

# **OREFINDERS RESOURCES INC.**

**NOTICE OF MEETING**

**AND**

**INFORMATION CIRCULAR**

**for the Annual General and Special Meeting of**

**Shareholders of**

**OREFINDERS RESOURCES INC.**

**Dated as of March 6, 2021**

**OREFINDERS RESOURCES INC.**

1805 – 55 University Avenue

Toronto, Ontario, M5J 2H7

Tel: (416) 644-1567

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the Annual General and Special Meeting (the "**Meeting**") of the shareholders of Orefinders Resources Inc. (the "**Company**" or "**Orefinders**") will be held at Suite 1805, 55 University Avenue, Toronto, Ontario, on Tuesday, April 6, 2021, at 10:00 a.m. (Eastern Time), for the following purposes:

1. to receive and consider the financial statements of the Company, together with the auditor's report thereon, for the financial year ended October 31, 2020;
2. to fix the number of directors at five (5);
3. to elect directors for the ensuing year;
4. to appoint the auditor for the ensuing year;
5. to consider and, if thought fit, to pass an ordinary resolution approving and ratifying the Company's stock option plan, subject to regulatory approval, as more fully set forth in the information circular accompanying this notice;
6. to consider and, if thought fit, to pass a special resolution (the "**Arrangement Resolution**") approving an arrangement (the "**Arrangement**") under section 288 of the *Business Corporations Act* (British Columbia) involving the Company, its securityholders and American Eagle Gold Corp. ("**American Eagle**"), pursuant to which the Company's shareholders will receive shares of American Eagle; and
7. to transact such further or other business as may properly come before the Meeting and any adjournment(s) thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the information circular (the "**Circular**") accompanying this notice.

**This notice is accompanied by the Circular, a form of proxy and a supplemental mailing list return card.**

All shareholders are entitled to attend and vote at the Meeting in person or by proxy; however, the Board of Directors (the "**Board**") is requesting that due to the current COVID-19 pandemic that all shareholders vote their shares by proxy and not attend in person. Shareholders are requested to complete, date and sign the enclosed form of proxy and to return it in the envelope provided for that purpose.

The Board has by resolution fixed the close of business on March 6, 2021 as the record date, being the date for the determination of the registered holders of common shares of the Company entitled to notice of and to vote at the Meeting and any adjournment(s) thereof.

Proxies to be used at the Meeting must be deposited with the Company, c/o the Company's transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 no later than 10:00 a.m. (Eastern Time) on April 2 2021, or no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the date on which the Meeting or any adjournment(s) thereof is held.

Non-registered shareholders who receive these materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a voting instruction form.

AND TAKE NOTICE that dissenting shareholders in respect of the proposed Arrangement are entitled to be paid the payout value of their shares in accordance with section 238 of the *Business Corporations Act* (British Columbia) (the "**Act**"). Pursuant to the Interim Order of the Supreme Court of British Columbia dated March 8, 2021 and the Act, a registered holder of common shares of the Company may until 10:00 a.m. (Pacific Time) on the day which is two days immediately preceding the date of the Meeting give the Company a notice of dissent in the manner provided for in the Interim Order with respect to the Arrangement Resolution. As a result of giving a notice of dissent, a shareholder may, on receiving a notice of implementation of the Arrangement Resolution, require the Company to purchase all of the common shares held by such shareholder in respect of which the notice of dissent was given. These dissent rights are described in the Circular.

**DATED** at Toronto, Ontario, this 6<sup>th</sup> day of March, 2021.

**BY ORDER OF THE BOARD**

*"Stephen Stewart"*

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Stephen Stewart  
Chief Executive Officer

## TABLE OF CONTENTS

APPOINTMENT OF PROXYHOLDER .....	1
VOTING BY PROXY .....	1
COMPLETION AND RETURN OF PROXY.....	1
NON-REGISTERED HOLDERS .....	2
REVOCABILITY OF PROXY .....	2
VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF .....	3
ELECTION OF DIRECTORS.....	3
EXECUTIVE COMPENSATION .....	5
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....	9
INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON.....	9
INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS .....	9
APPOINTMENT OF AUDITORS.....	9
MANAGEMENT CONTRACTS.....	10
AUDIT COMMITTEE.....	10
PARTICULARS OF OTHER MATTERS TO BE ACTED UPON .....	15
CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION.....	16
GLOSSARY .....	17
SUMMARY.....	19
PRE-ARRANGEMENT TRANSACTIONS.....	20
STEPS IN THE ARRANGEMENT .....	20
EFFECT OF THE ARRANGEMENT .....	21
RECOMMENDATION OF THE BOARD.....	22
NO COLLATERAL BENEFITS .....	23
ARRANGEMENT RISK FACTORS.....	23
EFFECTS OF THE ARRANGEMENT ON SHAREHOLDERS' RIGHTS.....	23
CONDUCT OF MEETING AND OTHER APPROVALS.....	23
REGULATORY APPROVALS .....	24
SIGNIFICANT POSITIONS AND SHAREHOLDINGS .....	25
FAIRNESS OPINION .....	26
PROCEDURE FOR RECEIPT OF AMERICAN EAGLE SHARES.....	26
TREATMENT OF CONVERTIBLE OREFINDERS SECURITIES.....	26
FEES AND EXPENSES .....	27
EFFECTIVE DATE OF THE ARRANGEMENT .....	27
ARRANGEMENT AGREEMENT.....	27
RIGHT OF DISSENT TO THE ARRANGEMENT.....	30
CANADIAN FEDERAL INCOME TAX CONSEQUENCES.....	31
SECURITYHOLDERS RESIDENT IN CANADA .....	32
CANADIAN SECURITIES LAWS AND RESALE OF SECURITIES .....	36
U.S. SECURITIES LAWS AND RESALE OF SECURITIES.....	37
ADDITIONAL INFORMATION.....	41
OTHER MATTERS.....	41
APPENDIX "A" ARRANGEMENT RESOLUTION.....	A-1
APPENDIX "B" ADDITIONAL INFORMATION RELATING TO AMERICAN EAGLE.....	B-1

APPENDIX "C" AMERICAN EAGLE FINANCIAL STATEMENTS.....	C-1
APPENDIX "D" INTERIM ORDER .....	D-1
APPENDIX "E" NOTICE OF PETITION .....	E-1
APPENDIX "F" PLAN OF ARRANGEMENT .....	F-1
APPENDIX "G" DISSENT PROVISIONS.....	G-1
APPENDIX "H" FAIRNESS OPINION .....	H-1

**OREFINDERS RESOURCES INC.**  
Suite 1805, 55 University Avenue  
Toronto, Ontario, M5J 2H7  
Tel: (416) 644-1567

### **INFORMATION CIRCULAR**

*(As at March 6, 2021, except as otherwise indicated)*

**Orefinders Resources Inc.** (the "**Company**") is providing this Information Circular (the "**Circular**") and a form of proxy in connection with management's solicitation of proxies for use at the Annual General and Special Meeting (the "**Meeting**") of shareholders of the Company (the "**Shareholders**") to be held at Suite 1805, 55 University Avenue, Toronto, Ontario, at 10:00 a.m. (Eastern Time) on Tuesday, April 6, 2021 and at any adjournment(s). The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

All dollar amounts referenced herein are expressed in Canadian Dollars unless otherwise stated.

### **APPOINTMENT OF PROXYHOLDER**

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "**Management Proxyholders**").

**A Shareholder has the right to appoint a person other than a Management Proxyholder to represent the Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Shareholder.**

### **VOTING BY PROXY**

**Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** Common shares of the Company ("**Shares**") represented by a properly executed proxy will be voted for or against or withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

**If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.**

**The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

### **COMPLETION AND RETURN OF PROXY**

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, P.O. Box 4572, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any adjournment(s) thereof, unless the chairman of the Meeting elects to exercise his or her discretion to accept proxies received subsequently.

### **NON-REGISTERED HOLDERS**

**Only registered Shareholders of the Company or the persons they appoint as their proxies are permitted to vote at the Meeting.** Registered Shareholders are holders of Shares of the Company whose names appear on the share register of the Company and are not held in the name of a brokerage firm, bank or trust company through which they purchased Shares. Whether or not you are able to attend the Meeting, Shareholders are requested to vote their proxy in accordance with the instructions on the proxy. Most Shareholders are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company (in each case, a "**Nominee**") through which they purchased the Shares. The Company's Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of their Shares of the Company (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

There are two kinds of beneficial owners: those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object (called "**NOBOs**" for Non-Objecting Beneficial Owners).

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") of the Canadian Securities Administrators, the Company has elected to send the Meeting materials directly to NOBOs. If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting materials unless their Nominee assumes the costs of delivery.

The Company is not sending the Meeting materials to Shareholders using "notice-and-access" as defined under NI 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

### **REVOCABILITY OF PROXY**

In addition to revocation in any other manner permitted by law, a Shareholder, their attorney authorized in writing or, if the Shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment(s) thereof, or with the chairman of the Meeting on the day of the Meeting. Only registered Shareholders have the right to revoke a proxy.

### **LETTER OF TRANSMITTAL**

If you are a registered shareholder, you are encouraged to complete and return the enclosed Letter of Transmittal together with the certificate(s) representing your common shares and any other required documents and instruments, to the depository, Computershare Investor Services Inc. (at its principal offices in Toronto), in accordance with the instructions set out in the Letter of Transmittal so that if the Arrangement is approved, the consideration for your common shares can be sent to you as soon as possible following the Arrangement becoming effective. The Letter of Transmittal contains other procedural information related to the Arrangement and should be reviewed carefully.

If you hold your common shares through a broker or other person, please contact that broker or other person for instructions and assistance in receiving the New Orefinders Shares and American Eagle Shares in exchange for your common shares upon completion of the Arrangement.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Company is authorized to issue an unlimited number of common shares without par value, of which 222,508,742 shares were issued and outstanding as at March 6, 2021. Persons who are registered shareholders at the close of business on March 5, 2021 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

Under the Company's articles, the quorum for the transaction of business at the Meeting is one person present or represented by proxy.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

#### **ELECTION OF DIRECTORS**

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of Directors of the Company at five.

Pursuant to the Advance Notice Policy of the Company adopted by the Board of Directors on March 18, 2013, any additional Director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy no later than the close of business on March 7, 2021.

The Company is required to have an audit committee. Members of this committee are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position	Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years	Previous Service as a Director	Number of Common Shares beneficially owned, controlled or directed, directly or indirectly <sup>(5)</sup>
Stephen Stewart <sup>(1)</sup> Toronto, ON, Canada Chief Executive Officer, Secretary and Director	CEO of the Company from February 2015 to present; President of 2287957 Ontario Inc. from January 2010 to present; CEO of QC Copper and Gold Inc. from April 2018 to present; Chairman of Mistango River Resources Inc. from October 22, 2019 to present; Chairman of Baseload Energy Corp. from June 2020 to present	February 6, 2015	6,996,572 <sup>(2)</sup>
Alexander Stewart Toronto, ON, Canada Director	Executive Chairman of the Company from February 2015 to 2019 and currently Director and Chairman; President of Moray Resources Inc. from January 2008 to present; Director of QC Copper and Gold Inc. from February 2018 to present; Director of Mistango River Resources Inc. from October 22, 2019 to present; Director of Baseload Energy Corp. from June 2020 to present	February 17, 2012	5,000,000 <sup>(3)</sup>

Name, Jurisdiction of Residence and Position	Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years	Previous Service as a Director	Number of Common Shares beneficially owned, controlled or directed, directly or indirectly <sup>(5)</sup>
Claude Bouchard <sup>(1)</sup> Sudbury, ON, Canada Director	Self-employed mining engineer since April, 2013	January 22, 2015	300,000
Anthony Moreau <sup>(1)</sup> Toronto, ON, Canada Director	CEO of American Eagle January 2020 to Present; Director at QC Copper from June 2018 to Present; Business Development at IamGold Corporation from March 2017 to January 2020; Special Projects at IamGold Corporation from January 2013 to March 2017, Investor Relations IAMGOLD from August 2011 to January 2013	May 17, 2019	nil
Charles Beaudry Toronto, ON, Canada VP Exploration and Director	VP Exploration of the Company from June 2017 to present; VP Exploration of QC Copper & Gold Inc. from June 2018 to present	June 8, 2017	2,450,000 <sup>(4)</sup>

<sup>(1)</sup> Member of the audit committee.

<sup>(2)</sup> 100,000 of these shares are held indirectly in the name of 2287957 Ontario Inc., a private company wholly-owned by Stephen Stewart.

<sup>(3)</sup> These shares are held as to 800,000 directly and 4,200,000 indirectly in the name of Moray Resources Inc., a private company wholly-owned by Alexander Stewart who is a Director of the Company.

<sup>(4)</sup> 250,000 shares are held directly and 2,250,000 indirectly by Merrygold Investments Inc., a company owned by Charles Beaudry.

<sup>(5)</sup> Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at March 6, 2021, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

To the knowledge of the Company, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a Director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:
- (i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
  - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed Director ceased to be a Director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or

- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a Director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

The proposed Directors of the Company hold Directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Alexander Stewart	Mistango River Resources Inc. <sup>(1)</sup> ; QC Copper and Gold Inc. <sup>(2)</sup> ; Baselode Energy Corp. <sup>(2)</sup>
Stephen Stewart	Mistango River Resources Inc. <sup>(1)</sup> ; QC Copper and Gold Inc. <sup>(2)</sup> ; Baselode Energy Corp. <sup>(2)</sup>
Claude Bouchard	
Anthony Moreau	QC Copper and Gold Inc. <sup>(2)</sup>
Charles Beaudry	Mistango River Resources Inc. <sup>(1)</sup> ; QC Copper and Gold Inc. <sup>(2)</sup> ; Baselode Energy Corp. <sup>(2)</sup>

<sup>(1)</sup> Listed on the Canadian Securities Exchange.

<sup>(2)</sup> Listed on the TSX Venture Exchange.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The objectives of the Company's compensation program are to attract, hold and inspire performance by members of senior management of a quality and nature that will enhance the growth of the Company.

The independent Directors of the Company have the responsibility for determining compensation for Named Executive Officers (as defined herein) and other senior executives of the Company.

To determine future compensation payable, the independent Directors will review compensation paid to Named Executive Officers and other senior executives of companies of a similar size and stage of development in the Company's industry sector and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Named Executive Officers while taking into account the financial and other resources of the Company. It is expected that the Company's executive compensation program will be comprised of an annual base salary and annual bonus and, where appropriate, incentive stock options ("**Stock Options**"). The Stock Option award components of the program will be designed to reward long term commitment of executives to sustainable growth of the Company and annual salary ranges will be based on the level of responsibility and the importance of the executive's position to the Company's future objectives, the level of experience of the executive officer, and competitiveness with the base salaries paid by comparative companies.

Other than option-based awards pursuant to the Company's 10% rolling stock option plan (the "**Stock Option Plan**"), the Company does not have any long-term incentive plans, including any supplemental executive retirement plans.

#### ***Stock Option Plan***

The Stock Option Plan is designed to advance the interests of the Company by encouraging eligible participants, being Directors, employees, management company employees, officers and consultants, to have equity participation in the Company through the acquisition of shares.

The Stock Option Plan has been used in the past and will be used in the future to provide share purchase options which are awarded based on the recommendations of the independent Directors, taking into account the level of responsibility of the executive as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer-term operating performance of the Company. In determining the number of Stock Options to be granted to the Company's executive officers, the Board takes into account the number of Stock Options, if any, previously granted to each executive officer, and the exercise price of any outstanding Stock Options to ensure that such grants are in accordance with the policies of the TSXV and to closely align the interests of executive officers with the interests of Shareholders. The Board determines the vesting provisions of all Stock Option grants. Please refer to "PARTICULARS OF MATTERS TO BE ACTED UPON – *Approval and Ratification of Stock Option Plan*" in this Circular for more complete details regarding the Stock Option Plan.

#### ***Compensation Risk Assessment and Governance***

In light of the Company's size and limited elements of executive compensation, the Board does not have a Compensation Committee and does not deem it necessary to consider at this time the implications of the risks associated with the Company's compensation policies and practices. Also, there are no risks which have been identified in the Company's practices to date which would reasonably be likely to have a material adverse effect on the Company.

As previously mentioned, Stock Options are granted to retain executive officers and motivate the executive officers by rewarding sustained, long-term development and growth that will result in increases in Share value. There is no formal process for assessing when Stock Options are to be granted, rather they are granted at a time determined necessary by the Board, in its discretion, and are priced at market-value at the time of grant.

The Company does not permit its executive officers or Directors to hedge any of the equity compensation granted to them.

#### ***Named Executive Officers***

For the purposes of the remainder of this Circular, a Named Executive Officer of the Company means each of the following individuals:

- (a) the Chief Executive Officer of the Company;
- (b) the Chief Financial Officer of the Company;
- (c) the most highly compensated executive officer of the Company other than the individuals identified in paragraphs (a), (b) and (c) above, at October 31, 2020, whose total compensation was more than \$150,000; and
- (d) each individual who would be named an executive officer under paragraph (d) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at October 31, 2020.

(collectively the "**Named Executive Officers**" or "**NEOs**").

## Director and Named Executive Officer Compensation

### Excluding Compensation Securities

The following table sets forth a summary of all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer and Director of the Company, for services provided and for services to be provided, directly or indirectly in any capacity, to the Company by such persons, for the two most recently completed financial years, *excluding compensation securities*:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
Stephen Stewart <i>CEO, Secretary and Director</i>	2020	120,000 <sup>(1)</sup>	Nil	10,000	Nil	Nil	130,000
	2019	120,000 <sup>(1)</sup>	Nil	10,000	Nil	Nil	120,000
Alexander Stewart <i>Director, Chairman</i>	2020	40,800 <sup>(2)</sup>	Nil	Nil	Nil	Nil	40,800
	2019	90,000 <sup>(2)</sup>	Nil	Nil	Nil	Nil	90,000
Charles Beaudry <i>Vice President Exploration/Director</i>	2020	56,967 <sup>(3)</sup>	Nil	Nil	Nil	Nil	70,803
	2019	70,803 <sup>(3)</sup>	Nil	Nil	Nil	Nil	70,803
Jeffrey Potwarka <i>CFO</i>	2020	33,168 <sup>(4)</sup>	Nil	Nil	Nil	Nil	36,000
	2019	36,000 <sup>(4)</sup>	Nil	Nil	Nil	Nil	36,000

- (1) Fees were paid to 2287957 Ontario Inc. 2287957 Ontario Inc. provides the services of Stephen Stewart in the capacity as CEO and Secretary of the Company. 2287957 Ontario Inc. is a private company wholly-owned by Stephen Stewart.
- (2) Fees were paid to Moray Resources Inc. Moray Resources Inc. provides the services of Alexander Stewart. Moray Resources Inc. is a private company wholly-owned by Alexander Stewart.
- (3) Fees were paid to Merrygold Investments Inc. for geological consulting. Merrygold Investments Inc. provides the services of Charles Beaudry in the capacity of Vice-President Exploration. Mr. Beaudry was appointed Vice-President Exploration and Director on June 8, 2017.
- (4) Fees were paid to Jeffrey Potwarka for services as CFO. Mr. Potwarka was appointed CFO on August 5, 2016.

### Stock Options and Other Compensation Securities

The Company issued compensation securities in the most recently completed financial year (October 31, 2020) for services provided or to be provided, directly or indirectly, to the Company as set out in the table below. However, no compensation securities were exercised by any of the Company's NEOs or Directors during the most recently completed financial year.

The following table sets forth a summary of all compensation securities paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer and Director of the Company, for services provided and for services to be provided, directly or indirectly in any capacity, to the Company by such persons, for the most recently completed financial year.

Name and position	Type of compensation security	Number of compensation securities	Date of issue or grant	Issue conversion or exercise (\$)	Closing price of security or underlying (\$)	Closing price of security or underlying (\$)	Expiry Date
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Alexander Stewart <i>Chairman, Director</i>	Stock options	250,000	August 14, 2020	\$0.13	\$0.125	\$0.13	August 14, 2025
Stephen Stewart <i>Chief Executive Officer Director</i>	Stock options	750,000	August 14, 2020	\$0.13	\$0.125	\$0.13	August 14, 2025
Jeffrey Potwarka <i>CFO</i>	Stock options	150,000	August 14, 2020	\$0.13	\$0.125	\$0.13	August 14, 2025
Charles Beaudry <i>Vice-President, Director</i>	Stock options	250,000	August 14, 2020	0.13	\$0.125	\$0.13	August 14, 2025
Claude Bouchard <i>Director</i>	Stock options	125,000	August 14, 2020	\$0.13	\$0.125	\$0.13	August 14, 2025
Anthony Moreau <i>Director</i>	Stock options	125,000	August 14, 2020	\$0.13	\$0.125	\$0.13	August 14, 2025

#### *Employment, Consulting and Management Agreements*

Other than as disclosed in this Circular, during the most recently completed financial year ended October 31, 2020, the Company had no contract, agreement, plan or arrangement under which compensation was provided or is payable in respect of services provided to the Company that were: (a) performed by a Director or Named Executive Officer, or (b) performed by any other party, but are services typically provided by a Director or a Named Executive Officer. Furthermore, during the most recently completed financial year ended October 31, 2020, the Company had no agreements or arrangements which provided for payments to a Named Executive Officer or Director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in responsibilities of the NEO or Director following a change in control.

#### *Pension Plan Benefits*

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement. The Company has no defined benefit or actuarial plans.

#### **Securities Authorized for Issuance Under Equity Compensation Plans**

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year (October 31, 2020).

<b><i>Plan Category</i></b>	<b><i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</i></b>	<b><i>Weighted-average exercise price of outstanding options, warrants and rights (b)</i></b>	<b><i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i></b>
<i>Equity compensation plans approved by securityholders</i>	13,121,000	\$0.10	8,959,375

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights (b)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i>
<i>Equity compensation plans not approved by securityholders</i>	N/A	N/A	N/A
<b>Total</b>	<b>13,121,000</b>	-	<b>8,959,375</b>

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at the date hereof, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries,

in relation to a securities purchase program or other program.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as disclosed herein, other than the election of Directors or the appointment of auditors, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting, except that the Directors and executive officers of the Company may have an interest in the resolution regarding the annual approval of the Orefinders Plan (as defined below and described under "*Particulars of Matters to be Acted Upon – Orefinders Stock Option Plan*", as such persons are eligible to participate in such plan.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed herein, no informed person (as defined in National Instrument 51-102, *Continuous Disclosure*) or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or its subsidiaries.

#### **APPOINTMENT OF AUDITORS**

UHY McGovern Hurley LLP (formerly McGovern, Hurley, Cunningham, LLP), Chartered Professional Accountants, of Toronto, Ontario, are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of UHY McGovern Hurley LLP as the auditors of the Company to hold office for the ensuing year.

UHY McGovern Hurley LLP were first appointed as auditors on January 5, 2017.

### **MANAGEMENT CONTRACTS**

No management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company. See "Termination and Change of Control Benefits" for disclosure on the existing management contracts between the Company and certain Directors or officers of the Company.

### **AUDIT COMMITTEE**

#### **The Audit Committee's Charter**

##### *I. Mandate*

The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

##### *II. Composition*

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

##### *III. Meetings*

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

##### *IV. Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

1. Review and update this Charter annually.
2. Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

#### External Auditors

3. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
4. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
5. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
6. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
7. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
8. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
9. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

### Financial Reporting Processes

12. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
13. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
14. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
15. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
16. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
17. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
18. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
19. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
20. Review certification process.
21. Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### Risk Management

22. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
23. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
24. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
25. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

### Other

26. Review any related-party transactions.

### Composition of the Audit Committee

The following are the members of the Committee:

Stephen Stewart	Not Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Claude Bouchard	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Anthony Moreau	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

<sup>(1)</sup> As defined by NI 52-110.

### Relevant Education and Experience

**Stephen Stewart**, MSc., MBA, is the Chairman of the Audit Committee. Mr. Stewart has over 18 years of financial experience as a Director and senior officer with Canadian public.. Mr. Stewart's work experience, together with

his two finance focused Masters degrees, gives him an excellent understanding of financial reporting and a well-qualified member of the Company's Audit Committee.

**Claude Bouchard, P.Eng.**, is a member of the Company's Audit Committee. He has worked on many mining projects throughout Ontario and Quebec including over 6 years of senior engineering management experience as Manager of Engineering, Project Manager and General Manager of Project Development for FNX Mining Company Inc. based in Sudbury, Ontario. Through his senior involvement in operating mines, Mr. Bouchard has developed an understanding of financial reporting sufficient to enable him to act as a member of the Audit Committee.

**Anthony Moreau, CFA.**, is a member of the Company's Audit Committee. He is a Chartered Financial Analyst and has previously worked for IAMGOLD Corporation, a company listed on the Toronto Stock Exchange and New York Stock Exchange, comprising different roles within the organization, most recently Business Development and Innovation. Thus he has an excellent understanding of financial reporting and a well-qualified member of the Company's Audit Committee.

#### **Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

#### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

#### **Pre-Approval Policies and Procedures**

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

#### **External Auditors Service Fees (By Category)**

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
2020	\$21,420	Nil	\$4,200	Nil
2019	\$25,500	Nil	\$6,000	Nil

#### **Exemption in Section 6.1 of NI 52-110**

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

#### **CORPORATE GOVERNANCE DISCLOSURE**

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

**Independence of Members of Board**

As at the date hereof, the Company's Board consists of five Directors, two of whom are independent based upon the tests for independence set forth in NI 52-110. Claude Bouchard and Anthony Moreau are independent. Stephen Stewart is not independent as he is the CEO of the Company, Charles Beaudry is not independent as he is VP Exploration of the Company and Alexander Stewart is not independent as he is Chairman of the Company.

**Management Supervision by Board**

The operations of the Company do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors being present. Further supervision is performed through the audit committee which is composed of a majority of independent Directors who meet with the Company's auditors without management being in attendance.

**Risk Management**

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

The audit committee is responsible for the risk management items set out in the audit committee charter.

**Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Circular.

**Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board of Directors, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
3. access to management and technical experts and consultants; and
4. a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

**Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code.

**Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

Members of the Board and representatives of the resource exploration industry are consulted for possible candidates.

#### **Compensation of Directors and the CEO**

As at the date hereof, the independent Directors are Claude Bouchard and Anthony Moreau. The independent directors have the responsibility for determining compensation for the Directors and senior management.

