voluntary or involuntary liquidation, dissolution or winding- up of Parentco or any other distribution of Parentco's assets among its shareholders for the purpose of

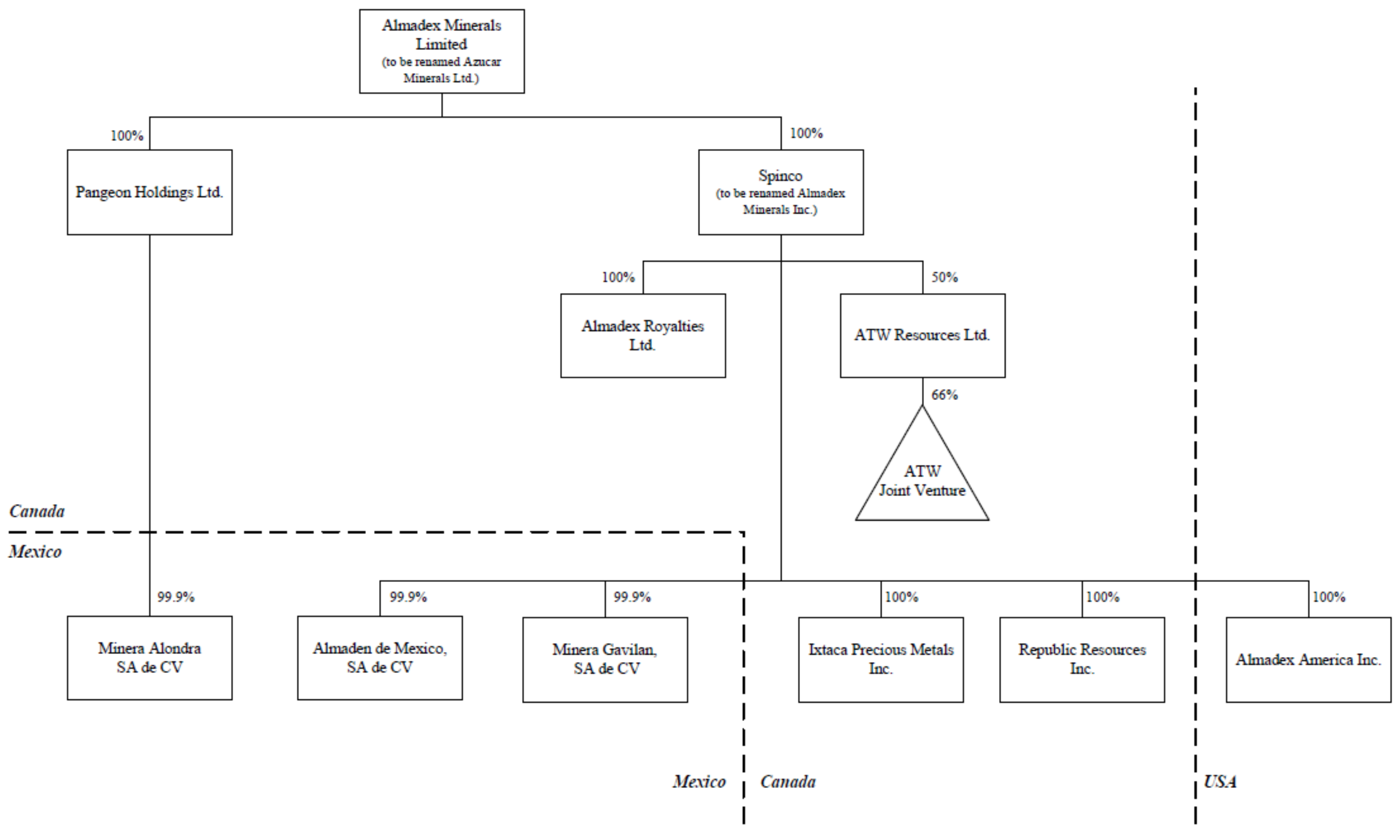
winding-up its affairs, holders of Parentco New Common Shares are entitled to share equally, share for share, in the remaining property of Parentco.

After holders of the Parentco Old Common Shares receive replacement Parentco New Common Shares and replacement Spinco Common Shares, the Parentco Old Common Shares will be cancelled and the capital in respect of such shares shall be reduced to nil. The authorized share structure of Parentco shall be reorganized and altered by eliminating the Parentco Old Common Shares from the authorized share structure of Parentco.