To determine compensation payable, the independent Director reviews compensation paid for Directors and CEOs of companies of similar size and stage of development in mineral exploration and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the independent Director annually reviews the performance of the CEO in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

#### **Board Committees**

As the Directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger Board of Directors, the Board has determined that additional committees are not necessary at this stage of the Company's development.

#### **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees. To assist in its review, the Board conducts informal surveys of its Directors.

#### **Nomination and Assessment**

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

#### **Expectations of Management**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

#### **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

##### **A. Approval and Ratification of Stock Option Plan**

The Board of Directors of the Company implemented a Stock Option Plan (the "Plan") effective April 3, 2012, which was approved by the TSX Venture Exchange and the shareholders of the Company. The number of common shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to insiders as a group is 10%, to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. Under TSX Venture Exchange policy, all such rolling Stock Option Plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

"UPON MOTION IT WAS RESOLVED that the Company approve and ratify, subject to regulatory approval, the Stock Option Plan pursuant to which the Directors may, from time to time, authorize the issuance of options to Directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis."

The purpose of the Plan is to allow the Company to grant options to Directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to five years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted. Pursuant to the Plan, the Board of Directors may from time to time authorize the issue of options to Directors, officers employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion. The Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

If the optionee ceases to be an eligible person as a result of termination for cause of such optionee by the Company any outstanding option held by such optionee on the date of such termination, whether in respect of option shares that are vested or not, shall be cancelled as of that date. If the optionee ceases to be an eligible person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the option than held by the optionee shall be exercisable to acquire unissued option shares at any time up to but not after the earlier of the expiry date and the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee or, the Board of Directors of the Company may, in its sole discretion if it determines such is in the best interests of the Company, extend the expiry date of the option of an optionee to a later date within a reasonable period in accordance with TSX Venture Exchange Policy 4.4 (Section 3.8(i)).

The full text of the Plan is available for viewing up to the date of the Meeting at the Company's offices at Suite 1805 – 55 University Avenue, Toronto, Ontario, M5J 2H7.

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval and ratification of the Plan.**

## **B. The Arrangement**

### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This Circular contains or refers to certain "forward-looking information" as defined under Canadian securities laws and other applicable securities laws. Forward-looking information includes, but is not limited to, the expectations, intentions, plans and beliefs of the Company and American Eagle, as applicable. Forward-looking information can often be identified by forward-looking words such as "anticipate", "does not anticipate", "believe", "expect", "does not expect", "goal", "plan", "intend", "estimate", "project", "potential", "scheduled", "forecast", "budget" and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. Forward-looking information may include but is not limited to statements and information relating to:

- the Arrangement and the timing of approvals related thereto;
- the financial impact of the Arrangement;
- the activities, events or developments that either of the Company or American Eagle expect or anticipate will or may occur in the future;

- the proposed business, operation and financial performance and condition of American Eagle; and
- details concerning the American Eagle that assume completion of the Arrangement.

The forward-looking statements contained in this Circular are based on current expectations and beliefs concerning future developments and their potential effects on the Parties and are based on certain assumptions, including among other things, that the Company's Shareholders will approve the Arrangement Resolution and that all third party regulatory and governmental approvals will be obtained, and that all the conditions to the completion of the Arrangement will be satisfied or waived.

Although the Parties believe that the expectations and assumptions are reasonable, there can be no assurance that forward-looking information included herein will prove to be accurate. Forward-looking information is subject to a number of known and unknown risks, uncertainties (some of which are beyond the control of the Parties) and other factors that could cause actual results or performance to be materially different from those expressed or implied by such forward-looking information.

Factors that could cause actual results to differ materially from any forward-looking information include, but are not limited to: operating risks; reliance on and retention of management and key personnel; competition in industry; risks associated with permits and business licenses; stock market volatility and ability to access sufficient capital from internal and external sources; the economy generally; exposure to potential litigation and other factors beyond the control of the Company or American Eagle. In addition, there are risks and hazards associated with the business of developing technology including trademarks, copyrights and other intellectual property rights; inability to adapt to technological change, new products and standards; competition from new or existing technologies; reliance on third-party specialist agencies, brokers and intermediaries reduces control over company performance; and, government regulation changes.

You are cautioned not to place undue reliance on the forward-looking information contained herein. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur.

All subsequent written and oral forward-looking information attributable to the Company, American Eagle or persons acting on their behalf are expressly qualified in their entirety by this notice.

These factors are not intended to represent a complete list of the general or specific factors that could affect the Company or American Eagle after giving effect to the transactions contemplated by the Arrangement. Additional factors are noted elsewhere in this Circular and may be noted in any documents incorporated by reference herein, and there may be other factors that cause actions, events or results to occur that have not been anticipated, estimated or intended.

All forward-looking information attributable to the Company or American Eagle, or persons acting on their behalf, is expressly qualified in their entirety by the cautionary statements set forth above. Readers of this Circular are cautioned not to place undue reliance on the forward-looking information contained in this Circular which reflect the analysis of the management of the Company and American Eagle, as applicable, as of the date of this Circular. Neither the Company nor American Eagle undertakes any obligation to update forward-looking information except as required by applicable securities laws.

At the Meeting, you will be asked to consider and, if deemed advisable, approve the Arrangement Resolution, the full text of which is reproduced in Appendix "A" of this Circular in respect of the Arrangement.

#### Glossary

"Act" or "BCBCA" means the *Business Corporations Act*, S.B.C. 2004, c. 57, as amended;

"American Eagle Financing" means American Eagle's private placement sale of subscription receipts for aggregate gross proceeds of \$3,493,229.70 on February 5, 2021;

"**American Eagle Shares**" means common shares without par value of American Eagle;

"**American Eagle Units**" means units offered at \$0.20 per unit in the American Eagle Financing, each unit consisting of one common share of American Eagle and one-half of one common share purchase warrant, each whole warrant exercisable for two years from the closing date at a price of \$0.30 per share;

"**Arrangement**" means an arrangement under the provisions of Section 288 of the Act, on the terms and conditions set forth in the Plan of Arrangement;

"**Arrangement Agreement**" means the Arrangement Agreement dated January 27, 2021 between Orefinders and American Eagle, as the same may be amended, supplemented or otherwise modified from time to time;

"**Arrangement Resolution**" means the special resolution approving the Arrangement to be voted on by Shareholders at the Meeting, the full text of which is attached as Appendix "A" to this Circular;

"**Board**" means the board of directors of Orefinders;

"**Companies**" or the "**parties**" means Orefinders and American Eagle;

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

"**Depository**" means Computershare Investor Services Inc., Vancouver, British Columbia;

"**Distribution Record Date**" means the day that is the Effective Date;

"**Dissent Rights**" has the meaning ascribed to it in Section 4.01 of the Plan of Arrangement;

"**Dissenting Shareholder**" means a registered holder of Orefinders Shares who has properly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such Dissent Rights;

"**Effective Date**" means the effective date set forth on the final notice of alteration of Orefinders that is filed with the British Columbia Registrar of Companies in connection with the Arrangement;

"**Effective Time**" means 12:01 a.m. on the Effective Date, unless otherwise set forth on the final notice of alteration of Orefinders that is filed with the British Columbia Registrar of Companies in connection with the amendments to the authorized share structure of Orefinders under the Plan of Arrangement;

"**Fairness Opinion**" means written valuation fairness opinion dated January 25, 2021 as prepared for the Company by Evans & Evans, Inc., a copy of which is attached as Appendix "H" to this Circular;

"**Final Order**" means the final order to be made by the Court approving the Arrangement;

"**Golden Trend Property**" means the Golden Trend project located in the Cortez Trend in Nevada, United States;

"**Interim Order**" means the interim order of the Court dated March 8, 2021 pursuant to Section 288 of the BCBCA, providing for, among other things, the calling of the Meeting;

"**New Orefinders Shares**" has the meaning assigned thereto in Section 3.01(c) of the Plan of Arrangement;

"**New Orefinders Stock Option**" has the meaning assigned thereto in Section 3.01(f) of the Plan of Arrangement;

"**Notice of Exercise**" has the meaning assigned thereto in Section 5.04(b) of the Plan of Arrangement;

"**Old Orefinders Shares**" means the Orefinders Shares, after being altered by changing their identifying name to "Class A" common shares pursuant to Section 3.01(c) of the Plan of Arrangement;

"**Orefinders Optionholders**" means holders of Orefinders Stock Options;

"**Orefinders Shares**" means the common shares without par value of Orefinders;

"**Orefinders Stock Options**" means the stock options of Orefinders for the purchase of Orefinders Shares issued under Orefinders's stock option plan;

"**Orefinders U.S. Shareholders**" means the holders of Orefinders Shares that reside in the United States;

"**Orefinders U.S. Warrantholders**" means the holders of Orefinders Warrants that reside in the United States or that are U.S. Persons;

"**Orefinders Warrant Certificates**" means the certificates representing the Orefinders Warrants;

"**Orefinders Warrantholders**" means holders of Orefinders Warrants;

"**Orefinders Warrant Indentures**" means the existing warrant indentures dated September 30, 2020.

"**Orefinders Warrants**" means the issued and outstanding share purchase warrants of Orefinders for the purchase of Orefinders Shares;

"**Plan of Arrangement**" means the plan of arrangement attached to the Arrangement Agreement as Appendix 1 and any amendment or variation thereto (a copy of the Plan of the Arrangement is attached as Appendix "F" to this Circular);

"**Regulation S**" means Regulation S under the U.S. Securities Act;

"**SEC**" means the United States Securities and Exchange Commission;

"**Section 3(a)(10) Exemption**" means the exemption from the registration requirements of the U.S. Securities Act under Section 3(a)(10) thereof;

"**Shareholder**" or "**holder of shares**" means a registered or beneficial holder of Orefinders Shares;

"**Tax Act**" means the *Income Tax Act* (Canada);

"**Technical Report**" means the report titled "Technical Report on the Golden Trend Project, Eureka County, Nevada, by; Effective Date: 4th of January, 2021" prepared for American Eagle by Doyle Kenneth Brook Jr. with an effective date of January 4, 2021;

"**Transaction**" means the Arrangement and the American Eagle Financing;

"**TSXV**" means the TSX Venture Exchange;

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

"**U.S. Person**" means a "U.S. person" as defined in Rule 902(k) of Regulation S; and

"**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended.

### Summary

Shareholders will be asked at the Meeting to approve the Arrangement involving Orefinders, its securityholders and American Eagle. The Arrangement will involve, among other things, certain exchanges of securities resulting

in Shareholders at the Effective Date receiving their pro rata portion of approximately 5,000,000 American Eagle Shares (being one American Eagle Share for every approximately 44.50 Orefinders Shares held). Orefinders will retain the other 5,000,000 American Eagle Shares it holds as of the date hereof.

It is intended that following the Arrangement, American Eagle will complete the American Eagle Financing and will seek a listing of the American Eagle Shares listed on the TSXV.

Shareholders will be asked to approve the Arrangement Resolution as a special resolution pursuant to section 288 of the BCBCA and in accordance with the terms of the Arrangement Agreement.

The disclosure of the principal features of the Arrangement, as summarized below, is qualified in its entirety by reference to the full text of the Arrangement Agreement including the Plan of Arrangement, which is attached as Appendix "F" to this Circular.

### **Pre-Arrangement Transactions**

Prior to the Effective Date of the Arrangement, Orefinders holds an aggregate of 10,000,000 American Eagle Shares.

### **Steps in the Arrangement**

At the Effective Time, the following shall occur and be deemed to occur in the following order without any further act or formality:

- (a) each issued Orefinders Share held by a Dissenting Shareholder is acquired by Orefinders in consideration for Orefinders agreeing to pay the amount to be paid as determined in accordance with Article 4 of the Plan of Arrangement in respect of the dissenting shares;
- (b) the authorized capital of Orefinders is amended by:
  - (i) the alteration of the Orefinders Shares by changing their identifying name to "Class A" common shares; and
  - (ii) the creation of an unlimited number of common shares without par value having attached thereto the special rights and restrictions set out in Schedule A of the Plan of Arrangement,
- (c) each issued Orefinders Share held by a Shareholder (other than a Dissenting Shareholder) will be transferred to Orefinders in exchange for:
  - (i) one New Orefinders Share; and
  - (ii) such Shareholder's pro rata portion (excluding Dissenting Shareholders) of 5,000,000 of the American Eagle Shares held by Orefinders on the Effective Date;
- (d) the authorized capital of Orefinders will be amended by eliminating the Old Orefinders Shares from the authorized share structure of Orefinders and the Notice of Articles and Articles of Orefinders will be amended accordingly;
- (e) each Orefinders Stock Option outstanding immediately before the Effective Date will be exchanged for a stock option to be issued by Orefinders having the same terms and conditions as the Orefinders Stock Option for which it was exchanged, but being exercisable to acquire New Orefinders Shares; and
- (f) in accordance with the terms of the Orefinders Warrants, (A) each holder of an Orefinders Warrant outstanding immediately prior to the Effective Time shall receive (and such holder shall accept) upon the exercise of such holder's Orefinders Warrant, in lieu of each Orefinders Share to which such holder was

theretofore entitled upon such exercise and for the same aggregate consideration payable therefor, the number of New Orefinders Shares and American Eagle Shares which the holder would have been entitled to receive as a result of the transactions contemplated by this Plan of Arrangement if, immediately prior to the Effective Time, such holder had been the registered holder of the number of Orefinders Shares to which such holder was theretofore entitled upon exercise of the Orefinders Warrants; and (B) such Orefinders Warrant shall continue to be governed by and be subject to the terms of the Orefinders Warrant Indentures.

The board of directors of Orefinders may, in its absolute discretion, determine whether or not to proceed with the Arrangement without further approval, ratification or confirmation by the Shareholders.

Pursuant to Article 4 of the Plan of Arrangement, Shareholders who duly exercise the Dissent Rights and who:

- (a) are ultimately to be paid fair value for their Orefinders Shares by Orefinders shall be deemed to have had their Orefinders Shares transferred to Orefinders for such value on the Effective Date; or
- (b) are ultimately not entitled to be paid fair value for any reason for their Orefinders Shares shall be deemed to have participated in the Arrangement on the same basis as any non-dissenting holder of Orefinders Shares and shall receive American Eagle Shares on the basis determined in accordance with Section 4.01 of the Plan of Arrangement.

If a Shareholder exercises the Dissent Rights, Orefinders shall on the Effective Date set aside and not transfer that portion of the American Eagle Shares which is attributable to the Orefinders Shares for which Dissent Rights have been exercised (such shares are referred to in this paragraph as "dissenting Orefinders Shares"). If the dissenting Shareholder is ultimately not entitled to be paid for their dissenting Orefinders Shares, Orefinders shall distribute to such Shareholder its pro rata portion of the American Eagle Shares. If the dissenting Shareholder duly exercises the Dissent Rights and is ultimately to be paid fair value for their dissenting Orefinders Shares, then Orefinders shall retain the portion of the American Eagle Shares attributable to such dissenting Orefinders Shares and such shares will be dealt with as determined by the board of directors of Orefinders in its discretion.

#### **Effect of the Arrangement**

As a result of the Arrangement, Shareholders will continue to hold common shares of Orefinders and will also receive their pro rata portion of approximately 5,000,000 American Eagle Shares on the Effective Date. If no additional Orefinders shares are issued prior to the Effective Date, Shareholders will receive one American Eagle Share for every approximately 44.50 Orefinders Shares held. It is expected that the issued capital of American Eagle on the Effective Date will be approximately 53,449,398 American Eagle Shares (assuming completion of the minimum American Eagle Financing, that no Orefinders Warrants are exercised prior to the Effective Date, and that no Orefinders Shares are issued from treasury prior the Effective Date).

American Eagle will be a reporting issuer in British Columbia, Alberta and Ontario, and it is the intention of American Eagle to apply for listing of the American Eagle Shares on the TSXV following completion of the Transaction. See "*Particulars of Matters to be Acted Upon – The Arrangement – Arrangement Risk Factors*".

The Orefinders Shares will continue to be listed on the TSXV upon completion of the Transaction.

Each Orefinders Stock Option outstanding immediately prior to the Effective Date will be exchanged for a New Orefinders Stock Option.

Each holder of an Orefinders Warrant outstanding immediately prior to the Effective Time shall receive, upon the exercise of such Orefinders Warrant, the number of New Orefinders Shares and American Eagle Shares which the holder would have received if such holder had exercised the Orefinders Warrants immediately prior to the Effective Date.

Additional information relating to American Eagle is contained in Appendix "B" to this Circular.

### Recommendation of the Board

Orefinders has reviewed the terms and conditions of the proposed Arrangement, has received the Fairness Opinion provided by Evans & Evans, Inc. and has concluded that the Arrangement is fair and reasonable to its securityholders and in the best interests of Orefinders.

In arriving at this conclusion, the directors of Orefinders considered, among other matters:

1. the financial condition, business and operations of Orefinders, on both an historical and prospective basis, and information in respect of American Eagle on a pro-forma basis;
2. the procedures by which the Arrangement is to be approved, including the requirement for approval of the Arrangement by the Court after a hearing at which fairness to Orefinders securityholders will be considered;
3. the availability of rights of dissent to Shareholders with respect to the Arrangement;
4. historical information regarding the prices of the Orefinders Shares;
5. the anticipated Canadian tax treatment of Orefinders security holders under the Arrangement;
6. Shareholders will own securities of two publicly listed companies, if the intended listing of the American Eagle Shares is completed;
7. Orefinders will be able to concentrate its efforts on the development of its properties in Canada, which the directors believe will appeal to prospective investors in Orefinders;
8. American Eagle will be able to concentrate its efforts on the development of the Golden Trend Property, which the directors believe will appeal to prospective investors in American Eagle; and
9. Orefinders and American Eagle will each have a strong management team.

The Board also identified disadvantages associated with the Arrangement including the fact that there will be the additional costs associated with running two companies instead of one, that Orefinders will incur significant expenses in connection with the Arrangement, the uncertainty surrounding the funding of American Eagle and the listing of the American Eagle Shares on the TSXV or other stock exchange, and that there is no assurance that the proposed Arrangement will result in positive benefits to Shareholders.

The foregoing summary of the information, factors and risk factors considered by the Board are not intended to be exhaustive. In view of the variety of factors, the amount of information and the appropriate risk factors considered in connection with its evaluation of the Arrangement, the Board did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor or risk factor considered in reaching its conclusion and recommendation. The Board's recommendation was made after considering all of the above-noted factors as well as the information and risk factors referred to elsewhere herein and in light of the Board's knowledge of the business, financial condition and prospects of the Company. In addition, individual members of the Board may have assigned different weights to different factors.

Based on its review of these and other factors, the Board considers the Arrangement to be in the best interests of Orefinders and fair and reasonable to the Shareholders, and recommends that the Shareholders vote in favour of the Arrangement Resolution.

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval of the Arrangement Resolution.**

**The board of directors of Orefinders recommends that the Shareholders vote in favour of the Arrangement Resolution. Each director of Orefinders who owns Orefinders Shares has indicated his intention to vote his Orefinders Shares in favour of the Arrangement Resolution.**

### **No Collateral Benefits**

No director or officer of American Eagle or Orefinders is entitled to receive, directly or indirectly, as a consequence of the Arrangement, an increase in salary, a lump sum payment, a payment for surrendering securities, or other enhancement in benefits related to past or future services as an employee, director or consultant. The directors and officers will receive a distribution per security in the Arrangement that is identical in amount and form to the entitlement of the general body of holders in Canada of Orefinders Shares.

### **Arrangement Risk Factors**

Orefinders and American Eagle should each be considered highly speculative investments and the transactions contemplated herein should be considered of a high-risk nature. Shareholders should carefully consider all of the information disclosed in this Circular prior to voting on the Arrangement Resolution. In addition to the other information presented in this Circular, the following risk factors should be considered:

1. If Orefinders and American Eagle receive all required approvals for the completion of the Arrangement the directors of Orefinders and American Eagle may proceed with the Arrangement. American Eagle's working capital on after the completion of the Arrangement is dependent upon the successful closing of the American Eagle Financing. There is no assurance that the American Eagle Financing will be completed. If the American Eagle Financing is not completed, the American Eagle Shares may not be listed for trading on any stock exchange.
2. The trading price of Orefinders Shares at the Effective Date will likely vary from the prices as at the date of execution of the Arrangement Agreement, the date of this Circular and the date of the Meeting and will fluctuate depending on investors' perceptions of the merits of the Arrangement.
3. There is no assurance that the Arrangement will complete or, if it is completed, that the American Eagle Shares will be listed for trading on a stock exchange.
4. There is no assurance that the Arrangement can be completed as proposed or without Shareholders exercising their dissent rights in respect of a substantial number of Orefinders Shares.
5. There is no assurance that the businesses of Orefinders or American Eagle, after completing the Arrangement, will be successful.
6. While Orefinders believes that the American Eagle Shares to be issued to Shareholders pursuant to the Arrangement will not be subject to any resale restrictions (save securities held by control persons and save for any restrictions flowing from current restrictions associated with a Shareholder's Orefinders Shares), there is no assurance that this is the case and each Shareholder is urged to obtain appropriate legal advice regarding applicable securities legislation.
7. The transactions may give rise to significant adverse tax consequences to Shareholders and each such Shareholder is urged to consult his own tax advisor.

### **Effects of the Arrangement on Shareholders' Rights**

As a result of the Arrangement, Shareholders will continue to be shareholders of Orefinders and will also be shareholders of American Eagle.

### **Conduct of Meeting and Other Approvals**

Shareholders at the Meeting will be asked to consider and, if thought advisable, adopt the Arrangement Resolution. The Arrangement Resolution is a special resolution that must be approved by not less than two thirds of the votes cast by the Shareholders present, in person or by proxy, at the Meeting.

Under the BCBCA, Orefinders is required to obtain the approval of the Court to the calling of the Meeting and to the Arrangement. On March 8, 2021, prior to mailing the material in respect of the Meeting, Orefinders obtained an Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of

the Interim Order and the Notice of Petition are attached as Appendices "D" and "E" respectively, to this Circular. As set out in the Notice of Petition, the Court hearing in respect of the Final Order is scheduled to take place at 9:45 a.m., Vancouver time, on April 8, 2021, or as soon thereafter as the Court may direct or counsel for Orefinders may be heard, at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, subject to the approval of the Arrangement Resolution at the Meeting. **Orefinders securityholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements.**

At the Court hearing, Orefinders securityholders of Orefinders who wish to participate or to be represented or to present evidence or argument may do so, subject to the Supreme Court Civil Rules. Although the authority of the Court is very broad under the BCBCA, Orefinders has been advised by counsel that the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective.

The Court will be informed prior to the hearing that if such approval is obtained, this will constitute the basis for an exemption from the registration requirements of the U.S. Securities Act under the Section 3(a)(10) Exemption with respect to the issuance of New Orefinders Shares and American Eagle Shares to be distributed, as described below under "Securities Laws Considerations – U.S. Securities Laws and Resale of Securities". In addition, it is a condition of the Arrangement that the Court will have determined, prior to approving the Final Order, that the terms and conditions of the exchanges of securities comprising the Arrangement are fair to those security holders to whom securities will be issued upon completion of the Arrangement.

Under the terms of the Interim Order, each Orefinders securityholder will have the right to appear and make representations at the application for the Final Order. Any person desiring to appear at the hearing to be held by the Court to approve the Arrangement pursuant to the Notice of Petition is required to file with the Court and serve upon Orefinders at the addresses set out below, on or before 4:00 p.m., Vancouver time, on April 6, 2021, a response to petition ("**Response to Petition**"), in the form prescribed by the Supreme Court Civil Rules, including his, her or its address for service, together with any evidence or materials which are to be presented to the Court. The Response to Petition and supporting materials must be delivered, within the time specified, to the Petitioners' counsel at the following address:

Harris & Company LLP  
14th Floor, Bentall 5 550 Burrard Street  
Vancouver, BC V6C 2B5  
Attention: Joseph Ensom

### **Regulatory Approvals**

If the Arrangement Resolution is approved by the requisite majority of Shareholders, the Final Order and the approval of the TSXV must be obtained before the Arrangement may proceed.

The Orefinders Shares are currently listed for trading on the TSXV. Orefinders is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. Approval from the TSXV is required for the Arrangement. Upon completion of the Arrangement, American Eagle will be a reporting issuer in the provinces of British Columbia and Alberta and Ontario.

It is the intention of American Eagle to apply for listing of the American Eagle Shares on the TSXV following completion of the Arrangement provided that the American Eagle Financing has closed.

Shareholders should be aware that the foregoing approvals have not yet been given by the regulatory authorities referred to above. There is no assurance that such approvals will be obtained.

### Significant Positions and Shareholdings

The following table discloses the number of shares currently owned, controlled or directed, directly or indirectly, by the directors and senior officers of Orefinders and American Eagle and greater than 10% shareholders in Orefinders, as well as their positions and shareholdings in American Eagle upon completion of the Transaction assuming no changes to the number of Orefinders Shares currently held.

Insider / 10% Shareholder	Orefinders Relationship, Shares, Warrants and Stock Options	Post-Transaction American Eagle Relationship and Shares
Stephen Stewart	CEO, Secretary and Director 6,996,572 Orefinders Shares <sup>(1)</sup> 507,000 Warrants 4,298,000 Stock Options <sup>(2)</sup>	Director & Chairman 8,707,294 American Eagle Shares <sup>(4)</sup>
Alexander Stewart	Chairman and Director 5,000,000 Orefinders Shares <sup>(3)</sup> 1,998,701 Warrants <sup>(3)</sup> 3,023,000 Stock Options	Executive Chairman and Director 3,712,408 American Eagle Shares <sup>(5)</sup>
Claude Bouchard	Director 300,000 Orefinders Shares 1,675,000 Stock Options	N/A 6,744 American Eagle Shares
Anthony Moreau	Director 525,000 Stock Options	CEO and Director 1,000,000 American Eagle Shares
Charles Beaudry	Vice President-Exploration and Director 2,450,000 Orefinders Shares 1,950,000 Stock Options	N/A 3,349,939 American Eagle Shares <sup>(6)</sup>
Jeffrey Potwarka	CFO 375,000 Stock Options	CFO 250,000 American Eagle Shares

<sup>(1)</sup> 100,000 of these Orefinders Shares are held indirectly in the name of 2287957 Ontario Inc., a private company wholly-owned by Stephen Stewart.

<sup>(2)</sup> 350,000 Stock Options are held indirectly in the name of 2287957 Ontario Inc.

<sup>(3)</sup> These securities are held indirectly in the name of Moray Resources Inc., a private company wholly-owned by Alexander Stewart who is a Director of the Company.

<sup>(4)</sup> 155,046 American Eagle Shares will be held by Stephen Stewart directly, while 602,248 American Eagle Shares will be held indirectly in the name of 2287957 Ontario Inc., a private company wholly-owned by Stephen Stewart and 7,950,000 American Eagle Shares will be held indirectly in the name of Standard Ore Inc., a private company wholly-owned by Stephen Stewart.

<sup>(5)</sup> 3,617,985 American Eagle Shares will be held by Alexander Stewart directly, while 94,422 American Eagle Shares will be held indirectly in the name of Moray Resources Inc., a private company wholly-owned by Alexander Stewart who is a Director of the Company.

<sup>(6)</sup> 3,299,355 American Eagle Shares will be held by Charles Beaudry directly, while 50,583 American Eagle Shares will be held indirectly in the name of Merrygold Investments Inc., a company owned by Charles Beaudry.

### **Fairness Opinion**

The Board retained Evans & Evans, Inc. (the "**Fairness Advisor**"), who has delivered the Fairness Opinion which concludes that, based upon and subject to the factors referred to therein, as of January 25, 2021, the Arrangement is fair from a financial point of view to the securityholders of Orefinders. The Fairness Opinion is attached to this Circular at Appendix "H".

Orefinders agreed to pay a flat fee for the services of the Fairness Advisor, payable upon delivery of the Fairness Opinion to the Board. The fee is not dependent on the conclusions reached in the Fairness Opinion.

The Fairness Advisor is not an insider, associate or affiliate of either of the Companies. The Fairness Advisor has not acted as advisor to the Companies or their respective affiliates in connection with the Arrangement and has no past, present or intended interest in the shares and properties of Orefinders and its affiliates.

There are no understandings, commitments or agreements between the Fairness Advisor and either of the Companies or their respective predecessor, subsidiary companies and affiliates with respect to future business dealings. The Fairness Advisor may in the future in the ordinary course of business perform financial advisory services to a broad spectrum of corporate clients, and perform financial and research services for companies referred to in the Fairness Opinion.

The analyses conducted by the Fairness Advisor, as described in the Fairness Opinion, should be considered as a whole. To focus on specific portions of each analysis and of the factors considered, without considering all analyses and factors, could create an incomplete and misleading view of the processes underlying the Fairness Opinion.

### **Procedure for Receipt of American Eagle Shares**

The following information is a summary only. For full details of procedures for the delivery of certificates see Article 5 "Certificates and Documentation" of the Plan of Arrangement.

As soon as practicable after the Effective Date, the Depositary will forward to each registered Shareholder of record at the Distribution Record Date who has not dissented to the Arrangement, certificates representing the American Eagle Shares to which they are entitled under the Arrangement.

**Shareholders should not deliver certificates for Orefinders Shares as certificates representing Orefinders Shares are not being exchanged pursuant to this Arrangement.**

### **Treatment of Convertible Orefinders Securities**

Each Orefinders Stock Option outstanding immediately before the Effective Date will be exchanged for a stock option to be issued by Orefinders having the same terms and conditions as the Orefinders Stock Option for which it was exchanged, but being exercisable to acquire New Orefinders Shares.

In accordance with the terms of the Orefinders Warrants, (A) each holder of an Orefinders Warrant outstanding immediately prior to the Effective Time shall receive (and such holder shall accept) upon the exercise of such holder's Orefinders Warrant, in lieu of each Orefinders Share to which such holder was theretofore entitled upon such exercise and for the same aggregate consideration payable therefor, the number of New Orefinders Shares and American Eagle Shares which the holder would have been entitled to receive as a result of the transactions contemplated by the Plan of Arrangement if, immediately prior to the Effective Time, such holder had been the registered holder of the number of Orefinders Shares to which such holder was theretofore entitled upon exercise of the Orefinders Warrants; and (B) such Orefinders Warrant shall continue to be governed by and be subject to the terms of the Orefinders Warrant Indentures.

### **Fees and Expenses**

American Eagle will pay the costs, fees and expenses of the Arrangement.

### **Effective Date of the Arrangement**

If: (1) the Arrangement Resolution is approved by Shareholders; (2) the Final Order of the Court is obtained approving the Arrangement; (3) TSXV approval of the Arrangement is obtained; (4) every requirement of the BCBCA relating to the Arrangement has been complied with; and (5) all other conditions disclosed under "Arrangement Agreement – Conditions to the Arrangement Becoming Effective" are met or waived, the Arrangement will become effective on the Effective Date.

The full particulars of the Arrangement are contained in the Plan of Arrangement attached as Appendix "F", and incorporated by reference into this Circular.

Notwithstanding receipt of the above approvals, the Board may abandon the Arrangement without further approval from the Shareholders.

### **Arrangement Agreement**

The Arrangement of Orefinders, which will be carried out pursuant to the BCBCA, will be effected in accordance with the Arrangement Agreement.

The general description of the Arrangement Agreement which follows is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is available for review by Shareholders during normal business hours at the head office of the Company at Suite 1805, 55 University Avenue, Toronto, Ontario and will also be available for review at the Meeting.

#### *Representations and Warranties*

In the Arrangement Agreement, the Companies provide representations and warranties to one another regarding certain customary commercial matters, including corporate, legal and other matters, relating to their respective affairs.

#### *Covenants*

In the Arrangement Agreement, each of Orefinders and American Eagle covenants and agrees that it shall take such steps and do all such other acts and things, as may be necessary or desirable in order to give effect to the transactions contemplated by the Arrangement Agreement, subject to shareholder and regulatory approval, and, without limiting the generality of the foregoing, shall:

- (a) apply for and obtain the Interim Order and the Final Order;
- (b) obtain written consents from any persons who are parties to agreements with Orefinders or a subsidiary of Orefinders where consents to the transactions contemplated by the Arrangement are required under those contracts or agreements;
- (c) ensure that the Circular shall contain appropriate disclosure respecting Orefinders or American Eagle, respectively, and the information and consolidated financial statements related to Orefinders or American Eagle, respectively, contained in the Circular and any related documentation to be distributed in connection with the solicitation of proxies by the management of Orefinders in connection with the meeting of shareholders of Orefinders shall be true, correct and complete in all material respects and shall 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 and shall comply with applicable securities laws;

- (d) obtain all required certifications and consents of their respective auditors in respect of the respective financial statements to be provided in the Circular; and
- (e) have the respective authorized and issued share capital at the closing of the Arrangement, save as contemplated by the Arrangement or as may be altered by the exercise of outstanding convertible securities or consented by Orefinders or American Eagle, as the case may be, such consent not to be unreasonably withheld.

American Eagle also agreed to use its commercially reasonable best efforts after the completion of the Arrangement to apply for and obtain a listing of the American Eagle Shares on the TSXV or other stock exchange or quotation system.

#### *Termination*

The Arrangement Agreement will terminate:

- (a) if the Arrangement has not been completed by the close of business on April 30, 2021, at the election of either Orefinders or American Eagle;
- (b) in the event that the conditions to the Arrangement are not satisfied or waived by the parties to whom they are of benefit prior to the Effective Date, or any earlier date contemplated herein, this Agreement will terminate and be of no further force or effect on the Effective Date, or such earlier date;
- (c) at any time prior to the Effective Date by unanimous agreement of the parties hereto without further action on the part of their respective shareholders; or
- (d) upon the later of a final determination from the Court or an appeal court which denies the granting of the Final Order.

#### *Conditions to the Arrangement Becoming Effective*

The respective obligations of the Companies to complete the transactions contemplated by the Arrangement Agreement are subject to the satisfaction, on or before the Effective Date, of a number of conditions precedent, which may be waived in accordance with the Arrangement Agreement.

The parties' obligations to complete the transactions contemplated in the Arrangement Agreement are subject to satisfaction of the following conditions on or before the Effective Date:

- (a) the Interim Order and Final Order shall have been obtained from the Court on terms acceptable to each of the parties and shall not have been set aside or modified in a manner unacceptable to any of the parties, on appeal or otherwise;
- (b) receipt by Orefinders and American Eagle of all required approvals including approval by Orefinders Shareholders of the Arrangement at the Meeting; approval by the respective boards of directors; approval of the TSXV in respect of Orefinders and the TSXV in respect of American Eagle to the Arrangement subject only to compliance with the usual conditions of that approval; and approval of the Arrangement by the Court;
- (c) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement or the Plan of Arrangement;

- (d) none of the consents, orders, regulations or approvals contemplated by the Arrangement Agreement shall contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by any of the parties hereto, acting reasonably;
- (e) the issue of American Eagle Shares pursuant to the Arrangement will have been approved by all necessary American Eagle action to permit the American Eagle Shares to be issued as fully paid and non-assessable;
- (f) no adverse material change shall have occurred in the business, affairs, financial condition or operations of any of the parties which would have a material adverse effect on the business, assets, financial condition or results of operations of any party and any subsidiary, taken as a whole;
- (g) the representations and warranties of each party as set out in the Arrangement Agreement shall be true and correct on and as of the Effective Date as if they were made on and as of such date, except as affected by transactions contemplated or permitted by the said agreement and except for any failures or breaches of representations or warranties which would not have a material adverse effect on the business, assets, financial condition or results of operations of the other party and its subsidiaries, if any, taken as a whole;
- (h) the Arrangement Agreement shall not have been previously terminated; and
- (i) the obligation of each party to complete the Arrangement is subject to the further condition that the covenants of the other party shall have been duly performed.

The obligations of Orefinders to complete the transactions contemplated in the Arrangement Agreement are subject to satisfaction of the following conditions on or before the Effective Date:

- (a) the Arrangement shall have been approved and adopted by Shareholders at the Meeting in accordance with the terms of the Interim Order;
- (b) receipt by Orefinders of a satisfactory fairness opinion for Orefinders and tax advice satisfactory to Orefinders, in its sole discretion, respecting the structuring of the Arrangement (which opinion and advice have been received); and
- (c) dissent rights shall not have been exercised prior to the Effective Date by holders of Orefinders Shares representing 1% or more of the Orefinders Shares outstanding at such time.

The obligations of American Eagle to complete the transactions contemplated in the Arrangement Agreement are subject to the condition that no adverse material change will have occurred in the business, affairs, financial condition or operations of Orefinders prior to the Effective Date.

#### *Amendments*

The Arrangement Agreement may, at any time and from time to time before the Effective Date, be amended by 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) change the time for performance of any of the obligations or acts of Orefinders or American Eagle;
- (b) waive any inaccuracies or modify any representation contained herein or any document to be delivered pursuant to the Arrangement Agreement;
- (c) change non-material terms;

- (d) waive compliance with or modify any of the covenants herein contained or waive or modify performance of any of the obligations of the parties; and
- (e) amend the terms of Section 3.01 of the Plan of Arrangement and Sections 5.1, 5.2 and 5.3 of the Arrangement Agreement and the sequence of transactions described in the Plan of Arrangement subject to any required approval of the Shareholders, given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

The Plan of Arrangement provides that the Plan of Arrangement may, at any time and from time to time before the Effective Date, be amended by 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) change the time for performance of any of the obligations or acts of the parties;
- (b) waive any inaccuracies or modify any representation contained therein or any document to be delivered pursuant thereto;
- (c) change non-material terms;
- (d) waive compliance with or modify any of the covenants therein contained or waive or modify performance of any of the obligations of the parties; and
- (e) amend the terms of Section 6.01 of the Plan of Arrangement and the sequence of transactions described in the Plan of Arrangement, provided that any such amendment that is materially adverse to the interests of any of the Shareholders and is made following the Meeting shall have been approved by the Court and, if required by the Court, communicated to the Shareholders, and will become part of the Arrangement upon completion of all conditions required in such approval of the Court.

#### **Right of Dissent to the Arrangement**

As indicated in the notice of the Meeting, any holder of Orefinders Shares is entitled to be paid the fair value of his shares in accordance with the BCBCA if such holder dissents to the Arrangement and the Arrangement becomes effective.

A Shareholder is not entitled to dissent with respect to such holder's shares if such holder votes any of those shares in favour of the special resolution authorizing the Arrangement. A brief summary of the provisions of Sections 237 to 247 of the BCBCA is set out below.

A dissenting Shareholder has until 10:00 a.m. (Vancouver time) on the day which is two business days immediately preceding the date of the Meeting to send to Orefinders with respect to the special resolution authorizing the Arrangement a written notice of dissent pursuant to Section 242 of the BCBCA. After the special resolution is approved by the Shareholders and if Orefinders notifies the dissenting Shareholder of its intention to act upon the special resolution, the dissenting Shareholder is then required within one month after Orefinders gives such notice, to send to Orefinders a written notice that such holder requires it to purchase all of the shares in respect of which such holder has given notice of dissent, together with the share certificate or certificates representing those shares, whereupon the dissenting Shareholder is bound to sell and Orefinders is bound to purchase those shares.

A dissenting Shareholder who has complied with the BCBCA, or Orefinders may apply to the Court for an order determining the price of the shares or ordering that the price be determined by arbitration, and the Court may make consequential orders or give directions as the Court considers appropriate. There is no obligation on Orefinders to make application to the Court. The dissenting Shareholder will be entitled to receive the fair value

that the Orefinders Shares held by such holder had immediately before the passing of the special resolution to authorize the Arrangement.

All notices to Orefinders of dissent to the Arrangement pursuant to Section 242 of the BCBCA should be addressed to Orefinders at its registered office as follows:

DuMoulin Black LLP  
Attention: Brian Lindsay  
10<sup>th</sup> Floor, 595 Howe Street  
Vancouver, British Columbia  
V6C 2T5

The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a dissenting Shareholder who seeks payment of the fair value of his Orefinders Shares. **The BCBCA requires strict adherence to the procedures established therein and failure to do so may result in the loss of all dissenters' rights. Accordingly, each Shareholder who might desire to exercise the dissenter's rights should carefully consider and comply with the provisions of the Interim Order and Sections 237 to 247 of the BCBCA, the full text of which is set out in Appendix "G" to this Circular, and consult such holder's legal advisor.**

#### **CANADIAN FEDERAL INCOME TAX CONSEQUENCES**

In the opinion of Torkin Manes LLP, Canadian tax counsel to Orefinders, the following summary fairly describes the principal Canadian federal income tax considerations relating to the Arrangement generally applicable to Orefinders Shareholders who, for purposes of the Tax Act, (i) hold their Orefinders Shares, and will hold their New Orefinders Shares and American Eagle Shares as capital property, (ii) deal at arm's length with American Eagle and Orefinders, and (iii) are not affiliated with American Eagle or Orefinders.

Orefinders Shares, New Orefinders Shares and American Eagle Shares, will generally be considered to be capital property to a holder thereof, unless such securities are held in the course of carrying on a business or were acquired in a transaction considered to be an adventure in the nature of trade. Certain shareholders who are resident in Canada and who might not otherwise be considered to hold their Orefinders Shares, New Orefinders Shares and American Eagle Shares as capital property may be entitled to have them treated as capital property by making the irrevocable election provided by subsection 39(4) of the Tax Act. Any person contemplating making a subsection 39(4) election should first consult their tax adviser for advice as the making of such election will affect the income tax treatment of the person's disposition of other Canadian securities.

This summary is not applicable to an Orefinders Shareholder (i) that is a "financial institution" as defined in the Tax Act for the purposes of the mark-to-market rules contained in the Tax Act, (ii) that is a partnership or a trust, (iii) that is a "specified financial institution" as defined in the Tax Act, (iv) that is a securityholder an interest in which is a "tax shelter investment" as defined in the Tax Act, or (v) that has acquired Orefinders Shares, or who acquires New Orefinders Shares or American Eagle Shares upon the exercise of an employee stock option that has entered into or will enter into a "derivative forward agreement", a "synthetic disposition arrangement" or a "synthetic equity arrangement" as those terms are defined in the Tax Act, or (vi) that is a taxpayer whose "functional currency" for the purposes of the Tax Act is the currency of a country other than Canada. **Such shareholders should consult their own tax advisers.**

This summary is based upon the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**"), and counsel's understanding of the current administrative practices and policies of the Canada Revenue Agency (the "**CRA**"). This summary also takes into account all specific proposals to amend the Tax Act and Regulations (the "**Proposed Amendments**") announced by the Minister of Finance (Canada) prior to the date hereof, and assumes that all Proposed Amendments will be enacted in their present form. If the Proposed Amendments are not enacted as presently proposed, the tax consequences may not be as described below in all cases. This summary does not take into account or anticipate any other changes in law or administrative or assessing practice, whether by legislative, governmental, or judicial action or decision, nor does it take into

account provincial, territorial or foreign income tax considerations, which may differ from the Canadian federal income tax considerations discussed below.

The summary assumes that (i) the redesignation of Shares as Class A Common Shares, as contemplated by the Plan of Arrangement, will not, in and of itself, result in Holders being deemed to have disposed of their Old Orefinders Shares for the purposes of the Tax Act (for purposes of this summary, Class A Common Shares are hereafter referred to as "**Orefinders Shares**"), and (ii) the Share Exchange (as described below) will be considered to occur "in the course of a reorganization of capital" of Orefinders such that section 86 of the Tax Act will apply in respect of the Share Exchange. **No tax ruling or legal opinion has been sought or obtained in this regard, or with respect to any of the assumptions made throughout this summary of Certain Canadian Federal Income Tax Considerations, and the summary below is qualified accordingly.**

**This summary is of a general nature only, and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any Orefinders Shareholder. Accordingly, Orefinders Shareholders should consult their own tax advisers for advice as to the income tax consequences to them of the Arrangement in their particular circumstances.**

#### SECURITYHOLDERS RESIDENT IN CANADA

##### **Holders Resident in Canada**

This portion of this summary applies only to Holders who are or are deemed to be resident solely in Canada for the purposes of the Tax Act and any applicable income tax treaty or convention (each a "**Resident Holder**").

##### **Exchange of Orefinders Shares for New Orefinders Shares and American Eagle Shares**

A Resident Holder who exchanges Orefinders Shares for New Orefinders Shares and American Eagle Shares pursuant to the Arrangement (the "**Share Exchange**") will be deemed to have received a taxable dividend equal to the amount, if any, by which the fair market value of the American Eagle Shares distributed to the Resident Holder pursuant to the Share Exchange at the time of the Share Exchange exceeds the "paid-up capital" (as defined in the Tax Act) ("**PUC**") of the Resident Holder's Orefinders Shares determined at that time. Any such taxable dividend will be taxable as described below under "Holders Resident in Canada – Taxation of Dividends". However, Orefinders expects that the fair market value of all American Eagle Shares distributed pursuant to the Share Exchange under the Arrangement will not exceed the PUC of the Orefinders Shares. Accordingly, Orefinders does not expect that any Resident Holder will be deemed to receive a taxable dividend on the Share Exchange.

A Resident Holder who exchanges Orefinders Shares for New Orefinders Shares and American Eagle Shares on the Share Exchange will realize a capital gain equal to the amount, if any, by which the fair market value of those American Eagle Shares at the effective time of the Share Exchange, less the amount of any taxable dividend deemed to be received by the Resident Holder as described in the preceding paragraph, exceeds the "adjusted cost base" (as defined in the Tax Act) ("**ACB**") of the Resident Holder's Orefinders Shares determined immediately before the Share Exchange. Any capital gain so realized will be taxable as described below under "Holders Resident in Canada – Taxation of Capital Gains and Losses".

The Resident Holder will acquire the American Eagle Shares received on the Share Exchange at a cost equal to their fair market value as at the Effective Time of the Share Exchange, and the New Orefinders Shares received on the Share Exchange at a cost equal to the amount, if any, by which the ACB of the Resident Holder's Orefinders Shares immediately before the Share Exchange exceeds the fair market value of the American Eagle Shares as at the effective time of the Share Exchange.

##### **Disposition of New Orefinders Shares or American Eagle Shares after the Arrangement**

A Resident Holder who disposes or is deemed to dispose of a new Orefinders Share or American Eagle Share generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of

disposition therefor are greater (or less) than the ACB of the share to the Resident Holder, less reasonable costs of disposition. Any such capital gain or capital loss will be subject to the treatment generally described below under "Holders Resident in Canada – Taxation of Capital Gains and Capital Losses".

#### **Taxation of Dividends**

A Resident Holder who is an individual (other than certain trusts) and receives or is deemed to receive a taxable dividend in a taxation year on the Resident Holder's Orefinders Shares, New Orefinders or American Eagle Shares will be required to include the amount of the dividend in income for the year, subject to the dividend gross-up and tax credit rules applicable to taxable dividends received by a Canadian resident individual from a taxable Canadian corporation, including the enhanced dividend gross-up and tax credit that may be applicable if and to the extent that Orefinders or American Eagle, as the case may be, designates the taxable dividend to be an "eligible dividend" in accordance with the Tax Act. Orefinders and American Eagle have made no commitments in this regard. Dividends received by an individual may also give rise to alternative minimum tax.

A Resident Holder that is a corporation and receives or is deemed to receive a taxable dividend in a taxation year on its Orefinders Shares, New Orefinders Shares, or American Eagle Shares must include the amount in its income for the year, but generally will be entitled to deduct an equivalent amount from its taxable income, subject to all restrictions under the Tax Act and the Proposed Amendments. A Resident Holder that is a "private corporation" or a "subject corporation" (as defined in the Tax Act) may also be liable under Part IV of the Tax Act to pay a special tax (refundable in certain circumstances) on any such dividends to the extent that the dividend is deductible in computing the corporation's taxable income.

#### **Taxation of Capital Gains and Capital Losses**

A Resident Holder who realizes a capital gain or capital loss in a taxation year on the actual or deemed disposition of a share, including an Orefinders Share, New Orefinders Share or American Eagle Share, generally will be required to include one half of any such capital gain (a "**taxable capital gain**") in income for the year, and entitled to deduct one half of any such capital loss (an "**allowable capital loss**") against taxable capital gains realized in the year and, to the extent not so deductible, in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances specified in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on the share (or on a share substituted therefor) to the extent and in the circumstances described in the Tax Act. Similar rules may apply where the corporation is a member or beneficiary of a partnership or trust that held the share, or where a partnership or trust of which the corporation is a member or beneficiary is itself a member of a partnership or a beneficiary of a trust that held the share. Affected Resident Holders should consult their own tax advisors in this regard.

A Resident Holder that is a "Canadian controlled private corporation" (as defined in the Tax Act) throughout the relevant taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income", which includes taxable capital gains, for the year.

#### **Alternative Minimum Tax on Individuals**

A Resident Holder who is an individual (including certain trusts) and receives a taxable dividend on, or realizes a capital gain on the disposition of, a share, including an Orefinders Share, New Orefinders Share or American Eagle Share, may thereby be liable for alternative minimum tax to the extent and within the circumstances set out in the Tax Act.

#### **Dissenting Shareholders**

A Resident Holder who validly exercises Dissent Rights (a "**Dissenting Resident Holder**") and who consequently transfers or is deemed to transfer Orefinders Shares to Orefinders for payment by Orefinders will be deemed to receive a taxable dividend in the taxation year a payment equal to the amount, if any, by which the payment

(excluding interest) exceeds the PUC of the Dissenting Resident Holder's Orefinders Shares determined immediately before the Arrangement. Any such taxable dividend will be taxable as described above under "Holders Resident in Canada – Taxation of Dividends". The Dissenting Resident Holder will also realize a capital gain (or capital loss) equal to the amount, if any, by which the payment (excluding interest), less any such deemed taxable dividend, exceeds (is exceeded by) the ACB of the Dissenting Resident Holder's Orefinders Shares determined immediately before the Arrangement. Any such capital gain or loss will generally be taxable or deductible as described above under "Holders Resident in Canada – Taxation of Capital Gains and Capital Losses".

The Dissenting Resident Holder will be required to include any portion of the payment that is on account of interest in income in the year received.

#### **Eligibility for Investment – New Orefinders Shares and American Eagle Shares**

A New Orefinders Share will be a "qualified investment" for a trust governed by a registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a deferred profit sharing plan, a registered education savings plan ("RESP"), a registered disability savings plan ("RDSP") or a tax-free savings account ("TFSA") as those terms are defined in the Tax Act (collectively, "Registered Plans") at any time at which the New Shares are listed on a "designated stock exchange" as defined in the Tax Act (which includes the TSX Venture Exchange), or Orefinders is a "public corporation" as defined in the Tax Act.

An American Eagle Share will be a qualified investment for a Registered Plan at any time at which the American Eagle Shares are listed on a "designated stock exchange" (which includes the TSX Venture Exchange), or American Eagle is a "public corporation", as those terms are defined in the Tax Act. **Management of Orefinders believes that American Eagle should meet the relevant listing requirements of the TSX Venture Exchange once the requisite distribution and other requirements are achieved as of the Effective Date, and intends to request that the TSX Venture Exchange issue a listing bulletin or similar communication deeming the American Eagle Shares to be listed as of the Effective Time, but this result, or the CRA's acceptance thereof for purposes of the potential "qualified investment" status of the American Eagle Shares as of any particular time, cannot be guaranteed.** If the American Eagle Shares are not considered listed on a designated stock exchange at the Effective Time pursuant to the Arrangement, but become so listed before American Eagle's "filing-due date" (as defined in the Tax Act) for its second taxation year and American Eagle makes the appropriate election in its tax return for that year, American Eagle will be deemed under the Tax Act to be a public corporation from the beginning of the year and the American Eagle Shares consequently will be considered to be qualified investments for Registered Plans from their date of issue. **Management of American Eagle intends that the American Eagle Shares will be listed on a designated stock exchange before the filing-due date for its second taxation year, and that American Eagle will make the appropriate election in its tax return for that year, although this result also cannot be guaranteed. There can be no assurance as to if, or when, the American Eagle Shares will be listed or traded on any stock exchange. Should the American Eagle Shares be distributed to or otherwise acquired by a Registered Plan other than as "qualified investments", adverse tax consequences not described in this summary should be expected to arise for the Registered Plan and the annuitant thereunder. Resident Holders that hold Orefinders Shares and will or may hold American Eagle Shares within a Registered Plan should consult with their own tax advisors in this regard.**

Notwithstanding that the New Orefinders Shares and/or American Eagle Shares may be qualified investments at a particular time, the holder of a TFSA or the annuitant of a RRSP or RRIF will be subject to a penalty tax in respect of a New Orefinders Share or a American Eagle Share held in the TFSA, RRSP or RRIF, as applicable, if the share is a "prohibited investment" under the Tax Act. A New Orefinders Share or a American Eagle Share generally will not be a prohibited investment for a TFSA, RRSP or RRIF of a holder or annuitant thereof, as applicable, provided that (i) the holder or annuitant of the account does not have a "significant interest" within the meaning of the Tax Act in Orefinders or American Eagle, as applicable, and (ii) Orefinders or American Eagle, as applicable, deals at arm's length with the holder or annuitant for the purposes of the Tax Act. Pursuant to Proposed Amendments, the rules in respect of "prohibited investments" are also proposed to apply to (i) RESP's and the subscribers thereof and (ii) RDSP's and the holders thereof. **Orefinders Shareholders should consult their own tax advisors to ensure that the New Orefinders Shares and American Eagle Shares would not be a prohibited investment for a trust governed by a TFSA, RRSP or RRIF in their particular circumstances.**

### **Holders Not Resident in Canada**

This portion of this summary applies only to Holders each of whom at all material times for the purposes of the Tax Act (i) has not been and is not resident or deemed to be resident in Canada for purposes of the Tax Act, and (ii) does not and will not use or hold Orefinders Shares, New Orefinders Shares, or American Eagle Shares in connection with carrying on a business in Canada (each a "**Non-resident Holder**").