Pursuant to the Plan of Arrangement, after holders of the Parentco Old Common Shares receive replacement Parentco New Common Shares and replacement Spinco Common Shares, the identifying name of the Parentco New Common Shares will be changed from "Class B Common shares" to "Common shares". Otherwise, the rights, privileges, restrictions and conditions of the Parentco New Common Shares will be unchanged.

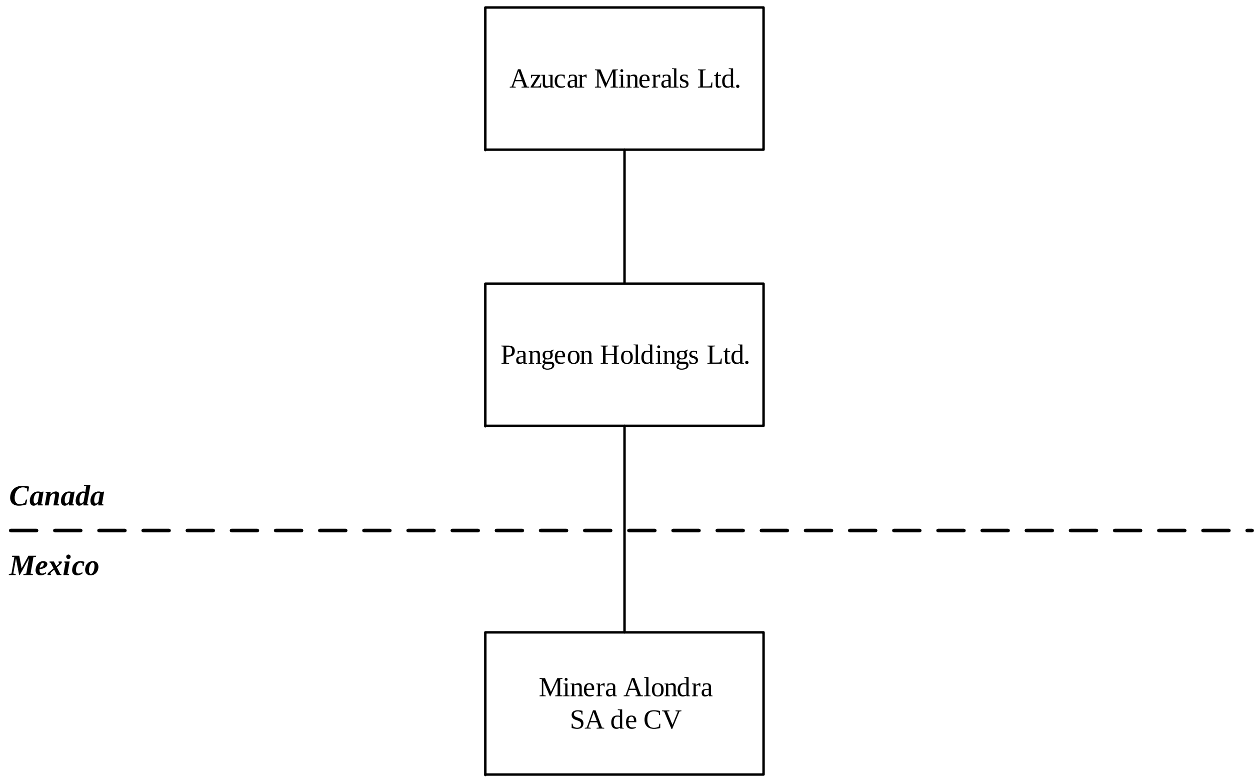
Schedule F – I

Corporate Structure immediately prior to the Effective Time



Schedule F – II

Corporate Structure immediately after the Effective Time



Schedule G

Arrangement Consents

1) Certificate and consent of Kristopher J. Raffle of APEX Geoscience Ltd.

2) Assignment agreement among Parentco, Spinco and **[Third party name redacted.]**

3) Directors' consent resolution of ATW Resources Ltd. signed by **[Third party name redacted.]**

4) Assignment, assumption and novation agreement among Parentco, Gavilan and **[Third party name redacted.]**

5) Assignment, assumption and novation agreement among Parentco, Gavilan, Spinco and **[Third party name redacted.]**