Special rules, which are not discussed in this summary, may apply to a Non-resident Holder that is an insurer carrying on business in Canada and elsewhere, or an "authorized foreign bank" as defined in the Tax Act. Such Non-resident Holders should consult their own tax advisers with respect to the Arrangement.

### **Exchange of Orefinders Shares for New Orefinders Shares and American Eagle Shares**

The discussion of the tax consequences of the Share Exchange for Resident Holders under the heading "Holders Resident in Canada – Exchange of Orefinders Shares for New Orefinders Shares and American Eagle Shares" generally will also apply to Non-resident Holders in respect of the Share Exchange. The general taxation rules applicable to Non-resident Holders in respect of a deemed taxable dividend or capital gain arising on the Share Exchange are discussed below under the headings "Holders Not Resident in Canada – Taxation of Dividends" and "Holders Not Resident in Canada – Taxation of Capital Gains and Capital Losses" respectively.

#### **Taxation of Dividends**

A Non-resident Holder to whom Orefinders or American Eagle pays or credits (or is deemed to pay or credit) an amount as a dividend in respect of the Arrangement (if at all), or otherwise in respect of the Holder's Orefinders Shares, New Orefinders Shares, or American Eagle Shares, will be subject to Canadian withholding tax equal to 25% (or such lower rate as may be available under an applicable income tax convention, if any) of the gross amount of the dividend.

#### **Taxation of Capital Gains and Capital Losses**

A Non-resident Holder will not be subject to Canadian federal income tax in respect of any capital gain arising on an actual or deemed disposition of a Orefinders Share, New Orefinders Share or American Eagle Share unless, at the time of disposition, the share is "taxable Canadian property" as defined in the Tax Act, and is not "treaty-protected property" as so defined.

Generally, a Orefinders Share, New Orefinders Share, or American Eagle share, as applicable, of the Non-resident Holder will not be taxable Canadian property of the Holder at any time at which the share is listed on a "designated stock exchange" as defined in the Tax Act (which includes the TSX Venture Exchange) unless, at any time during the 60 months immediately preceding the disposition of the share,

- (a) the Non-resident Holder, one or more persons with whom the Non-resident Holder did not deal at arm's length, partnerships in which the Non-resident Holder or persons with whom the Non-resident Holder did not deal at arm's length held membership interests (directly or indirectly), or any combination of the foregoing, owned 25% or more of the issued shares of any class of the capital stock of Orefinders or American Eagle, as applicable, and
- (b) the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real property situated in Canada, "Canadian resource properties", "timber resource properties" (as those terms are defined in the Tax Act), and interest, rights or options in or in respect of any of the foregoing.

Shares may also be deemed to be "taxable Canadian property" under other provisions of the Tax Act.

A Non-resident Holder who disposes or is deemed to dispose of a Orefinders Share, New Orefinders Share or American Eagle Share that, at the time of disposition, is taxable Canadian property and is not treaty-protected

property will realize a capital gain (or capital loss) equal to the amount, if any, by which the Holder's proceeds of disposition of the share exceeds (or is exceeded by) the Non-resident Holder's ACB in the share and reasonable costs of disposition. The Non-resident Holder generally will be required to include one half of any such capital gain (taxable capital gain) in the Holder's taxable income earned in Canada for the year of disposition, and be entitled to deduct one half of any such capital loss (allowable capital loss) against taxable capital gains included in the Holder's taxable income earned in Canada for the year of disposition and, to the extent not so deductible, against such taxable capital gains realized in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances set out in the Tax Act.

**Non-resident Holders who may hold shares as "taxable Canadian property" should consult their own tax advisors in this regard.**

#### **Dissenting Non-Resident Holders**

The discussion above applicable to Resident Holders under the heading "Holders Resident in Canada – Dissenting Shareholders" will generally also apply to a Non-resident Holder who validly exercises Dissent Rights in respect of the Arrangement. In general terms, the Non-resident Holder will be subject to Canadian federal income tax in respect of any deemed taxable dividend arising as a consequence of the exercise of Dissent Rights generally as discussed above under the heading "Holders Not Resident in Canada – Taxation of Dividends" and subject to the Canadian federal income tax treatment in respect of any capital gain or loss arising as a consequence of the exercise of Dissent Rights generally as discussed above under the heading "Holders Not Resident in Canada – Taxation of Capital Gains and Capital Losses".

#### *Orefinders Warrantheolders and Orefinders Optionholders*

Orefinders Warrantheolders and Orefinders Optionholders should be aware that the exchange of the Orefinders Warrants and Orefinders Options as described in this Circular and the Plan of Arrangement may have material tax consequences to the Orefinders Warrantheolder or Orefinders Optionholders, as applicable. **Such consequences for Orefinders Warrantheolders and Orefinders Optionholders are not described, and such Orefinders Warrantheolders or Orefinders Optionholders should consult with their own tax advisors for advice regarding the income tax consequences to them of the Arrangement.**

#### **UNITED STATES FEDERAL INCOME TAX MATTERS**

Shareholders of the Company resident in the United States are encouraged to consult their own independent professional advisors with respect to potential United States federal income tax considerations in connection with the Arrangement.

#### **CANADIAN SECURITIES LAWS AND RESALE OF SECURITIES**

The following summary is not comprehensive. Each Shareholder is urged to consult such holder's professional advisers to determine the Canadian conditions and restrictions applicable to trades in the American Eagle Shares. There may also be restrictions placed on resale of the American Eagle Shares by the rules and policies of the TSXV in the event of any listing of these securities on the TSXV. Resale of any securities acquired in connection with the Arrangement may be required to be made through properly registered securities dealers.

American Eagle will be a reporting issuer in British Columbia, Alberta and Ontario on completion of the Arrangement, and it is the intention of American Eagle to apply for listing of the American Eagle Shares on the TSXV following completion of the Arrangement provided that American Eagle has the American Eagle Required Working Capital on hand.

The issuance of the American Eagle Shares to Orefinders securityholders pursuant to the Arrangement will constitute a distribution of securities which is exempt from the registration and prospectus requirements of Canadian securities legislation. The American Eagle Shares received by Shareholders pursuant to the Arrangement may be resold in each of the provinces and territories of Canada provided that (i) the trade is not a

"control distribution" as defined in National Instrument 45-102 "Resale of Securities" of the Canadian Securities Administrators, (ii) no unusual effort is made to prepare the market or create a demand for those securities, (iii) no extraordinary commission or consideration is paid in respect of that sale, and (iv) if the selling securityholder is an insider or officer of American Eagle, the selling securityholder has no reasonable grounds to believe that American Eagle is in default of securities legislation.

### **U.S. SECURITIES LAWS AND RESALE OF SECURITIES**

**THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE IN THE UNITED STATES, NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE IN THE UNITED STATES PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

#### **General U.S. Securities Law Considerations**

The solicitation of proxies made pursuant to this Circular is not subject to the requirements of Section 14(a) of the U.S. Exchange Act as Orefinders does not have any class of securities registered under the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with disclosure requirements applicable in Canada, and the solicitations and transactions contemplated in this Circular are made in the United States for securities of Canadian issuers in accordance with Canadian corporate and Securities Laws. Orefinders U.S. Shareholders should be aware that such requirements are different from those of the United States applicable to registration statements under the U.S. Securities Act and to proxy statements under the U.S. Exchange Act.

The financial statements and information included or incorporated by reference in this Circular have been prepared in accordance with International Financial Reporting Standards and issued by the International Accounting Standards Board and are subject to Canadian auditing and auditor independence standards and thus may not be comparable to financial statements prepared in accordance with United States generally accepted accounting principles and auditor independence standards.

Orefinders Shareholders who are resident in, or citizens of, the United States or are otherwise subject to U.S. taxes are advised to consult their own tax advisors to determine the particular United States tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction. This Circular does not contain a description of the United States tax consequences of the Arrangement or the ownership of New Orefinders Shares or American Eagle Shares, including whether either Orefinders or American Eagle are or would be classified as a "passive foreign investment company" under United States federal tax laws and regulations and the potential tax implications of such potential classification to holders of New Orefinders Shares or American Eagle Shares who are subject to United States tax laws.

The enforcement by investors of civil liabilities under United States securities laws may be affected adversely by the fact that each of Orefinders and American Eagle are incorporated or organized outside the United States, that some or all of their respective officers and directors and the experts named herein are residents of a foreign country, and that all or a portion of the assets of Orefinders and/or American Eagle and said persons are located outside the United States. As a result, it may be difficult or impossible for Orefinders U.S. Shareholders to effect service of process within the United States upon Orefinders and American Eagle, their respective officers or directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state of the United States. In addition, Orefinders Shareholders in the United States should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated

upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States.

Information in this Circular or in the documents incorporated by reference herein concerning the properties and operations of Orefinders and American Eagle has been prepared in accordance with Canadian standards under applicable Canadian Securities Laws in accordance with NI 43-101 under guidelines set out in the Definition Standards for Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining, Metallurgy and Petroleum Council on May 10, 2014 (the “**CIM Standards**”), which differ in material respects from the requirements of U.S. Securities Laws applicable to U.S. companies subject to the reporting and disclosure requirements of the SEC and may not be comparable to similar information disclosed by such U.S. companies.

No broker, dealer, salesperson or other person has been authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied upon as having been authorized by Orefinders or American Eagle.

### **Resale Requirements**

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to Orefinders U.S. Shareholders. All Orefinders U.S. Shareholders are urged to consult with their own legal counsel to ensure that any subsequent resale of NewOrefinders Shares or American Eagle Shares issued or distributed to them under the Arrangement complies with applicable Securities Laws.

The following discussion does not address applicable Canadian Securities Laws that will apply to the issue of NewOrefinders Shares and American Eagle Shares or the resale within Canada of New Orefinders Shares or American Eagle Shares by Orefinders Shareholders. Orefinders Shareholders reselling their New Orefinders Shares or American Eagle Shares in Canada must comply with applicable Canadian Securities Laws, as outlined elsewhere in this Circular.

#### *Exemption from the Registration Requirements of the U.S. Securities Act*

The New Orefinders Shares and American Eagle Shares to be received by Orefinders U.S. Shareholders pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any state of the United States and will be issued and distributed, respectively, in reliance upon the Section 3(a)(10) Exemption and exemptions provided under the securities laws of each state of the United States in which such securityholders reside. The Section 3(a)(10) Exemption exempts from registration the distribution of a security that is issued in exchange for outstanding securities, claims or property interests, or partly in such exchange and partly for cash, where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue or distribute securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by Law to grant such approval and to hold such hearing. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. The Court issued the Interim Order on March 8, 2021 and, subject to the approval of the Arrangement by the Orefinders Shareholders, a hearing in respect of the Final Order for the Arrangement is currently scheduled to take place on April 8, 2021. All Orefinders Shareholders are entitled to appear and be heard at this hearing. Accordingly, the Final Order will, if granted, constitute a basis for reliance on the Section 3(a)(10) Exemption with respect to the New Orefinders Shares and American Eagle Shares to be received by Orefinders U.S. Shareholders in connection with the Arrangement.

#### *Resales of New Orefinders Shares and American Eagle Shares within the United States after the Completion of the Arrangement*

The New Orefinders Shares and American Eagle Shares receivable by Orefinders U.S. Shareholders pursuant to the Arrangement will be freely tradable under the U.S. Securities Act, except by persons who are “affiliates” of Orefinders or American Eagle, respectively, after the Arrangement or were affiliates of Orefinders or American Eagle, respectively, within 90 days prior to completion of the Arrangement. Persons who may be deemed to be

“affiliates” of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through ownership of voting securities (typically 10% or greater), by contract or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer.

Persons who are not affiliates of Orefinders or American Eagle after the Arrangement and who have not been so affiliated within 90 days of the resale in question may resell the New Orefinders Shares and American Eagle Shares that they receive in connection with the Arrangement in the United States without restriction under the U.S. Securities Act. Subject to certain limitations, persons who are affiliates solely by virtue of having a position as an officer or director of Orefinders or American Eagle, respectively, may immediately resell such New Orefinders Shares and American Eagle Shares outside the United States without registration under the U.S. Securities Act pursuant to and in accordance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act.

Persons who are affiliates of Orefinders and American Eagle after the Arrangement or who have been affiliates within 90 days of the resale in question may not sell their New Orefinders Shares and American Eagle Shares, respectively, that they receive in connection with the Arrangement, in the absence of registration under the U.S. Securities Act, unless an applicable exemption from such registration requirements is available, such as the exemptions provided by Rule 144 under the U.S. Securities Act or Rule 904 of Regulation S under the U.S. Securities Act, if available.

*Affiliates — Rule 144.* In general, under Rule 144, persons who are affiliates of Orefinders or American Eagle after the Arrangement or who have been affiliates within 90 days of the resale in question will be entitled to sell in the United States, the New Orefinders Shares and American Eagle Shares that they receive in connection with the Arrangement, provided that they have held such shares for a period of one year, Orefinders or American Eagle, respectively, meet certain information requirements, the number of such shares sold does not exceed the greater of one percent of the then outstanding securities of such class or, if such securities are listed on a United States securities exchange, the average weekly trading volume of such securities during the four-week period preceding the date of sale, subject to specified restrictions on manner of sale, notice requirements, aggregation rules. Persons who are affiliates of Orefinders or American Eagle after the Arrangement will continue to be subject to the sale restrictions described in this paragraph with regard to their affiliated issuer’s securities for so long as they continue to be affiliates of Orefinders or American Eagle and for 90 days after the termination of such affiliation.

*Affiliates — Regulation S.* In general, under Regulation S, persons who are affiliates of Orefinders or American Eagle solely by virtue of their status as an officer or director of Orefinders or American Eagle may sell their New Orefinders Shares and American Eagle Shares, respectively, outside the United States in an “offshore transaction” if (i) no offer is made to a person in the United States, (ii) either (A) at the time the buyer’s buy order originated, the buyer is outside the United States, or the seller and any person acting on its behalf reasonably believes that the buyer is outside the United States, or (B) the transaction is executed in, on or through a “designated offshore securities market” (which would include a sale through the TSX, TSX-V or CSE) if neither the seller nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States, and (iii) neither the seller, any affiliate of the seller or any person acting on any of their behalf engages in any “directed selling efforts in the United States.” In the case of a sale of New Orefinders Shares and American Eagle Shares by an officer or director who is an affiliate of Orefinders or American Eagle, respectively, solely by virtue of holding such position, there would be an additional requirement that no selling commission, fee or other remuneration is paid in connection with such sale other than a usual and customary broker’s commission. For purposes of Regulation S, “directed selling efforts” means “any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered” in the sale transaction. Certain additional restrictions are applicable to a holder of New Orefinders Shares and American Eagle Shares who is an affiliate of Orefinders or American Eagle, respectively, after the Arrangement other than by virtue of his or her status as an officer or director of Orefinders or American Eagle, respectively.

### *Exercise of the Replacement Options*

The Section 3(a)(10) Exemption does not exempt the issuance of securities upon the exercise or conversion of securities that were issued pursuant to the Section 3(a)(10) Exemption. Therefore, the New Orefinders Stock Options issued pursuant to the Arrangement may not be exercised in the United States or by or on behalf of a U.S. Person, nor may any New Orefinders Shares issued upon such exercise be offered or resold in the United States, except pursuant to registration under the U.S. Securities Act or an exemption from such registration requirements and, in each case, in compliance with any applicable securities laws of any state of the United States.

The foregoing discussion is only a general overview of certain requirements of the U.S. Securities Act applicable to the resale of the New Orefinders Shares and American Eagle Shares receivable by Orefinders Shareholders upon completion of the Arrangement. **All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.**

### **EXCHANGE OF SECURITIES**

#### *Procedure for Exchange of Shares*

Concurrent with the mailing of this Circular, Orefinders' registrar and transfer agent, Computershare Investor Services Inc. (the "**Depository**"), will also mail a Letter of Transmittal to registered shareholders of Orefinders, which will be used by such shareholders to exchange their certificates representing Old Orefinders Shares for DRS Advices representing New Orefinders Shares or a physical certificate for New Orefinders Shares and DRS Advices representing American Eagle Shares or a physical certificate for American Eagle Shares, if the Arrangement is completed. Until exchanged, each certificate representing Old Orefinders Shares will, after the Effective Time, represent only the right to receive, upon surrender in accordance with the Letter of Transmittal, New Orefinders Shares and American Eagle Shares.

The exchange of Old Orefinders Shares for New Orefinders Shares and American Eagle Shares in respect of Non-Registered Shareholders is expected to be made with the Non-Registered Shareholders' nominee (bank, trust company, securities broker or other nominee) account through the procedures in place for such purposes between CDS and such nominee. Non-Registered Shareholders should contact their nominee if they have any questions regarding this process and to arrange for their nominee to complete the necessary steps to ensure that they receive the New Orefinders Shares and American Eagle Shares.

Former registered Orefinders shareholders must deliver to the Depository: (a) their certificate(s) representing such Old Orefinders Shares, if any; (b) a duly completed Letter of Transmittal; and (c) such other documents as the Depository may require, in order to receive the certificates or DRS Advices representing the New Orefinders Shares and American Eagle Shares to which they are entitled pursuant to the Arrangement.

DRS Advices or a physical certificate, if so requested, for the New Orefinders Shares and American Eagle Share of a registered Orefinders shareholder who provides the appropriate documentation described above, will be registered in such name or names and will be delivered to such address or addresses as such holder may direct in the Letter of Transmittal as soon as practicable following the Effective Date and after receipt by the Depository all of the required documents.

Where Old Orefinders Shares are evidenced only by a DRS Advice, there is no requirement to first obtain a share certificate for those Old Orefinders Shares or deposit with the Depository any Old Orefinders Share certificate evidencing those Old Orefinders Shares. Only a properly completed and duly executed Letter of Transmittal accompanied by the applicable DRS Advice is required to be delivered to the Depository in order to surrender those Old Orefinders Shares under the Arrangement.

#### *Lost or Stolen Certificates*

If any certificate, that immediately prior to the Effective Time would have represented one or more outstanding Old Orefinders Shares that are to be exchanged for the New Orefinders Shares and the American Eagle Shares in

accordance with the Plan of Arrangement, is lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, together with any required lost certificate bond or similar security, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the New Orefinders Shares and the American Eagle Shares that such holder is entitled to receive in accordance with the Plan of Arrangement. When authorizing such delivery of New Orefinders Shares and the American Eagle Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such New Orefinders Shares and the American Eagle Shares are to be delivered shall, as a condition precedent to the delivery of such New Orefinders Shares and the American Eagle Shares, deliver to Orefinders, American Eagle and the Depositary evidence satisfactory to Orefinders, American Eagle and the Depositary of the loss, theft or destruction of such certificate and must give a bond satisfactory to Orefinders, American Eagle and the Depositary in such amount as Orefinders, American Eagle and the Depositary may direct and indemnify Orefinders, American Eagle and the Depositary in a manner satisfactory to Orefinders, American Eagle and the Depositary, against any claim that may be made against Orefinders, American Eagle or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of Orefinders.

#### *Proxy Solicitation Requirements*

The solicitation of proxies pursuant to this Circular is not subject to the requirements of section 14(a) of the U.S. Exchange Act, accordingly, this Circular has been prepared in accordance with the disclosure requirements of Canadian securities law. Such requirements are different than those of the United States applicable to registration statements under the U.S. Securities Act and proxy statements under the U.S. Exchange Act. The financial statements of American Eagle included herein have been prepared in accordance with IFRS, are subject to Canadian auditing and auditor independence standards, and may not be comparable in all respects to financial statements of United States companies.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at (416) 644-1567 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative audited consolidated financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

#### **OTHER MATTERS**

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

#### **DIRECTORS' APPROVAL**

DATED at Vancouver, British Columbia this \_\_\_ day of February, 2021.

#### **APPROVED BY THE BOARD OF DIRECTORS**

\_\_\_\_\_  
"Stephen Stewart"

Stephen Stewart  
Chief Executive Officer and Director

**APPENDIX "A"**

**ARRANGEMENT RESOLUTION**

BE IT RESOLVED, as a Special Resolution, THAT:

1. The arrangement, as it may be or has been amended (the "**Arrangement**") under section 288 of the *Business Corporations Act* (British Columbia) involving Orefinders Resources Inc. ("**Orefinders**"), its securityholders and American Eagle Gold Corp. ("**American Eagle**") is hereby authorized, approved and adopted;
2. The plan of arrangement, as it may be or has been amended (the "**Plan of Arrangement**"), involving Orefinders, its securityholders and American Eagle, the full text of which is set out in Appendix "F" to the information circular of Orefinders dated March 6, 2021, is hereby authorized, approved and adopted;
3. The arrangement agreement dated January 27, 2021 (the "**Arrangement Agreement**") between Orefinders and American Eagle, and all the transactions contemplated therein, the actions of the directors in approving the Arrangement and the actions of the officers in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved;
4. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of Orefinders or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors are hereby authorized and empowered, without further notice to, or approval of, the shareholders:
  - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; and
  - (b) not to proceed with the Arrangement; and
5. Any one or more of the directors and officers be authorized and directed to perform all such acts, deeds and things and execute all such documents and other writings, as may be necessary, desirable or useful for the purpose of giving effect to these resolutions.

B-1

APPENDIX "B"

ADDITIONAL INFORMATION RELATING TO AMERICAN EAGLE

## **AMERICAN EAGLE GOLD CORP.**

**DATED AS OF MARCH 6, 2021**

The following information is provided by American Eagle Gold Corp. and is presented on a post-Transaction basis and is reflective of the proposed business, financial and share capital position of American Eagle. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. Defined terms used and not otherwise defined herein have the meaning ascribed to them in Orefinders Resources Inc.'s information circular dated March 6, 2021 (the "**Circular**").

*No securities regulatory authority or the TSX Venture Exchange has expressed an opinion about the securities of American Eagle.*

**TABLE OF  
CONTENTS**

CORPORATE STRUCTURE.....	4
DESCRIPTION OF THE BUSINESS OF AMERICAN EAGLE.....	4
FINANCING .....	20
AVAILABLE FUNDS AND PRINCIPAL PURPOSES .....	21
DIVIDENDS AND OTHER DISTRIBUTIONS.....	21
DISCLOSURE OF OUTSTANDING SECURITY DATA.....	22
DESCRIPTION OF THE SECURITIES .....	22
CONSOLIDATED CAPITALIZATION.....	22
STOCK OPTION PLAN.....	23
PRIOR SALES .....	23
ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER.....	23
PRINCIPAL SECURITYHOLDERS .....	24
DIRECTORS AND OFFICERS .....	24
EXECUTIVE COMPENSATION .....	27
INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS.....	28
AGENT, SPONSOR OR ADVISOR.....	28
RISK FACTORS .....	28
PROMOTER.....	29
LEGAL PROCEEDINGS .....	29
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS .....	29
INVESTOR RELATIONS ARRANGEMENTS.....	30
MATERIAL CONTRACTS .....	30
AUDITORS, TRANSFER AGENT AND REGISTRAR .....	30
EXPERTS.....	30
OTHER MATERIAL FACTS .....	30
EXEMPTIONS .....	30
FINANCIAL STATEMENT DISCLOSURE.....	31

## CORPORATE STRUCTURE

American Eagle Gold Inc. was incorporated under the Canada Business Corporations Act (“CBCA”) on June 22, 2018 as “Kuta Ridge Explorations Inc.” On January 28, 2020, Kuta Ridge Exploration changed its name to “Pacific Precious Inc.”, and subsequently underwent a further name change to American Eagle Gold Corp. on October 2, 2020. American Eagle is currently a private company of which, Orefinders holds 10,000,000 of the 38,449,398 issued and outstanding American Eagle Shares. American Eagle’s head office and principal business address is 1805 – 55 University Avenue, Toronto, ON M5J 2H7, and the registered and records office are located at 1805 – 55 University Avenue, Toronto, ON M5J 2H7.

Upon completion of the Transaction, American Eagle will be a reporting issuer in British Columbia, Alberta and Ontario.

American Eagle has no subsidiaries.

## DESCRIPTION OF THE BUSINESS OF AMERICAN EAGLE

American Eagle is an early stage mineral exploration company with a focus on exploration of its Golden Trend Property located in the Cortez Trend in Nevada, United States. Following completion of the Transaction, American Eagle plans to continue its exploration activities at the Golden Trend Property.

American Eagle commissioned Doyle Kenneth Brook Jr. to complete the Technical Report on the Golden Trend Property. The Technical Report has been filed on the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). The following information concerning the Golden Trend Property is excerpted or derived from the Technical Report.

### 1. Project Description, Location and Access

The Golden Trend Property comprises 111 unpatented lode mining claims that are located within the Cortez area of the Battle Mountain – Eureka trend of gold deposits about 45 miles (72 km) south east of the town of Battle Mountain, Nevada (figure 1). The claims cover an area of 2,286 acres or 925 hectares and are located within sections 1, 2, 3, 4, 10, 11 and 12 of Township 25 north, Range 48 east and sections 32, 33, 34, and 35 of Township 26 north, Range 48 east, Mt. Diablo base meridian (figure 2 and table 1). The northwest corner of the claim block is located in UTM coordinates of 4,436,868 north and 53,876 east.

As of the date of this Circular, BLM records show a 100% ownership interest in the claims is held by Rubicon Resources Inc. (Rubicon), a private Nevada corporation. All of the claims are on ground administered by the Bureau of Land Management (BLM). On June 19, 2020, Rubicon Resources Inc. and Standard Ore Corp., entered into two separate agreements. Standard Ore Corp. subsequently assigned the agreements to American Eagle. The first agreement titled Option to Lease with Option to Purchase Agreement gives American Eagle the sole and exclusive option to lease with an option to purchase the property for a term of twelve months. The second agreement titled Mining Lease with Option to Purchase Agreement gives American Eagle the exclusive right to explore, develop and mine the property for an initial term of 10 years with extensions of up to 99 years.

Currently, the Golden Trend Property is surrounded by claims which are owned by other mining and exploration companies. Figure 2 was supplied by Rubicon and shows that the northern 480 feet (146 m) of the GT claims and portions of the CTZ claims cover senior claims belonging to Barrick. This overlap area belongs to Barrick and not Rubicon. These other claims may have an impact on the availability of processing water and the availability of additional ground that may be needed for mining and processing operations in the future. As of the date of this report, the author is not aware of any other significant factors and risks that may affect access, title or the right to explore the property.

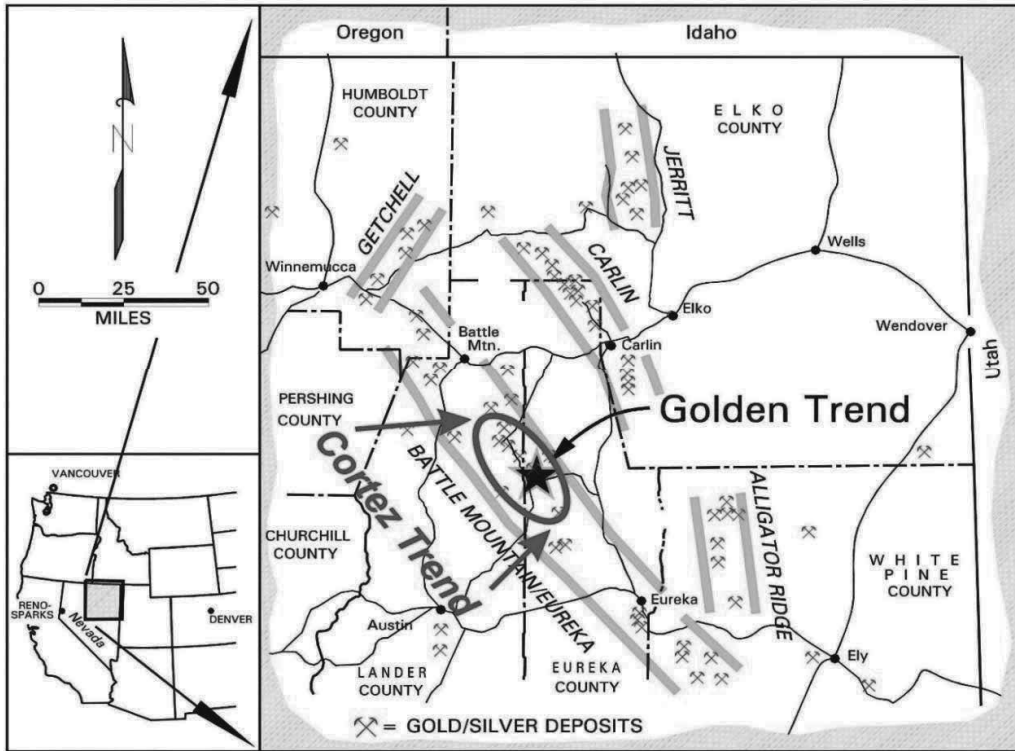


Figure 1: Property location map.

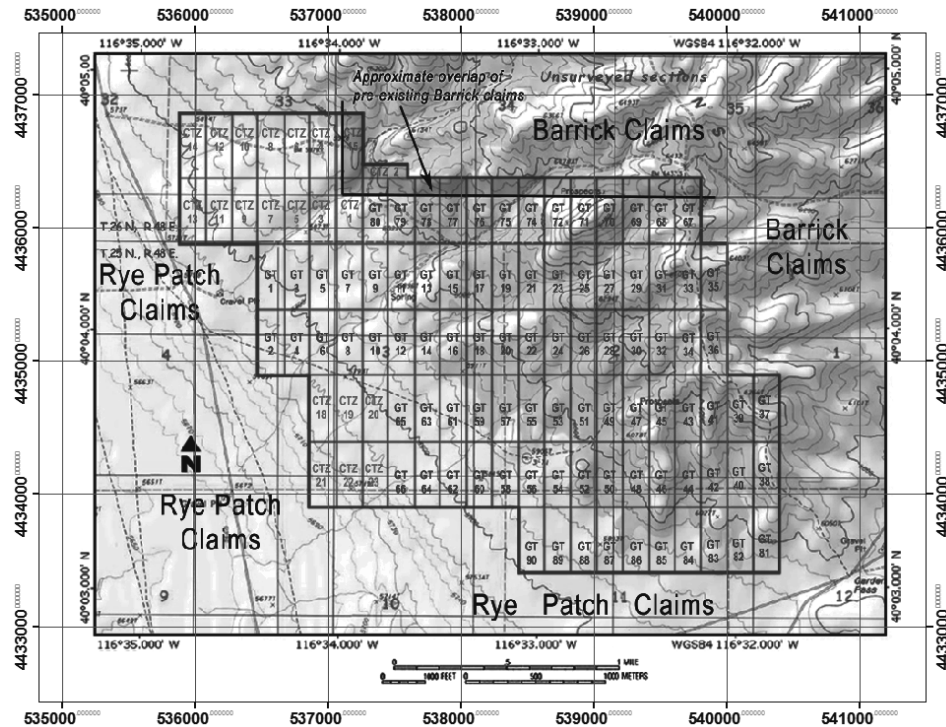


Figure 2: Claims map.

Claim Number	No of Claims	Owner	NMC Number	T,R, Section	Date
GT 1-20	20	Rubicon Resources Inc.	680268-287	T25N, R48E, Sec 3	7/10/1993
GT 21-36	16	Rubicon Resources Inc.	268288-303	T25N, R48E, Sec 2	7/10/1993
GT 37-42	6	Rubicon Resources Inc.	268303-309	T25N, R48E, Sec 1	7/10/1993
GT 43-58	16	Rubicon Resources Inc.	380310-325	T25N, R48E, Sec 2	7/11/1993
GT 59-66	8	Rubicon Resources Inc.	368326-333	T25N, R48E, Sec 3	7/11/1993
GT 67-70	4	Rubicon Resources Inc.	702491-494	T26N, R48E, Sec 35	5/15/1994
GT 71-78	8	Rubicon Resources Inc.	702495-502	T26N, R48E, Sec 34	5/15/1994
GT 79-80	2	Rubicon Resources Inc.	702503-504	T26N, R48E, Sec 33	5/15/1994
GT 81-82	2	Rubicon Resources Inc.	489943-945	T25N, R48E, Sec12	2/19/1998
GT 83-90	8	Rubicon Resources Inc.	789946-952	T25N, R48E, Sec11	2/19/1998
CTZ 1-15	15	Rubicon Resources Inc.	805848-862	T26N, R28E, Sec33	5/21/1999
CTZ-18-23	6	Rubicon Resources Inc.	805863-868	T25N, R48E, Sec3	7/9/1999
<b>No of Claims</b>	<b>111</b>				

Table 1: List of claims.

2. History

Gold was first discovered in the district in the early 1800's. Since that time a series of major discoveries (Figure 3) has resulted in the area developing into one of the largest gold producing districts in Nevada.

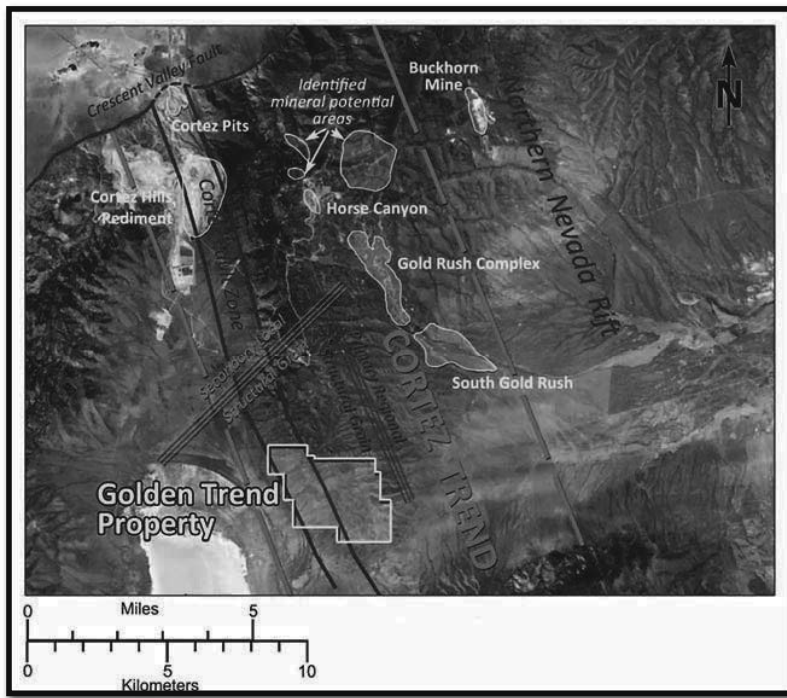


Figure 3: Deposits and mines in the Cortez Mining District.

The Golden Trend Property has had many owners, and the following descriptions are taken from the referenced reports that have been prepared for the property. The earliest record of claims in the area is a small group of claims in the south-central part of the Golden Trend Property that were held until the mid 1980's (Raven, 1994). Work on these claims consisted of trenching and sinking of a few shallow (10 – 30 feet-deep) shafts on small barite veins and zones with argillic alteration and local silicification. There is no evidence of drilling during this

period and no record of commercial production from the property.

Since that time exploration on the property included surface mapping and rock and soil sampling, magnetic, resistivity, electromagnetic, VLF and gravity geophysical surveys and six drill campaigns on or in close proximity to the property boundary.

**Noranda** Noranda controlled the property in the mid to late 1980's as part of a large, district-scale land package, Durgin (2004). Noranda conducted a resistivity geophysical survey and drilled 21 rotary holes to a depth of 500 feet (152 m) or less. Only five of the holes, GP88 1R, 2R, 3R, 5R and 9R were on or near the Golden Trend Property. Of these five holes, three hit bedrock consisting of the Vinini Formation and none of the drill hole assays returned anomalous gold values. A summary of the description of these holes is presented in Table 2, below.

**Table 2: Historical Noranda Drilling.**

Noranda 1988 Drill Program Drilling Summary													
Date	Hole ID	Bear	Inclin	TD (feet)	Location	Quit Log from	to	Interval		Sampled from	to	Int.	Composites
4-Jan	GP88- 1R	0	-90	485	Site C	0	50	50	Qal	20	485	465	20'
						50	185	115	blk, carbonaceous shale-siltstone				
						185	170	5	minor bx, qtz-calcite matrix				
						265	270	5	minor quartz veining				
						395	405	10	thin quartz veins				
						440	475	35	thin felsic dike 20-30%				
7	GP88- 2R	0	-90	282	Site B	0	280	280	Qal	215	260	45	20'
						-160			Hit H2O, ~50 gpm				
9-Feb	GP88- 3R	0	-90	445	Site E	0	445	445	Qal	No data available.			
						-160			Hit H2O				
2/10/88	GP88- 4R	0	-90	310	Site A	0	310	310	Qal	No data available.			
11-Feb	GP88- 5R	0	-90	500	Site F	0	73	73	Qal	50	480	430	20'
						73	143	70	v. carbonaceous siltstone - vlg ss				
						143	160	17	interbedded gy ch & silt/ss				
						160	230	70	il gy ch				
						230	483	253	siltst + minor ss or quartzite				
						483	500	17	ophanitic felsic silt				
2/11/88	GP88- 6R	0	-90	500	Site J	0	500	500	Qal	No data available.			
2/13/88	GP88- 7R	0	-90	460	Site G	0	35	35	Qal	0	460	460	20'
						35	107	72	qtz arenite				
						107	460	353	qtz arenite +interbeds of ss/siltstn				
2/12/88	GP88- 8R	0	-90	360	Site H	0	30	30	Qal	45	365	320	20'
						30	360	330	Pz's: carbonaceous, silicified mud and siltstones.				
2/13/88	GP88- 9R	0	-90	500	Site G	0	15	15	Qal	45	500	455	20'
						15	500	485	qtz arenite +interbeds of ss/siltstn				

**ECM** ECM staked the eastern part of the property in 1998, and ECM leased it to Tenneco Minerals. Tenneco did geologic mapping, collected and analyzed 189 grab samples for gold, silver, arsenic, mercury, antimony and barium, and drilled seven rotary holes a bit east of the current property. No significant gold values were reported in the drill hole assays, and the property was dropped in 1992.

At the same time, Kennecott completed a helicopter-borne electromagnetic survey and drilled four (4) holes for south of the property.

**Rubicon Resources** Rubicon Resources acquired the Golden Trend Property by staking an initial block of 66 claims in 1993. Rubicon optioned the property to Rocket Resources, Ltd. of Vancouver in the spring of 1994.

**Rocket Resources** Raven (1994) describes the work done on the property by Rocket Resources. A grid was established on the property, and the property was mapped using stations along the grid lines. A total of 539

soil samples was taken from the “B” horizon at 100 m intervals along the grid lines and, and 82 rock samples were collected from outcrops on the property. Samples were analyzed by American Assay Labs in Sparks, Nevada for gold, silver, arsenic, antimony, mercury, copper, lead and zinc. American Assay is a recognized commercial lab and is ISO 17025 accredited. Results for the soil sampling program are shown in Figures 4, 5 and 6 by Shaddrick (2017).

Although the absolute metal values from the soil samples are modest, there is a definite zonation pattern. The northwest-trending gold zone occurs along the Cortez fault and corresponds well to the mercury zone. The gold and mercury zones are flanked to the northeast by the arsenic and antimony zones. The copper, lead, zinc and silver zones are outboard of the arsenic –antimony zones. This geochemical pattern could reflect a subtle zonation created by an intrusion-related hydrothermal system at depth.

Assay values from the outcrop samples were generally very low. Raven (1994) reports that the highest values received are from samples #620, 26 ppb Au, and #621, 44 ppb Au, #625, 18 ppb Au, and #626, 44 ppb Au. These samples were from two old trenches (two samples from each trench) found near the southern claim boundary. Samples #620 and #621 are from a small trench by L 18S, 5+00W underlain by brecciated siltstone that has moderate malachite and weak azurite staining. These two samples also contain elevated arsenic assaying 108 and 83 ppm. respectively.

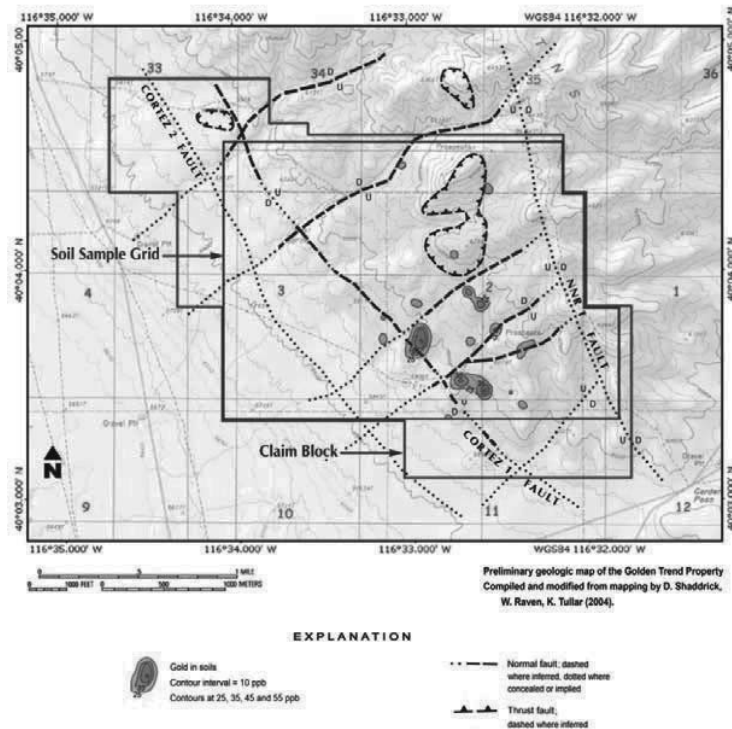
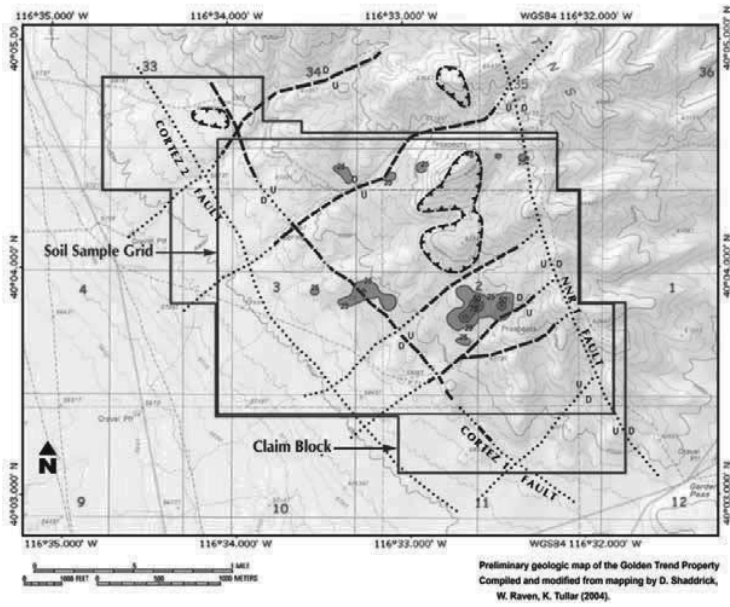


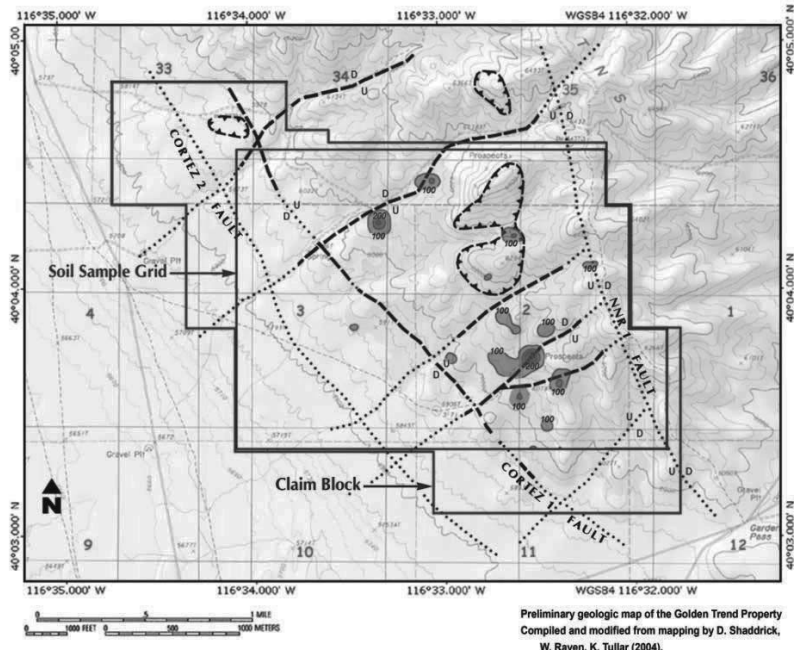
Figure 4: Gold in soils.



EXPLANATION

- Arsenic in soil  
Contour interval = 25 ppb  
Contours at 25, 50 and 75 ppb
- Normal fault; dashed where inferred, dotted where concealed or implied
- Thrust fault; dashed where inferred

Figure 5: Arsenic in soil.



EXPLANATION

- Mercury in soils  
Contour interval = 100 ppb  
Contours at 100, 200, 300 and 400 ppb
- Normal fault; dashed where inferred, dotted where concealed or implied
- Thrust fault; dashed where inferred

**Figure 6: Mercury in soil.**

Samples #625 and #626 are from a small trench underlain by chert breccia with moderate limonite staining located at L15+50S, 4+50W.

All of the surface outcrops on the Gold Trend Property are Ordovician age Vinini Formation. The Vinini consists primarily of black or grey to pale green chert and grayish quartzite with very minor siltstone and sandstone. Outcrops are fairly sparse throughout the property and are usually found on hill tops and ridges or dry creek bottoms, Raven (1994).

In the fall of 1994, VLF-EM and ground magnetic surveys were carried out on the soil grid, and the results of these surveys are taken from a report by Lebel (1994). The VLF-EM surveys recorded a large number of anomalies on the property. Although initially considered suspicious, many of the anomalies show line to line similarities and correlation thereby substantiating their validity. Many of the conductors defined correlate with known or inferred geological features. The main feature in the VLF-EM results is a series of en echelon to parallel conductors which crosses the east side of the area from about line 500N, 200W to line 1800S, 800E. The trend correlates with a normal fault inferred from the geology to down-drop the formations to the east. The VLF-EM suggests a wide fault zone or several parallel features as would be expected along the flank of a horst. This fault coupled with the Cortez Fault to the west along the range front is interpreted to uplift the formations underlying the property. This movement may bring the favorable lower plate rocks, which underlie the Roberts Mountain thrust and host many of the gold deposits in the area, closer to the surface.

Lebel (1994) reports that the magnetic survey is largely featureless over most of the property as was anticipated in advance because of the predominance of sedimentary lithologies. Two distinct magnetic features are present in the south-east corner, however. One consists of narrow highs of up to 500 nano Teslas, which define two linear to lenticular, northerly trending anomalies caused by shallow dike-like bodies. The second magnetic feature is a gradual build-up in the magnetic field at the east ends of lines 1000S to 1500S. This build-up reflects the edge of a north-westerly trending, oblong 1 km. by 0.5 km. high centered just east of the property. Although drilling was recommended, Rocket Resources dropped the property in 1996.

**Claimstaker Resources Ltd. – J-Pacific Gold Inc.** In 1996, Claimstaker Resources Ltd. leased the property from Rubicon, but no significant work was done on the property until 1998 when K.N. Tullar compiled the available data that had been generated on the property. Tullar also collected numerous rock chip samples and re-mapped the geology (Tullar, 1998a). Three, shallow, reverse-circulation drill holes (GC 1, 2, 3) totaling 950 feet (289 m) were drilled to test near-surface targets, Figure 7. No significant gold values were reported from these three holes.

In 1998, a new ground magnetic and VLF-EM surveys were conducted to clarify problems with the old geophysical data and to extend the coverage, Figure 8; (Carpenter, 1998). The VLF data were problematic and not definitive.

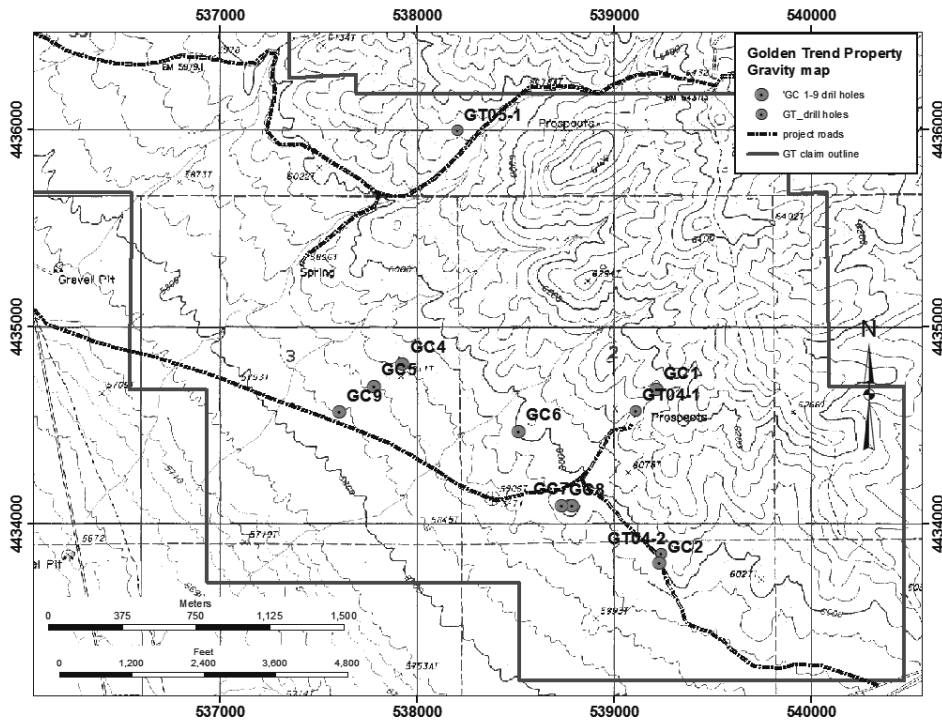


Figure 7: J-Pacific drill hole location map

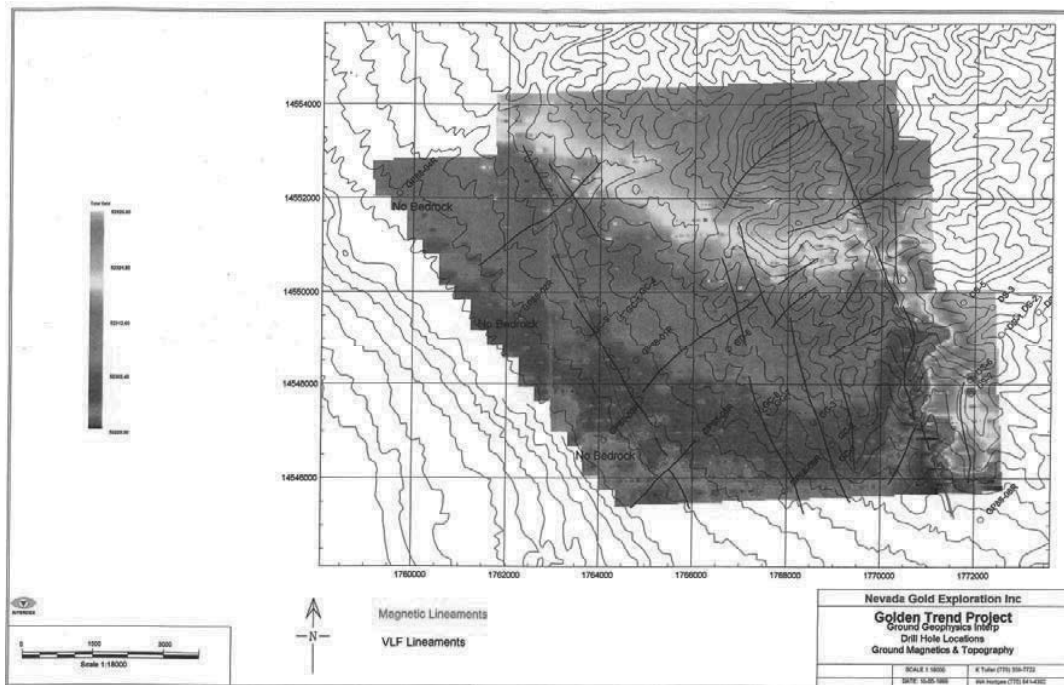


Figure 8: Ground total field magnetic map.

In addition to the geophysical surveys, a second reverse-circulation drilling program of 2,020 feet (615 m) in six holes (GC-4, 5, 6, 7, 8, 9) with a maximum depth of 500 feet (152 m) was completed under Tullar's supervision, Figure 8. These drill holes tested specific near-surface structures, and the maximum gold value for the six holes was 126 ppb (Mitchell, 2001). Tullar also sampled the trenches that were used as mud pits for the drill holes, and two of the trenches contained copper values over 1,000 ppm. The drill holes adjacent to the trenches contained elevated copper, 100 – 15 ppm, in the upper 200 feet (61 m) of the hole. The high levels of copper in the trenches may be due to secondary enrichment.

In October 2004, Dana Durgin a Reno-based consulting geologist started a two hole drilling program for J-Pacific, and the description of this work is taken from his report (Durgin, 2005). The location of the two holes, GT-04-1 and GT-04-2 and the location of the earlier drill holes drilled on the property are shown Figure 7.

Drilling conditions were generally poor, and most of the core recovered from GT-04-1 was broken rubble from the Vinini Formation. The first hole is thought to have gone down a steeply dipping fault, and although the hole was drilled to a depth of 2,000 feet (609 m), it did not reach the target of the lower-plate carbonate rocks. Drill hole GT-04-2 was drilled with a reverse-circulation rig and reached a depth of 1,140 feet (347 m). It encountered similar broken siliceous rocks of the Vinini Formation. Gold values from both of these holes were generally less than 40 ppb.

In 2005, a single-hole core drilling program was completed, hole GT-05-01, and the description of this program is taken from Durgin (2006). Approximately 1.4 miles (2.3 km) to the north of the northern boundary of the Golden Trend claim group, the Roberts Mountain thrust and the altered carbonate rocks of the lower plate are exposed in the nose of an anticline that plunges gently to the south. Drill hole GT05-1 was sited near the northern claim boundary and directly down-plunge of the crest of that anticline. This site was chosen as a likely point where the depth to the thrust contact and potentially mineralized rocks below it was projected to be less than 2,000 feet (609 m). Soil sampling in the past also indicated a modest Au-Hg-As geochemical anomaly in that area. Drilling conditions were again difficult due to the broken nature of the Vinini Formation, but the target depth of 2,000 feet (609 m) was reached. The upper portion of this hole from 190 to 200 feet (58 to 61 m) contained 617 ppb Au, but no other significant gold values were reported from this hole.

A recent reassessment of the lower portions of GT-05-01 by Dr. Harry Cook (Shaddrick, 2015, personal communication) has indicated that the lower portions of the hole (1870 – 1970 feet) comprise Devonian-age rocks that are most likely the Denay Formation. The Denay is one of the many local facies variants of the Wenban Formation, and it is one of the host rocks for the ores at the Pipeline, Cortez Hills and Gold Rush mines. The identification of this unit as Denay is based on the identification of both the sequence stratigraphy displayed in the core and the identification of a fossil stromatoporoid characteristic of that stratigraphic interval. The Roberts Mountain thrust has, therefore, been penetrated at some point higher in the hole.

**Coyote Resources** In October of 2009, KMR Resources leased the project from Rubicon. In August of 2010, KMR changed their name to Coyote Resources. No physical work was done on the property (Shaddrick, 2018, personal communication), and the property was returned to Rubicon in 2012.

**Kinross Gold Corporation** In November of 2016, Rubicon leased the property to Kinross Gold Corporation. Wright (2016) completed a review of the gravity data, Figure 9, and Kinross drilled two core holes. The gravity survey was focused on determining the depth to bedrock in the valley west of the claim block.

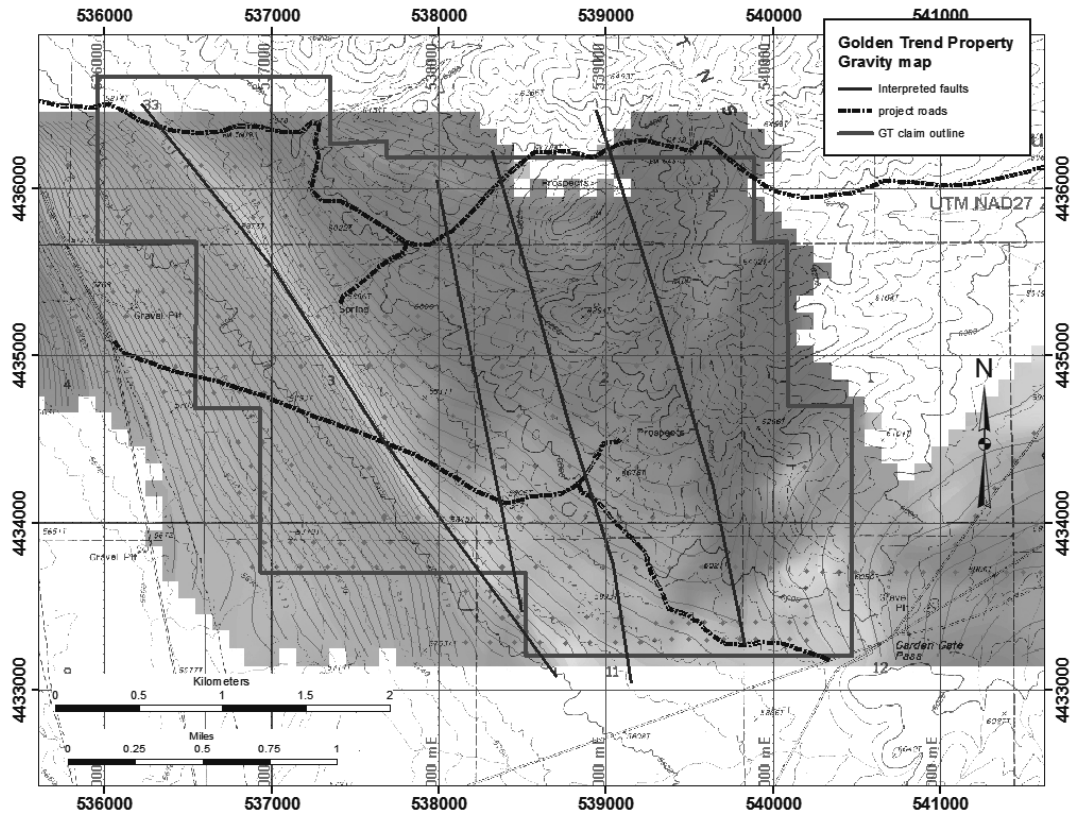
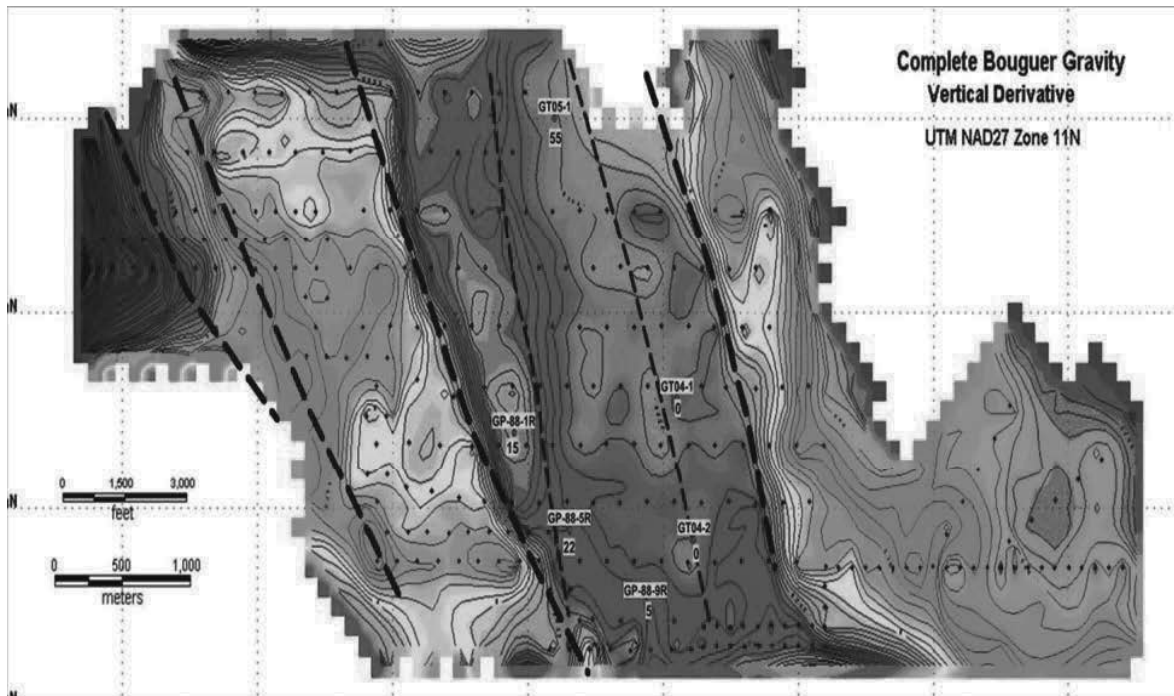


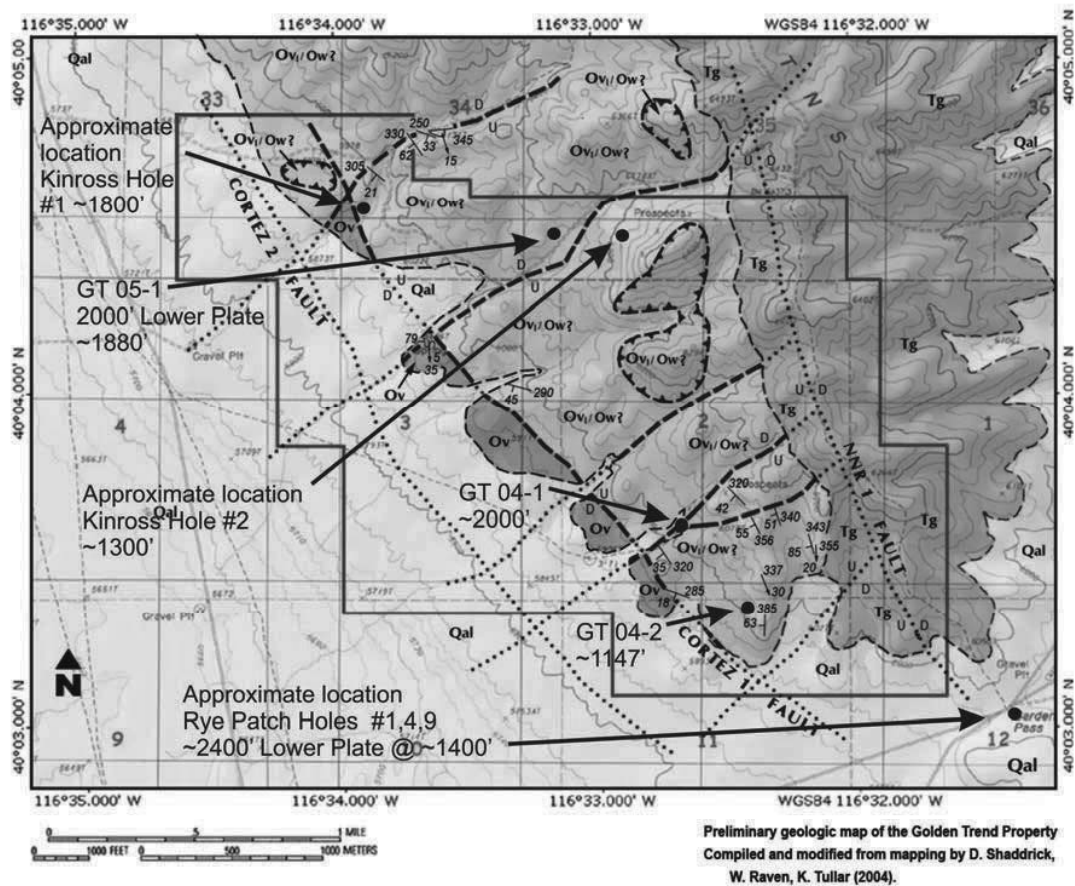
Figure 9: Gravity map with interpreted faults.

Depth to bedrock ranged from 200 to 1,400 m (Wright, 2016). The following interpretation of the gravity data is taken from the Wright report of 2016. Figure 10 presents the first vertical derivative and helps remove the strong northwest to southeast gradient in the CBA gravity to reveal finer detail. The strong bounding structures to the main horst are well reflected as prominent gradients in the vertical derivative and are identified with thick, black, dashed lines. Between the prominent bounding structures, atop the main horst, are two weaker features marked with narrow, dashed lines. These faults are bounding structures to two smaller scale horsts sitting atop a larger horst. The increased gravity associated with the smaller horsts being produced by uplift of the underlying carbonates relative to basin fill on one side and siliciclastic rock on the other side.



**Figure 10: Vertical derivative of gravity data.**

The first drill hole, GT-17-01, was core and was drilled at the northern edge of the claim block in an effort to reach the lower plate carbonate rocks at a reasonable depth. This area of the property is overlapped by senior claims owned by Barrick Gold. Barrick confiscated all of the drill hole data from hole GT-17-01, and it is not available. Drill hole GT-17-02 was RC and was drilled to a depth of 1,500 feet (457 m) with the top 1,370 feet (417 m) being in the siliceous rocks of the Vinini Formation. From 1,370 to 1,500 feet (417 to 457 m) the rock was a siliceous siltstone. No significant gold values were reported from GT -17-02. Drill hole locations are shown in Figure 11. Kinross returned the property to Rubicon in October of 2017.



**EXPLANATION**

<b>Qal</b>	Quaternary alluvium		Normal fault; dashed where inferred, dotted where concealed or implied
<b>Tg</b>	Tertiary gravel		Thrust fault; dashed where inferred
ALLOCTHONOUS SILICLASTIC ROCKS			
<b>Ov</b>	Ordovician Middle or Upper Vinini Formation (determined from drilling)		Strike and dip of bedding
<b>Ov/Ow?</b>	Ordovician Lower Vinini Formation (?) or Woodruff Formation (?)		Plunge of fold axis
			Dip of bedding in fold

Figure 11: Kinross drill hole map.

**3. Geological Setting, Mineralization and Deposit Types**

The Gold Trend Property occupies an area bounded by the Cortez fault system on the west, the Northern Nevada Rift on the east, the outcrop of the Roberts Mountain thrust on the north and an indistinct transition zone to the south. Most of the surface area has been mapped as various lithologies within the Vinini Formation, a common, upper-plate unit. Igneous rocks are rare on the property, and they are limited to a few small dikes and sills ranging from felsite to diabase. A typical assemblage of lower-plate carbonate rocks is believed to occur below the Roberts Mountain thrust. The identification of a Stromatoporoid fossil in hole GT-05-01 shows the presence of lower plate Wenban Formation on the property at a depth of about 1,800 feet (548 m).

Surface mineralization comprises two styles, the first being fracture and fault fillings of black clay gouge with minor quartz veining that contains malachite, azurite and iron oxides after pyrite and possibly chalcopyrite. This style is associated with elements of the Cortez fault system, and it has been exposed in trenching. This mineralization generates geochemically anomalous values of copper, arsenic, lead and zinc. The second style is vein and locally bedded barite which is exposed in pits, trenches and shallow shafts on the central and southern part of the property.

The Gold Trend Property occupies an area bounded by the Cortez fault system on the west, the Northern Nevada Rift ("NNR") on the east, the outcrop of the Roberts Mountain thrust ("RMT") on the north and an indistinct transition zone to the south, (Shaddrick, 2016). Most of the surface area has been mapped as various lithologies within the Vinini Formation, a common, upper-plate unit, Figure 12. Igneous rocks are rare on the property, and they are limited to a few small dikes and sills ranging from felsite to diabase. Several trenches and drill holes have been focused on these dikes during earlier exploration programs. It has been inferred that these dikes occupy through going structures, and in some of the drill holes the dikes were argillically altered.

On the property, stratigraphic and structural relationships in the exposed upper plate rocks are relatively consistent and can be projected from one place to another. Deformation styles and structural fabrics within the siliciclastic rocks appear to be relatively homogenous and penetrative across the project area (Shaddrick, 2016). The structural fabric of the property is dominated by the northwest-trending Cortez fault and the secondary, northeast-trending faults as shown on Figure 13. Most of the faults on the property are steeply dipping and may have been utilized by hydrothermal fluids to generate the anomalous geochemical patterns found in the soil samples as shown in Figures 4, 5, and 6.

In 2015, Dr. Harry Cook identified a fossil from 1,970 feet (600 m) in drill hole GT05-01 as a Stromatoporoid (Shaddrick, personal communication). The rock containing the fossil is a black, carbonaceous breccia with scattered pyrite, and the fossil shows thin growth rings.

The rock was identified by Dr. Harry Cook as Devonian-age, and it is most likely from the Denay Formation, one of the many facies variants of the Wenban Formation. The Wenban is the ore host rock at the Pipeline, Cortez Hills and Gold Rush mines. This identification of the unit as Wenban is based on the identification of both the sequence stratigraphy displayed in the core and the identification of a fossil Stromatoporoid characteristic of that stratigraphic interval. The Roberts Mountain thrust has, therefore, been penetrated at some point higher in the hole.

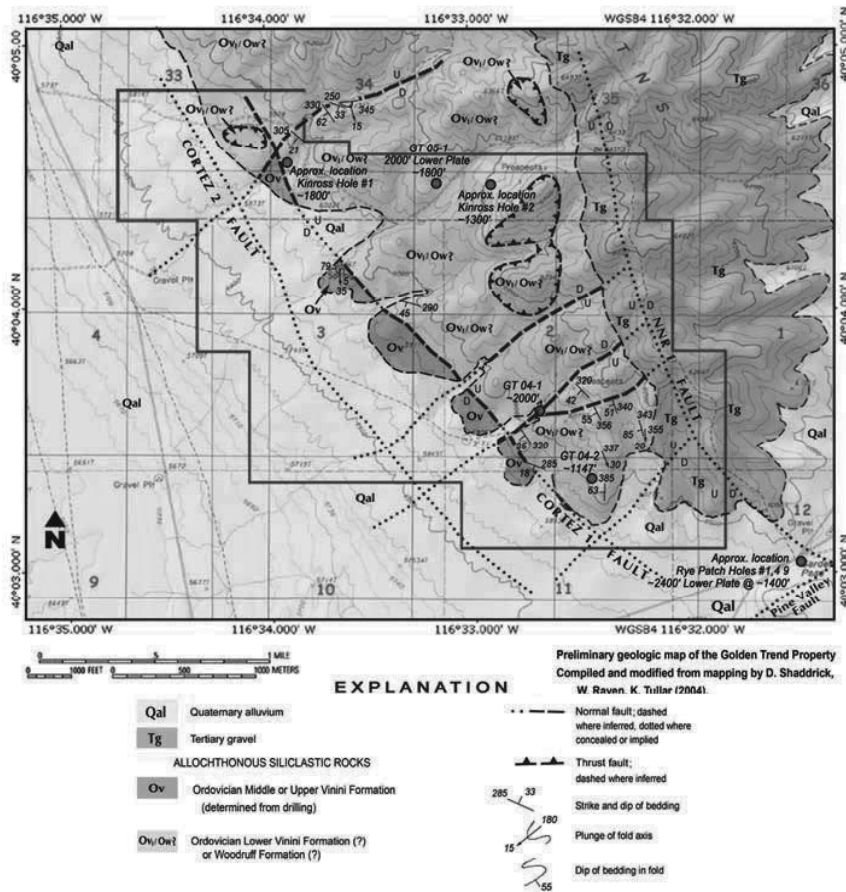


Figure 12: Property geology.

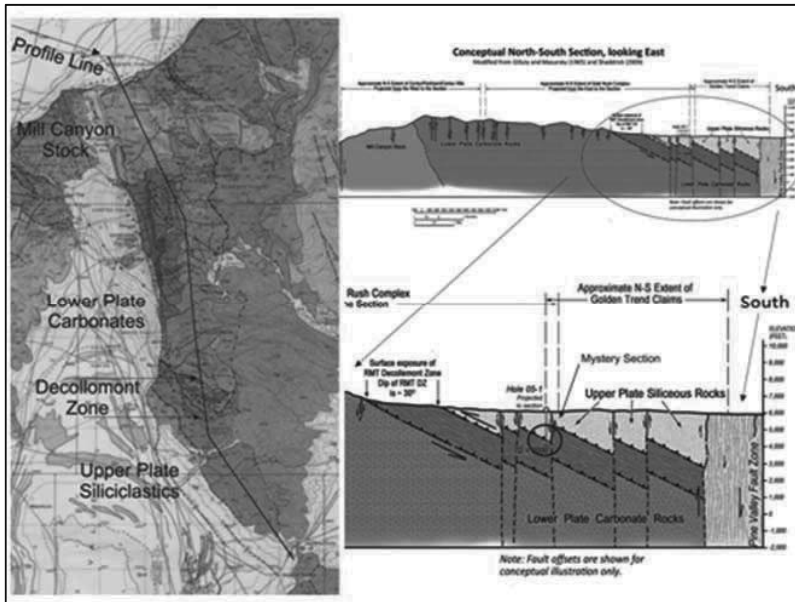


Figure 13: Regional geology and structure.

Surface mineralization comprises two styles, the first being fracture and fault fillings of black clay gouge with minor quartz veining that contains malachite, azurite and iron oxides after pyrite and possibly chalcopyrite. This style is associated with elements of the Cortez fault system, and it has been exposed in trenching. This mineralization generates geochemically anomalous values of copper, arsenic, lead and zinc. The second style is vein and locally bedded barite which is exposed in pits, trenches and shallow shafts on the central and southern part of the property. Most of the gold, arsenic and mercury anomalies identified by soil geochemistry appear associated with these types of mineralization (Figures 4, 5, and 6). All of the anomalous soil samples are from soil derived from the siliceous rocks of the Vinini Formation. The main area of anomalous gold values occupies an area approximately 650 by 1,310 feet (200 by 400 m). The main area of anomalous arsenic values occupies an area approximately 1,640 by 980 feet (500 by 300 m). The main area of anomalous mercury samples occupies an area approximately 1,310 by 650 feet (400 by 200 m). It appears that these main anomalous zones may be related to northeast-trending faults that are mapped in the area. Surface samples from the outcrops gave much more erratic results

A ten-foot interval in the upper portion of drill hole GT05-01, from 190 to 200 feet (58 to 61 m) contained 617 ppb Au, but no other significant gold values were reported from this hole. This is the only drill hole on the property that has reported significant gold values.

The type of mineral deposit that is being explored for on the property is a sediment-hosted, Carlin-type gold deposit. A Carlin-type deposit is typically hosted in carbonate rocks, and the mineralization is closely associated with anomalous concentrations of arsenic, mercury, antimony and thallium. District-scale structures and smaller, deposit-scale faults have introduced mineralized hydrothermal fluids into the favorable host rocks.

The geologic model being used for exploration of the property is based on the published descriptions of the nearby, Cortez, Cortez Hills, Horse Canyon, Gold Rush, and the recently announced Four Mile gold deposits being mined or developed by Barrick. The main components of the model are structure, host rocks and geochemistry.

All of the ore deposits in the district have a definite and usually well defined structural control. The district- to regional-scale faults, such as the Cortez fault zone and the Northern Nevada Rift, that are associated with the ore zones have a northwest trend (see figure 1). Figure 14 is from Arbonies et al (2010) and shows the pronounced northwest trend of the Cortez Hills lower zone ore body. The exploration model will focus on northwest-trending faults.

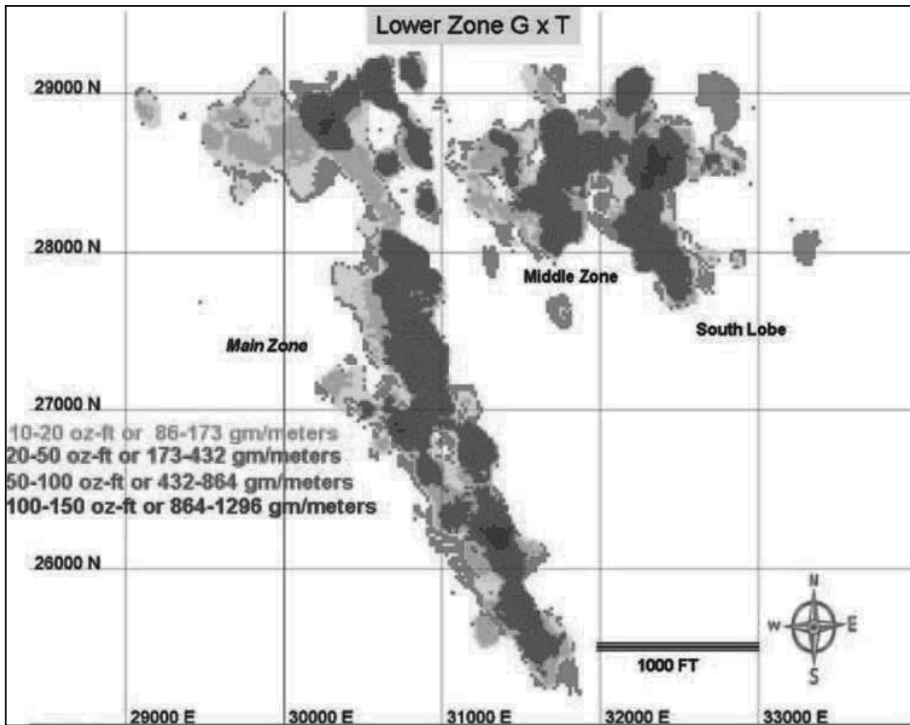


Figure 14: Cortez Hills Lower zone ore body

Almost all of the major ore zones in the district are hosted by the lower plate, carbonate units found below the RMT. Figure 15 is from the Barrick website and shows the structurally controlled northwest trend of the Goldrush orebody as well as the stratigraphic control of the mineralization by favorable lithologies in the Upper Wenban.

There is some mineralization in the district that is hosted in breccia zones in the Vinini Formation just above the RMT. The focus of the exploration model will be the favorable, carbonate host rocks below the RMT.

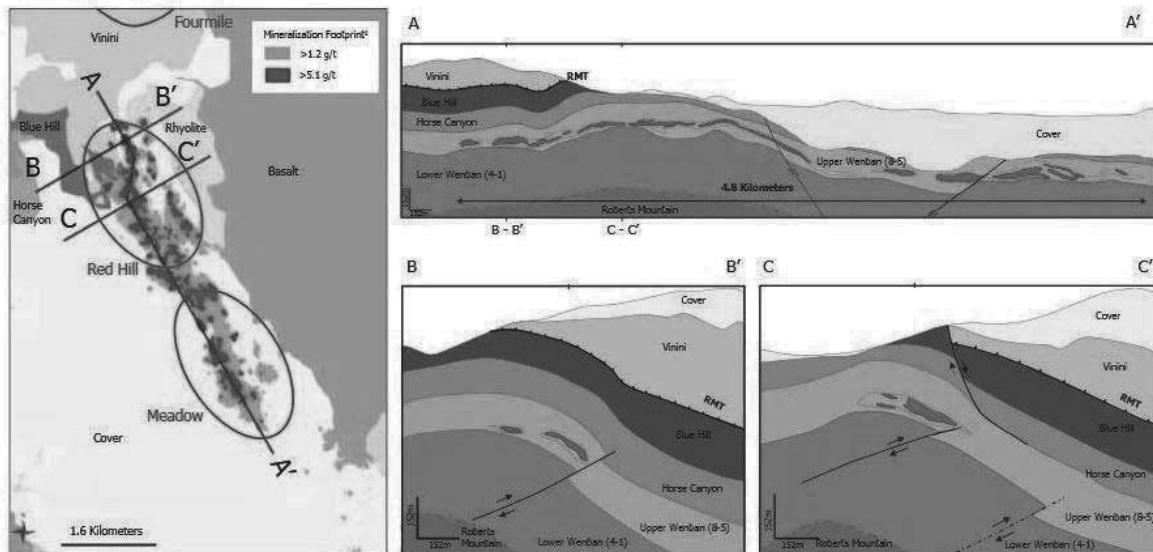


Figure 15: Structural and stratigraphic control of the Goldrush orebody.

#### 4. Exploration

American Eagle has not conducted any exploration work on the Gold Trend Property. See *"History"* for a description of the historical exploration on the Gold Trend Property.

The Golden Trend Property has had many owners who have completed geologic maps, sampling of outcrops, soil sampling grids, magnetic and gravity surveys. Prior to 2000, all of the drilling on and around the property was shallow, usually less than 500 feet-deep (152 m). More recent core and RC drilling has reached depths of 2,000 feet (609 m). This deeper drilling has gone into the carbonate rocks of the lower plate. The geologic model being used for exploration of the property is based on the published descriptions of the nearby, Cortez, Cortez Hills, Horse Canyon, Gold Rush, and the recently announced Four Mile gold deposits being mined or developed by Barrick. The main components of the model are structure, host rocks and geochemistry.

#### 5. Drilling

American Eagle has not conducted any drilling work on the Gold Trend Property. See *"History"* for a description of the historical drilling programs on the Gold Trend Property.

#### 6. Sampling, Analysis and Data Verification

American Eagle has not collected any samples for assay from the Golden Trend Property. The historic reports that describe assay results from previous work do not describe the methods used or security taken at the labs. All of the samples were taken by company-employees or professional consulting geologists and submitted to recognized assay labs in Reno. The author of the Technical Report has stated that he has no reason to doubt the validity or accuracy of these historic results.

All of the data used in the evaluation of the Golden Trend Property and the preparation of the Technical Report was supplied to American Eagle by the property owner. In some instances there were only summary reports that described the work and the results, and in some instances there were drill logs and assay results from a recognized lab. For the purposes of this report, which is to evaluate the exploration potential of the property, it is the Technical Report author's opinion that the data are adequate and accurately report previous work done on the property.

#### FINANCING

American Eagle closed the American Eagle Financing for aggregate gross proceeds of \$3,493,229.70 on February 5, 2021.

The American Eagle Financing is comprised of subscription receipts ("**Subscription Receipts**"), with each Subscription Receipt automatically convertible, without any further action by the holder of such Subscription Receipt, and for no additional consideration, for one unit of American Eagle (an "**American Eagle Unit**") upon the satisfaction of the Escrow Release Condition (as hereinafter defined) on or before the Termination Date (as hereinafter defined). Each American Eagle Unit will consist of one American Eagle Share and one-half of one share purchase warrant, with each whole warrant entitling the holder to acquire one American Eagle Share at a price of \$0.30 per share at any time during the first two years following the date of issuance of the American Eagle Units.

The certificate(s) representing the Subscription Receipts (each, a "**Subscription Receipt Certificate**") provide that the gross proceeds of the American Eagle Financing (the "**Escrowed Proceeds**") are held in escrow by American Eagle on behalf of the subscribers. The Escrowed Proceeds will be released from escrow to American Eagle immediately after the completion of Arrangement (the "**Escrow Release Condition**").

If the Escrow Release Condition is not satisfied prior to April 30, 2021 (the "**Termination Date**"), then all of the

issued and outstanding Subscription Receipts will be cancelled and the Escrowed Proceeds will be used to pay holders of Subscription Receipts an amount equal to the Issue Price per Subscription Receipt held.

All securities issued pursuant to the American Eagle Financing will have a hold period expiring on four months and one day following the date of issue. The proceeds of the American Eagle Financing will be used primarily for expenses related to exploration work on the Golden Trend Property, and for general working capital of American Eagle. Please see "Available Funds and Principal Purposes", below.

American Eagle has applied to list the American Eagle Shares (including those issued in the American Eagle Financing) on the TSXV. Listing will be subject to American Eagle fulfilling all the listing requirements of the TSXV.

## AVAILABLE FUNDS AND PRINCIPAL PURPOSES

### Available Funds

As of December 31, 2020, American Eagle had working capital of approximately \$850,000. American Eagle raised gross proceeds of \$3,493,229.70 under the American Eagle Financing and will pay approximately \$200,000 in finders fees. American Eagle will bear all costs of the Transaction and will pay the costs associated with listing the American Eagles Shares on the TSXV, which American Eagle expects will be approximately \$125,000. As a result, American Eagle expects to have approximately \$925,000 in available funds upon completion of the Transaction.

### Principal Purposes for Available Funds

Assuming completion of the Transaction (including the American Eagle Financing), American Eagle will use the available funds as follows:

<u>Use of Proceeds</u>	<u>Available Funds</u>
Phase I exploration activities on the Golden Trend Property	\$550,000
Addition drill program on the Golden Trend Project if warranted	\$1,650,000
To fund ongoing operations and administration costs (12 months)	\$400,000
Costs and expenses incidental to Transaction and TSXV Listing	\$325,000
To unallocated working capital	\$1,418,229.70
<b>Total</b>	<b><u>\$4,343,229.70<sup>(1)</sup></u></b>

Note:

(1) Assumes completion of minimum offering pursuant to the American Eagle Financing.

The funds available for ongoing operations will be sufficient to meet American Eagle's administration costs for the next 12 months. See "Administration Expenses", below.

American Eagle will spend the available funds as set out above. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. American Eagle will only redirect funds to other properties on the basis of a recommendation from a professional geologist or engineer.

Concurrent with closing of the American Eagle Financing, American Eagle issued an aggregate of 525,000 subscription receipts, on the same terms as those issued pursuant to the American Eagle Financing, to settle certain outstanding debts of American Eagle in the aggregate amount of \$105,000 (the "Debt Settlement").

### Administration Expenses

The following table discloses the estimated aggregate monthly and yearly administration costs that will be

incurred by American Eagle:

<b>Type of Administrative Expense</b>	<b>Monthly Estimated Expenditure</b>	<b>12-Month Estimate Expenditure</b>
<b><i>United States</i></b>		
Land management	\$1,000	\$12,000
Professional fees	\$2,000	\$24,000
<b><i>Canada</i></b>		
Executive Compensation / Salaries or Consulting Fees	\$12,000	\$144,000
Rent and Office Services	\$1,300	\$15,600
Professional Fees (1)	\$6,000	\$72,000
Travel	\$1,000	\$12,000
Exchange Fees and Transfer Agent Expenses	\$1,500	\$18,000
Investor relations and Promotion	\$2,000	\$24,000
<b>TOTAL</b>	<b>\$26,800</b>	<b>\$321,600</b>
(1) Legal, geologist, audit and accounting.		

#### **DIVIDENDS AND OTHER DISTRIBUTIONS**

American Eagle has not paid dividends since its incorporation. American Eagle currently intends to retain all available funds, if any, for use in its business and does not anticipate paying any dividends for the foreseeable future.

#### **DISCLOSURE OF OUTSTANDING SECURITY DATA**

The authorized capital of American Eagle consists of an unlimited number of common shares. As of the date hereof, there are 38,449,398 American Eagle Shares issued and outstanding, of which 10,000,000 American Eagle Shares are held by Orefinders.

On completion of the Transaction, it is anticipated that there will be approximately 56,440,547 American Eagle Shares outstanding (inclusive of an aggregate of 17,991,149 shares issued in the American Eagle Financing and the Debt Settlement and that no Orefinders Shares are issued from treasury prior to the Effective Date). On completion of the Transaction, Orefinders will own approximately 8.86% of the outstanding American Eagle Shares and Shareholders of Orefinders will own approximately 8.86% of the outstanding American Eagle Shares, assuming completion of the American Eagle Financing (and not including (i) any American Eagle Shares attributable to Orefinders Shares held by Dissenting Shareholders who are ultimately to be paid fair value for their dissenting Orefinders Shares, which shares will be retained by Orefinders and dealt with as determined by the board of directors of Orefinders in its discretion pursuant to the Plan of Arrangement; and (ii) American Eagle Shares held by shareholders of Orefinders prior to the Transaction). In addition, warrants will be issued in connection with the American Eagle Financing and, if exercised, such convertible securities would further dilute Shareholders' holdings in American Eagle.

The directors of American Eagle expect to grant 4,150,000 options of an available 11,288,109 incentive stock options to certain insiders of American Eagle immediately following completion of the Transaction.

In accordance with the Plan of Arrangement, the holders of Orefinders Warrants will be entitled to American Eagle Shares upon the exercise of the Orefinders Warrants. Therefore, on completion of the Transaction, no

American Eagle Shares are expected to be reserved for issuance upon the exercise of the Orefinders Warrants.

#### DESCRIPTION OF THE SECURITIES

Holders of American Eagle Shares are entitled to one vote per share at all meetings of shareholders, to receive dividends as and when declared by the directors and to receive a pro rata share of the assets of American Eagle available for distribution to shareholders in the event of liquidation, dissolution or winding-up of American Eagle. All rank pari passu, each with the other, as to all benefits which might accrue to the holders of common shares.

#### CONSOLIDATED CAPITALIZATION

The following table and the notes thereto set forth the share and loan capital of American Eagle as at the dates specified therein.

Designation of Security	Authorized	Amount Outstanding as of March 6, 2021	Amount outstanding assuming completion of the Transaction
Common Shares	Unlimited	38,449,398	56,440,547 <sup>(1)</sup>
Incentive Stock Options	11,288,109	Nil	4,150,000 <sup>(2)</sup>
Warrants	N/A	Nil	10,045,574 <sup>(3)</sup>
Long Term Debt	N/A	Nil	Nil

- (1) Assumes that no securities are issued from treasury by Orefinders prior to the Effective Date and includes 17,466,149 Subscription Receipts issued in the American Eagle Financing and 525,000 subscription receipts issued pursuant to the Debt Settlement.
- (2) American Eagle intends to adopt a "fixed" stock option plan prior to listing on the TSXV and pursuant to which American Eagle may reserve for issuance up to 20% of the issued and outstanding American Eagle Shares.
- (3) Includes (i) 8,995,574 warrants to be issued on conversion of Subscription Receipts sold pursuant to the American Eagle Financing (based on 17,466,149 Subscription Receipts issued in the American Eagle Financing and 525,000 subscription receipts issued pursuant to the Debt Settlement) and shares reserved for issuance upon exercise of existing Orefinders warrants, pursuant to the Plan of Arrangement; and (ii) 1,050,000 finder warrants to be issued to certain finders in connection with the American Eagle Financing.

The following table states the anticipated fully diluted share capital of American Eagle upon completion of the Transaction:

Description of Security	Number of Securities	% of Total
American Eagle Shares held by existing shareholders other than Orefinders	28,449,398	40.88%
American Eagle Shares held by Orefinders following the Transaction	5,000,000	7.19%
American Eagle Shares Distributed to Shareholders of Orefinders pursuant to the Arrangement	5,000,000	7.19%
American Eagle Shares to be issued pursuant to American Eagle Financing and the Debt Settlement	17,991,149 <sup>(1)</sup>	25.85%

American Eagle Shares reserved for issuance on exercise of warrants issued in American Eagle Financing and Debt Settlement	8,995,574 <sup>(1)</sup>	12.93%
American Eagle Shares reserved for issuance on exercise of existing warrants of Orefinders	0 <sup>(2)</sup>	0.00%
American Eagle Shares reserved for issuance on exercise of incentive stock options to be granted prior to listing on TSXV	4,150,000 <sup>(3)</sup>	5.96%
<b>TOTAL</b>	<b>69,586,121</b>	

- (1) Includes 17,466,149 Subscription Receipts issued in American Eagle Financing and 525,000 subscription receipts issued pursuant to the Debt Settlement.
- (2) Assumes that no securities are issued from treasury by Orefinders prior to the Effective Date. Pursuant to the Plan of Arrangement, American Eagle is required to issue shares upon the exercise of Orefinders warrants that were outstanding immediately prior to the Effective Date of the Arrangement.
- (3) Includes 4,150,000 incentive stock options to be issued prior to listing.

#### STOCK OPTION PLAN

American Eagle plans to adopt a "fixed" stock option plan that allows for the reservation of up to a set number of American Eagle Shares. The number of American Eagle Shares available for issuance will be set prior to listing on the TSXV based on 20% of the issued and outstanding shares of American Eagle after completion of the Transaction. Assuming 56,440,547 American Eagle Shares are issued and outstanding at the time of listing, the number of American Eagle Shares reserved for issuance under the stock option plan would be 11,288,109.

Prior to listing on the TSXV, American Eagle expects to issue 1,500,000 incentive stock options to Stephen Stewart, 750,000 incentive stock options to Alexander Stewart, 200,000 incentive stock options to Jeffrey Potwarka and 1,500,000 incentive stock options to Anthony Moreau and an aggregate of 200,000 incentive stock options to other directors and officers. All stock options issued prior to listing will be exercisable for five years from the date the American Eagle Shares commence trading on the TSXV at a price of \$0.20 per share.

#### PRIOR SALES

During the 12 month period preceding the date of this Circular, the following securities of American Eagle have been issued:

Designation of Security	Securities Sold	Price Per Security	Date of Sale
Common Shares	15,000,000	\$0.05 <sup>(1)</sup>	July 22, 2020
Common Shares	6,349,398	\$0.05	July 22, 2020
Common Shares	1,100,000	\$0.10 <sup>(2)</sup>	September 15, 2020

#### Notes:

- (1) Issued pursuant to the acquisition of the Golden Trend Property.
- (2) Issued pursuant to a share exchange with certain shareholders of Orefinders.

The American Eagle Shares to be issued in the American Eagle Financing are the only shares American Eagle expects to issue prior to listing on the TSXV.

#### ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER

Subject to approval of the TSXV, the following table sets out the American Eagle Shares which American Eagle expects will be subject to escrow pursuant to the rules of the TSXV:

Name and municipal residence of securityholder	Designation of Class	Prior to Giving Effect to the Arrangement and American Eagle Financing		After Giving Effect to the Arrangement and American Eagle Financing	
		Number of securities held in escrow	Percentage of class	Number of securities to be held in escrow	Percentage of class
Anthony Moreau <i>Toronto, Ontario</i>	American Eagle Shares	1,000,000	2.60%	1,000,000	1.77%
Stephen Stewart <i>Toronto, Ontario</i>	American Eagle Shares	8,550,000 <sup>(1)</sup>	22.24%	8,707,294 <sup>(2)</sup>	15.43%
Alexander Stewart <i>Mississauga, Ontario</i>	American Eagle Shares	3,600,000 <sup>(3)</sup>	9.36%	3,694,422 <sup>(3)</sup>	6.58%
Jeffrey Potwarka <i>Burlington, Ontario</i>	American Eagle Shares	250,000	0.65%	250,000	0.44%
Orefinders <i>British Columbia</i>	American Eagle Shares	5,000,000	26.01%	5,000,000	8.86%
Charles Beaudry <i>Toronto, Ontario</i>	American Eagle Shares	2,793,735	7.27%	2,793,735	5.94%
Thomas Dott <i>Papua New Guinea</i>	American Eagle Shares	1,333,373	3.47%	1,333,373	2.36%
Koti Mell <i>Papua New Guinea</i>	American Eagle Shares	1,269,880	3.30%	1,269,880	2.25%
Gijsbert Groenewegen <i>London, England</i>	American Eagle Shares	952,410	2.48%	952,410	1.69%

Notes:

- (1) 600,000 American Eagle Shares are held indirectly in the name of 2287957 Ontario Inc., a private company wholly-owned by Stephen Stewart, while the remaining 7,950,000 American Eagle Shares are held indirectly in the name of Standard Ore, a private company controlled by Stephen Stewart.
- (2) 155,046 American Eagle Shares will be held by Stephen Stewart directly, while 602,248 American Eagle Shares will be held indirectly in the name of 2287957 Ontario Inc., a private company wholly-owned by Stephen Stewart and 7,950,000 American Eagle Shares will be held indirectly in the name of Standard Ore, a private company controlled by Stephen Stewart.
- (3) Held indirectly in the name of Moray Resources Inc., a private company wholly-owned by Alexander Stewart who is a Director of American Eagle.

Securities issued in the American Eagle Financing will be subject to a 4-month hold period.

There is currently no market through which the American Eagle Shares may be sold and, unless the American Eagle Shares are listed on a stock exchange and a sufficient trading market for the American Eagle Shares develops, shareholders may not be able to resell the American Eagle Shares. There is no assurance that the American Eagle Shares will be listed on a stock exchange or that such a trading market will develop.

#### PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and senior officers of American Eagle, no person, upon completion of the Arrangement, will beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of voting rights attached to each class of the then outstanding voting securities of American Eagle

except as set out in the table below, which assumes that the shareholding of each individual as at the date of the Circular will not change prior to completion of the Arrangement and that 56,440,547 American Eagle Shares will be outstanding upon completion of the Arrangement (see "Consolidated Capitalization" above).

<i>Name</i>	<i>No. of Shares Owned, Controlled or Directed, Directly or Indirectly</i>	<i>Percentage of Outstanding American Eagle Shares</i>
Stephen Stewart	8,707,294	15.43%

Note:

- (1) 155,046 American Eagle Shares will be held by Stephen Stewart directly, while 602,248 American Eagle Shares will be held indirectly in the name of 2287957 Ontario Inc., a private company wholly-owned by Stephen Stewart and 7,950,000 American Eagle Shares will be held indirectly in the name of Standard Ore, a private company controlled by Stephen Stewart

#### **DIRECTORS AND OFFICERS**

The American Eagle Board will consist of:

- Stephen Stewart;
- Alexander Stewart; and
- Anthony Moreau

The officers of American Eagle will be:

- Anthony Moreau: CEO
- Jeffrey Potwarka CFO
- Stephen Stewart Chairman

The directors and officers will be appointed prior to listing on the TSXV. The directors of American Eagle are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed.

<b>Name, Position and Municipality of Residence</b>	<b>Principal Occupation for the Past Five Years<sup>(1)</sup></b>	<b>Education</b>	<b>American Eagle Shares Owned, or Controlled or Directed, Directly or Indirectly, Upon Completion of the Arrangement<sup>(2)</sup></b>	<b>Percentage<sup>(3)</sup></b>
Stephen Stewart <sup>(1)</sup> Toronto, ON, Canada Chief Executive Officer and Director	CEO of Orefinders Resources Inc. from February 2015 to present; President of 2287957 Ontario Inc. from January 2010 to present; CEO of QC Copper and Gold Inc. from April 2018 to present;; Chairman of Mistango River Resources Inc. from October 22, 2019 to present; Chairman of Baseload Energy Corp. from June 2020 to present	BA Western University MSc University of Florida MBA University of Toronto	8,707,294 <sup>(4)</sup> American Eagle Shares	15.43%

Alexander Stewart Mississauga, ON, Canada Executive Chairman and Director	Executive Chairman of Orefinders Resources Inc. from February 2015 to 2019 and currently Director and Chairman; President of Moray Resources Inc. from January 2008 to present; Director of QC Copper and Gold Inc. from February 2018 to present; Director of Mistango River Resources Inc. from October 22, 2019 to present; Director of Baseload Energy Corp. from June 2020 to present	BA Western University JD University of Toronto DIP University of Madrid	3,694,422 American Eagle Shares <sup>(5)</sup>	6.58%
Anthony Moreau Toronto, Ontario, Canada Director	CEO of American Eagle January 2020 to Present; Director at QC Copper from June 2018 to Present; Business Development at IamGold Corporation from March 2017 to January 2020; Special Projects at IamGold Corporation from January 2013 to March 2017, Investor Relations IAMGOLD from August 2011 to January 2013.	BA Commerce, Queens University CFA	1,000,000 American Eagle Shares	1.77%

- (1) Each organization identified in this column is still carrying on business.
- (2) Assumes that the shareholding of each individual as at the date of the Circular will not change prior to completion of the Arrangement.
- (3) Based on current expectations regarding insider participation in American Eagle Financing and assumes that 56,440,547 American Eagle Shares will be outstanding upon completion of the Transaction (see "*Consolidated Capitalization*" above).
- (4) 155,046 American Eagle Shares will be held by Stephen Stewart directly, while 602,248 American Eagle Shares will be held indirectly in the name of 2287957 Ontario Inc., a private company wholly-owned by Stephen Stewart and 7,950,000 American Eagle Shares will be held indirectly in the name of Standard Ore, a private company wholly-owned by Stephen Stewart.
- (5) Held indirectly in the name of Moray Resources Inc., a private company wholly-owned by Alexander Stewart who is a Director of American Eagle.

Based on the assumptions set out above, it is expected the directors and executive officers as a group, will upon completion of the Arrangement beneficially own, directly or indirectly, or exercise control or direction over an aggregate of approximately 13,419,712 American Eagle Shares representing approximately 23.78% of the issued American Eagle Shares.

None of the directors and executive officers will work full time for American Eagle. Each of Stephen Stewart, Alexander Stewart and Jeffrey Potwarka intend to devote approximately 25% of their professional time to the affairs of American Eagle and Anthony Moreau will devote 75% of his time. It is expected that, prior to the completion of the Arrangement, less than half of each individual's time is expected to be devoted to American Eagle.

The following is a brief description of the experience of the directors and officers:

**Anthony Moreau, Chief Executive Officer and Director**

Anthony Moreau is the CEO and Director of American Eagle Gold. He is also a Director of QC Copper & Gold and Orefinders Resources, both TSXV listed companies. He previously worked with IAMGOLD comprising different

roles within the organization, most recently Business Development and Innovation. He gained valuable experience working in a continuous improvement function at the Rosebel Gold Mine in Suriname. Tony has spearheaded many industry initiatives, one of them being an international co-op peer benchmarking program owned and run by the participating mining companies. He leads the Young Mining Professionals Toronto Chapter and is the Co-Chair of the YMP Scholarship Fund. A graduate of the Queen's School of Business, Anthony is a Chartered Financial Analyst.

**Jeffrey Potwarka, Chief Financial Officer**

Jeffrey is currently the CFO of each of Orefinders, Mistango River Resources Inc., QC Copper and Gold Inc. and Baselo Energy Corp. He is a Chartered Professional Accountant and Certified Management Accountant with over 20 years of financial experience with small cap public companies in Canada. From 2013 to 2015 he was director of Winston Resources Inc., a junior mining company. From 2005 to 2009 he was Chief Financial Officer of Ausnoram Holdings Ltd, a Canadian publicly listed investment company. Previously, he was a principal with a private merchant banking company which focused on financing and consulting to public companies. He is a graduate of the University of Waterloo with an Honours Bachelor of Mathematics degree.

**Stephen Stewart, Director and Non-Executive Chairman**

Stephen is currently the CEO and a director of both Orefinders and QC Copper and Gold Inc., and Chairman of both Mistango River Resources Inc. and Baselo Energy Corp. Previously he has held roles with RTO Capital and OMERS Pension Plan where he focused on acquisitions and asset management. He also is involved with the PDAC's Capital Markets Program and lectures at the University of Toronto's Lassonde Institute of Mining. Stephen holds a Bachelor of Arts from the University of Western Ontario, a Master of Business Administration from the University of Toronto's Rotman School of Management and a Master of Science from the University of Florida.

**Alex Stewart, Director**

Alex is currently the Chairman of Orefinders and a director of each of Mistango River Resources Inc., QC Copper and Gold Inc. and Baselo Energy Corp. He has over 40 years of experience in the practice of corporate and securities law and the natural resource investment. He has been a director of numerous public companies on various exchanges including Nasdaq, NYSE, TSX and TSXV. He holds a Bachelor of Arts degree from the University of Western Ontario, a Juris Doctor degree from the University of Toronto Law School and a Diploma, LCE, from the University of Madrid.

The following table sets out the experience of each director and executive officer as a director or officer of reporting issuers in the five years preceding the date of the Circular:

<b>Name of Director or Executive Officer</b>	<b>Name and Jurisdiction of Other Reporting Issuer<sup>(1)</sup></b>	<b>Name of Trading Market</b>	<b>Position</b>	<b>From</b>	<b>To</b>
Alexander Stewart	Orefinders	TSXV	Chairman and Director	February 17, 2012	Present
	Mistango River Resources Inc.	CSE	Director	October 22, 2019	Present
	QC Copper and Gold Inc.	TSXV	Director	April 12, 2018	Present

	Baselode Energy Corp.	TSXV	Director	June 3, 2020	Present
Stephen Stewart	Orefinders	TSXV	CEO and Director	February 6, 2015	Present
	Mistango River Resources Inc.	CSE	Chairman	October 22, 2019	Present
	QC Copper and Gold Inc.	TSXV	CEO and Director	April 12, 2018	Present
	Baselode Energy Corp.	TSXV	Chairman	June 3, 2020	Present
Jeffrey Potwarka	Orefinders	TSXV	CFO	August 5, 2016	Present
	Mistango River Resources Inc.	CSE	CFO	October 22, 2019	Present
	Baselode Energy Corp.	TSXV	CFO	June 3, 2020	Present
	QC Copper and Gold Inc.	TSXV	CFO	June 5, 2018	Present
Anthony Moreau	QC Copper and Gold Inc.	TSXV	Director	June 5, 2018	Present
	Orefinders	TSXV	Director	May 31, 2019	Present

Note:

- (1) The reporting issuer's jurisdiction is British Columbia unless otherwise noted.

**Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions or Individual Bankruptcies**

None of the directors or executive officers of American Eagle:

- (a) is, as at the date of the Circular, or has been, within ten years before the date of the Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including American Eagle) that:
- i. was the subject, while the director or executive officer was acting in that capacity as a director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "order"); or
  - ii. was subject to an order that was issued after the director or executive officer ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of the Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including American Eagle) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any

proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (c) has, within the ten years before the date of the Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

#### **EXECUTIVE COMPENSATION**

American Eagle has not awarded or paid, and no Named Executive Officer of American Eagle has earned or received, compensation of any kind. American Eagle does not currently have a compensatory plan, strategy or arrangement in respect of compensation. American Eagle's NEOs have not received any benefits or perquisites.

##### **Long Term Incentive Plan**

American Eagle does not have any long-term incentive plan.

##### **Option-Based Awards Grants**

American Eagle may grant stock options under the American Eagle Stock Option Plan following the completion of the Arrangement. In connection with the Arrangement, American Eagle expects to issue an aggregate of 11,288,109 incentive stock options to each of Stephen Stewart, Alexander Stewart, Jeffrey Potwarka, Anthony Moreau and other directors and officers at exercises prices and terms as specified above. See "*Stock Option Plan*".

##### **Aggregate Options Exercised and Option Values**

Other than as described herein, no stock options have been granted by American Eagle.

##### **Plans and Employment Agreements**

American Eagle has no defined benefit or actuarial plans. American Eagle does not have a pension plan. American Eagle has no employment contracts. American Eagle does not have a contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of American Eagle or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

##### **Compensation of Directors**

American Eagle has no arrangements, standard or otherwise, pursuant to which directors are compensated by American Eagle for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of the Circular.

#### **INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS**

Since its incorporation and as of the date of the Circular, no director, officer or employee, or former director, officer or employee, of American Eagle, or any associate or affiliate of any such director, officer or employee, has been indebted to American Eagle, and American Eagle has not provided any guarantee, support agreement, letter of credit or other similar arrangement or understanding.

## **AUDIT COMMITTEE**

### **Audit Committee Charter**

American Eagle will form an audit committee in connection with the closing of the Transaction. American Eagle's audit committee charter is included as Schedule "1" to this Appendix "B".

### **Composition of the Audit Committee**

The following will be the members of American Eagle's audit committee:

Anthony Moreau	Not independent <sup>(2)</sup>	Financially literate <sup>(2)</sup>
Alex Stewart <sup>(1)</sup>	Independent <sup>(2)</sup>	Financially literate <sup>(2)</sup>
Stephen Stewart	Independent <sup>(2)</sup>	Financially literate <sup>(2)</sup>

Notes:

(1) Chairman of the audit committee.

(2) As defined by National Instrument 52-110 ("NI 52-110").

### **Relevant Education and Experience**

#### ***Anthony Moreau***

Anthony Moreau is a Chartered Financial Analyst and previously worked for IAMGOLD Corporation, a company listed on the Toronto Stock Exchange and New York Stock Exchange, comprising different roles within the organization, most recently Business Development and Innovation. Thus he has an excellent understanding of financial reporting and a well-qualified member of American Eagle's Audit Committee.

#### ***Alex Stewart***

Alex Stewart, as a corporate/securities lawyer since 1969, has decades of financial experience as a Director and senior officer with Canadian public companies. Mr. Stewart's work experience gives him an excellent understanding of financial reporting and is a well-qualified member of American Eagle's Audit Committee.

#### ***Stephen Stewart***

Mr. Stewart has over 18 years of financial experience as a Director and senior officer with Canadian public. Mr. Stewart's work experience, together with his two finance focused Masters degrees, gives him an excellent understanding of financial reporting and a well-qualified member of American Eagle's Audit Committee.

### **Exemption in Section 6.1 of NI 52-110**

American Eagle expects it will rely on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

## **CORPORATE GOVERNANCE DISCLOSURE**

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. American Eagle has reviewed its own corporate governance practices in light of these guidelines. In certain cases, American Eagle's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for American Eagle at its current stage of development and therefore these

guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below, to the extent known at this time.

### **Independence of Members of Board**

American Eagle's Board consists of three Directors, two of whom are independent based upon the tests for independence set forth in NI 52-110. Stephen Stewart and Alex Stewart are independent. Anthony Moreau is not independent as he is the CEO of American Eagle.

### **Management Supervision by Board**

The operations of American Eagle do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for American Eagle's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Director being present. Further supervision is performed through the audit committee which is composed of a majority of independent Directors who meet with American Eagle's auditors without management being in attendance.

### **Risk Management**

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of American Eagle under applicable securities laws and regulations.

The audit committee is responsible for the risk management items set out in the audit committee charter.

### **Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided above.

### **Orientation and Continuing Education**

While American Eagle does not have formal orientation and training programs, new Board members will be provided with:

1. information respecting the functioning of the Board of Directors, committees and copies of American Eagle's corporate governance policies;
2. access to recent, publicly filed documents of American Eagle, technical reports and American Eagle's internal financial information;
3. access to management and technical experts and consultants; and
4. a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit American Eagle's operations. Board members have full access to American Eagle's records.

### **Ethical Business Conduct**

The Board has not adopted a formal code of business conduct and ethics. Given the stage of development of American Eagle, the Board has determined that the fiduciary duties placed on individual directors by American Eagle's governing legislation and common law together with corporate statutory restrictions on an individual

director's participation in decisions of the board in which the director has an interest are sufficient to ensure that the board of directors operates independently of management and in the best interests of American Eagle.

#### **Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board expects to assess potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the resource exploration industry will be consulted for possible candidates.

#### **Compensation of Directors and the CEO**

The independent directors have the responsibility for determining compensation for the Directors and senior management.

To determine compensation payable, the independent Director reviews compensation paid for Directors and CEOs of companies of similar size and stage of development in mineral exploration and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of American Eagle. In setting the compensation, the independent Director annually reviews the performance of the CEO in light of American Eagle's objectives and considers other factors that may have impacted the success of American Eagle in achieving its objectives.

#### **Board Committees**

As the Directors are actively involved in the operations of American Eagle and the size of American Eagle's operations does not warrant a larger Board of Directors, the Board has determined that additional committees are not necessary at this stage of American Eagle's development.

#### **Assessments**

The Board does not consider that formal assessments would be useful at this stage of American Eagle's development. The Board expects to conduct informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees. To assist in its review, the Board expects to conduct informal surveys of its Directors.

#### **Nomination and Assessment**

The Board will determine new nominees to the Board, although a formal process has not been adopted. The nominees are expected to be the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO. The Board will monitor, but does not formally assess, the performance of individual Board members or committee members or their contributions.

#### **Expectations of Management**

The Board expects management to operate the business of American Eagle in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute American Eagle's business plan and to meet performance goals and objectives.

#### **AGENT, SPONSOR OR ADVISOR**

No agent, sponsor or advisor has been retained by American Eagle.

#### **RISK FACTORS**

In addition to the other information contained in the Circular, the following factors should be considered carefully when considering risk related to American Eagle's proposed business:

*Possible Non-Completion of Funding of American Eagle; Financing Risks*

There is no assurance that the American Eagle Financing will be completed or that American Eagle will otherwise be funded. If American Eagle is not funded prior to completion of the Arrangement, and American Eagle is not able to obtain funding after the completion of the Arrangement, the American Eagle Shares will not be listed for trading on any stock exchange.

Even if the American Eagle Financing completes, additional funding will eventually be required to continue conducting the operations of American Eagle. There is no assurance that any such funds will be available. Failure to obtain additional financing on a timely basis could cause American Eagle to reduce or terminate its operations.

*Nature of the Securities and No Assurance of any Listing*

American Eagle Shares are not currently listed on any stock exchange and there is no assurance that the shares will be listed. Even if a listing is obtained, the holding of American Eagle Shares will involve a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. American Eagle Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of American Eagle should not constitute a major portion of an investor's portfolio.

*Possible Non-Completion of Arrangement*

There is no assurance that the Arrangement will receive regulatory, court or shareholder approval or will complete. If the Arrangement does not complete, American Eagle will remain a private company and wholly-owned subsidiary of Orefinders. If the Arrangement does complete, American Eagle Shareholders (which will consist of Orefinders Shareholders who receive American Eagle Shares and the subscribers to the American Eagle Financing) will be subject to the risk factors described below relating to mining.

*Limited Operating History*

American Eagle was incorporated on June 22, 2018 and acquired the Golden Trend Property on June 19, 2020. It has a limited operating history.

*Dependence on Management*

American Eagle is very dependent upon the personal efforts and commitment of its existing directors and officers. If one or more of American Eagle's directors or executive officers become unavailable for any reason, a severe disruption to the business and operations of American Eagle could result, and American Eagle may not be able to replace them readily, if at all.

*Conflicts of Interest*

The directors and officers of American Eagle are, and may continue to be, involved in the mining industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of American Eagle, including Orefinders. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of American Eagle. Directors and officers of American Eagle with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

### *No History of Earnings*

American Eagle has no history of earnings or of a return on investment, and there is no assurance that any property or business that American Eagle may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. American Eagle has no plans to pay dividends. The future dividend policy of American Eagle will be determined by the American Eagle Board.

### *Competition*

The mining industry is highly competitive. American Eagle will compete with other domestic and international mining companies that have greater financial and human resources.

### *Dilution*

Issuances of additional securities including, but not limited to, issuances of common shares or convertible securities of American Eagle pursuant to a American Eagle Financing or otherwise or issuance of convertible debentures or similar securities, will result in a substantial dilution of the equity interests of any persons who may become American Eagle Shareholders as a result of or subsequent to the Arrangement.

### **PROMOTER**

There is no promoter of American Eagle within the meaning of applicable securities legislation.

### **LEGAL PROCEEDINGS**

American Eagle is not a party to any material legal proceedings and American Eagle is not aware of any such proceedings known to be contemplated.

### **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

No director, executive officer or greater than 10% shareholder of American Eagle (other than OreFinders) and no associate or affiliate of the foregoing persons has or had any material interest, direct or indirect, in any transaction in the preceding three years or in any proposed transaction which in either such case has materially affected or will materially affect American Eagle save as described herein.

### **INVESTOR RELATIONS ARRANGEMENTS**

No written or oral agreement or understanding has been reached between American Eagle and any person to provide any promotional or investor relations services for American Eagle.

### **MATERIAL CONTRACTS**

A copy of any material contract or report may be inspected at any time up to the commencement of the Meeting during normal business hours at Suite 2500, 120 Adelaide Street West, Toronto, Ontario.

### **AUDITORS, TRANSFER AGENT AND REGISTRAR**

The auditors of American Eagle are UHY McGovern Hurley LLP.

The Registrar and Transfer Agent for the American Eagle Shares is expected to be Computershare Investor Services Inc. at its principal offices at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

### **EXPERTS**

The following persons or companies whose profession or business gives authority to a statement made by the person or company are named in the Circular as having prepared or certified a part of that document, report, valuation, statement or opinion described herein:

1. The audited financial statements of American Eagle attached as an Appendix to the Circular have been subject to audit by, UHY McGovern Hurley LLP Chartered Accountants;
2. Torkin Manes LLP, Canadian tax counsel to Orefinders;
3. Doyle Kenneth Brook Jr., prepared the Technical Report which is summarized herein; and
4. Evans & Evans, Inc., prepared the Fairness Opinion.

Based on information provided by the relevant persons, none of the aforementioned persons nor any directors, officers, employees or partners, as applicable, of each of the aforementioned companies and partnerships, has received or will receive as a result of the Arrangement a direct or indirect interest in a property of American Eagle or any associate or affiliate of American Eagle, nor is currently expected to be elected, appointed or employed as a director, officer or employee of American Eagle or any associate or affiliate of American Eagle.

They have advised that they are independent with respect to American Eagle and Orefinders within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

#### **OTHER MATERIAL FACTS**

There are no other material facts relating to American Eagle, on a current or pro-forma basis, and not disclosed elsewhere in the Circular.

#### **EXEMPTIONS**

No exemption from a securities regulator or securities regulatory authority has been received by American Eagle.

#### **FINANCIAL STATEMENT DISCLOSURE**

Audited financial statements of American Eagle for the years ended December 31, 2020 and 2019 are attached to the Circular as Appendix "C".

**SCHEDULE 1**  
**AUDIT COMMITTEE CHARTER**

**I. Mandate**

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

**II. Composition**

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

**III. Meetings**

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

**IV. Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

***Documents/Reports Review***

1. Review and update this Charter annually.
2. Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

***External Auditors***

3. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.

4. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
5. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
6. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
7. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
8. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
9. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

#### ***Financial Reporting Processes***

12. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
13. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
14. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
15. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
16. Following completion of the annual audit, review separately with management and the external

auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

17. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
18. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
19. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
20. Review certification process.
21. Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

***Risk Management***

22. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
23. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
24. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
25. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

***Other***

26. Review any related-party transactions.

C-1

**APPENDIX "C"**

**AMERICAN EAGLE FINANCIAL STATEMENTS**

See Attached



**American Eagle Gold Corp.  
(formerly Pacific Precious Inc.)**

**Annual Consolidated Financial Statements**

**For the Years ended December 31, 2020 and 2019**  
*(Expressed in Canadian Dollars unless otherwise indicated)*

*Audit. Tax. Advisory.*

Independent Auditor's Report

To the Shareholders of American Eagle Gold Corp.

## **Opinion**

We have audited the consolidated financial statements of American Eagle Gold Corp. and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of (loss) and comprehensive income (loss), consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

## **Basis for opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# McGovern Hurley

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner of the audit resulting in this independent auditor's report is Jessica Glendinning.

**McGovern Hurley LLP**

*McGovern Hurley LLP*

**Chartered Professional Accountants  
Licensed Public Accountants**

Toronto, Ontario  
January 26, 2021

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**  
**Consolidated Statements of Financial Position**  
As at December 31,  
(Expressed in Canadian dollars)

	Notes	2020	2019
<b>ASSETS</b>			
<b>Current</b>			
Cash		\$ 136,237	\$ 114,812
GST/HST receivable		4,405	6,937
Prepaid expenses		8,750	-
Total current assets		149,392	121,749
<b>Investment</b>	5,6	725,000	-
<b>TOTAL ASSETS</b>		\$ 874,392	\$ 121,749
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		\$ 18,560	\$ 31,214
Due to related party	11	-	8,829
Share subscription liability	10	25,000	-
<b>TOTAL LIABILITIES</b>		43,560	40,043
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	10	2,613,857	487,600
Deficit		(1,783,025)	(405,894)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		830,832	81,706
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		\$ 874,392	\$ 121,749

Nature of operations and going concern (Notes 1 and 2)  
Commitments and contingencies (Notes 7 and 13)  
Events subsequent to year end (Note 14)

Approved on behalf of the Directors:

*"Alex Stewart"*

Alex Stewart – Director

*"Stephen" Stewart"*

Stephen Stewart – Director

The accompanying notes are an integral part of these consolidated financial statements.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**  
**Consolidated Statements of (Loss) and Comprehensive (Loss)**  
For the years ended December 31,  
(Expressed in Canadian dollars)

	Notes	2020	2019
<b>Expenses</b>			
Exploration and evaluation expenses	6,7,11	\$ 1,463,295	\$ 142,980
Office, rent and general		3,248	31,663
Audit, accounting and legal		55,851	32,877
Filing fees		12,500	-
Shareholder relations		295	-
(Gain) on sale of subsidiary	6	(33,058)	-
Unrealized (gain) on investment	5	(125,000)	-
<b>Total Expenses</b>		<b>1,377,131</b>	<b>207,520</b>
<b>Net (loss) from operations for the year</b>		<b>(1,377,131)</b>	<b>(207,520)</b>
<b>Net comprehensive (loss) for the year</b>		<b>\$ (1,377,131)</b>	<b>\$ (207,520)</b>
<b>Weighted average number of shares, basic and diluted</b>		<b>34,381,055</b>	<b>28,501,370</b>
<b>(Loss) per share, basic and diluted</b>		<b>\$ (0.04)</b>	<b>\$ (0.01)</b>

The accompanying notes are an integral part of these consolidated financial statements.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**  
**Consolidated Statements of Changes in Equity**  
(Expressed in Canadian dollars)

	Share capital			Total
	Number of shares	Amount	Deficit	
<b>Balance at December 31, 2018</b>	25,000,000	\$ 187,600	\$ (198,374)	\$ (10,774)
Loss for the year	-	-	(207,520)	(207,520)
Shares issued on private placement	6,000,000	300,000	-	300,000
<b>Balance at December 31, 2019</b>	31,000,000	487,600	(405,894)	81,706
Loss for the year	-	-	(1,377,131)	(1,377,131)
Shares issued for acquisition of Orefinders shares	6,349,398	600,000	-	600,000
Shares issued on private placement	1,100,000	110,000	-	110,000
Share issuance costs	-	(1,200)	-	(1,200)
Share cancellation (Note 6)	(15,000,000)	-	-	-
Acquisition of Golden Trend property option (Note 6)	15,000,000	1,417,457	-	1,417,457
<b>Balance at December 31, 2020</b>	38,449,398	\$ 2,613,857	\$ (1,783,025)	\$ 830,832

The accompanying notes are an integral part of these consolidated financial statements.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**  
**Consolidated Statements of Cash Flows**  
(Expressed in Canadian dollars)  
For the years ended December 31,

	2020	2019
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Loss for the year	\$ (1,377,131)	\$ (207,520)
Adjustments for:		
Acquisition of Golden Trend property option	1,417,457	-
Unrealized (gain) on investment	(125,000)	-
Gain on sale of subsidiary	(33,058)	-
Changes in non-cash working capital items		
GST/HST receivable	2,532	(6,514)
Prepaid expenses	(8,750)	-
Accounts payable and accrued liabilities	(12,654)	20,100
Net cash (used in) operating activities	(136,604)	(193,934)
<b>Investing activities</b>		
Due from related party	-	2,210
Net cash provided by investing activities	-	2,210
<b>Financing activities</b>		
Issuance of common shares	110,000	300,000
Share issue costs	(1,200)	-
Shares to be issued	25,000	-
Due to related party	24,229	6,429
Net cash provided by financing activities	158,029	306,429
<b>Net Increase in Cash</b>	<b>21,425</b>	<b>114,705</b>
<b>Cash, Beginning of Year</b>	<b>114,812</b>	<b>107</b>
<b>Cash, End of Year</b>	<b>\$ 136,237</b>	<b>\$ 114,812</b>

**Supplemental Information:**

Common shares issued for acquisition of Orefinders shares	\$ 600,000	\$ -
Common shares issued for property option agreement	\$ 1,417,457	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

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**1. NATURE OF OPERATIONS**

American Eagle Gold Corp. (“American Eagle” or “Company”), was incorporated under the Business Corporations Act (Canada) on June 22, 2018. The Company’s principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned revenue as it is in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing. On July 1, 2018, the Company acquired 100% of common shares of Kraip Energy Ltd (“Kraip”), a Papua New Guinea corporation. On July 8, 2020, the 100% interest in Kraip was sold (see Note 6).

The head and principal office of the Company is located at 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7.

**2. GOING CONCERN**

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable.

The business of mining and exploration involves a high degree of risk and there can be no assurance that the Company’s exploration programs will result in profitable mining operations. The Company’s continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its properties, making the required payments pursuant to mineral property option agreements and/or securing additional financing; all of which are uncertain.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, social licensing requirements, aboriginal land claims and non-compliance with regulatory and environmental requirements. The Company’s property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

The Company has raised funds throughout the current fiscal year and has utilized these funds for its exploration programs and working capital requirements. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.

As at December 31, 2020, the Company had working capital of \$105,832 (2019 - \$81,706) and an accumulated deficit of \$1,783,025 (2019 - \$405,894).

The Company has no proven history of performance, earnings or success. However, management believes that the Company has sufficient working capital and investments to continue operating over the next 12 months.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these consolidated financial statements. Such adjustments could be material.

The consolidated financial statements were authorized for issue on January 26, 2021 by the directors of the Company.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

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**3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION**

***Statement of compliance***

The consolidated financial statements of the Company comply with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The policies applied in these consolidated financial statements are based on IFRS issued and effective as of December 31, 2020.

***Basis of presentation***

The consolidated financial statements of the Company have been prepared on an accrual basis except for cash flow information and are based on historical costs, except for certain financial instruments which are measured at fair value as explained in the accounting policies.

***Basis of consolidation***

The consolidated financial statements include the financial statements of American Eagle and its wholly-controlled subsidiary Kraip Energy Inc. (“Kraip”) up until the July 8, 2020 disposition. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statements of loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. All intra-company transactions, balances, income and expenses are eliminated through the consolidation process.

***Functional and presentation currency***

The functional currency of the Company is determined using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Canadian dollars which is the Company’s functional and presentation currency. The functional currency of the Company’s subsidiary is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Exchange differences are recognized in operations in the period in which they arise.

***Significant accounting judgements, estimates and assumptions***

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material.

***(a) Estimation of decommissioning and restoration costs and timing of expenditure***

Decommissioning, restoration and similar liabilities are estimated based on the Company’s interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

The cost estimates are updated annually during the life of a project to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

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**3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)**

*(b) Income, value added, withholding and other taxes*

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded. Such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

*(c) Share-based payments*

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are estimated at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Warrants are valued in a similar way. Changes in these assumptions affect the fair value estimates.

***Exploration and evaluation expenditures***

Mineral property acquisition costs are expensed as incurred. Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. All exploration expenditures are expensed as incurred.

When economically viable reserves have been determined and the decision to proceed with development has been approved, the expenditures incurred subsequent to this date related to development and construction are capitalized as construction-in-process and classified as a component of property, plant and equipment.

Government tax credits are recorded as a reduction to exploration expense.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Mining properties and process facility assets are amortized upon commencement of commercial production either on a unit-of-production basis over measured and indicated resources included in the mine plan or the life of mine.

***Impairment of non-financial assets***

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible non-financial assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statement of income (loss).

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

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**3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)**

***Loss per share***

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The diluted loss per share calculation assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

***Financial instruments***

**Financial assets**

***Initial recognition and measurement***

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either FVPL or FVOCI, and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost. Other accounts receivable held for collection of contractual cash flows are measured at amortized cost.

***Subsequent measurement – Financial assets at amortized cost***

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the consolidated statements of loss.

***Subsequent measurement - Financial assets at FVPL***

Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in other income or expense in the consolidated statements of loss. The Company's shares of Orefinders are measured at FVPL.

***Subsequent measurement - Financial assets at FVOCI***

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company has no assets measured at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the statements of comprehensive loss. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

***Derecognition***

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

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**3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)**

*Impairment of financial assets*

The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities

*Initial recognition and measurement*

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities and due to related party, which are each measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

*Subsequent measurement - financial liabilities at amortized cost*

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the consolidated statements of loss.

*Derecognition*

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the consolidated statements of loss.

***Financial instruments fair value hierarchy***

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the assets or liabilities that are not based on observable market data.

***Income tax***

Income tax expense is comprised of both current and deferred income taxes. Income tax expense is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)**

Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

***Asset retirement obligations (“ARO”)***

The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground / environment is disturbed at the production location. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related mining assets to the extent that it was incurred prior to the production of related ore.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in loss as a finance cost. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in loss. The Company does not currently have any such significant legal or constructive obligations and therefore, no rehabilitation provision has been recorded as at December 31, 2020 and 2019.

***Share-based payments***

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments issued at the grant date. The corresponding amount is recorded to the share-based payment reserve. The fair value of options is determined using a Black-Scholes pricing model which incorporates market and vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

**4. FUTURE ACCOUNTING PRONOUNCEMENTS**

At the date of authorization of these consolidated financial statements, the IASB has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting period. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

**5. INVESTMENTS**

	<b>No. of Shares</b>	<b>2020</b>	<b>2019</b>
Cost of investments in publicly listed company:	<b>5,000,000</b>	<b>\$ 600,000</b>	<b>\$ -</b>
Provision for unrealized gains included in accumulated other comprehensive loss		<b>125,000</b>	<b>-</b>
		<b>\$ 725,000</b>	<b>\$ -</b>

See Note 11

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

**6. SETTLEMENT AGREEMENT**

On July 8, 2020, the Company entered into a share exchange agreement and issued 6,349,398 common shares of the Company in exchange for 5,000,000 common shares of Orefinders Resources Inc. (“Orefinders”). The value of the shares issued and received was estimated to be \$600,000 based on the quoted market price of the Orefinders shares acquired at the transaction date. The Company and Orefinders have certain directors and officers in common. Certain shareholders of the Company (the “Original Shareholders”) agreed to transfer all of their 15,000,000 common shares of the Company to the treasury for cancellation. Standard Ore Corporation (“Standard Ore”) assigned the property option agreement on the Golden Trend property to the Company (see Note 7) in return for the issuance of 15,000,000 new shares of the Company. The valuation of the 15,000,000 shares issued was estimated at \$1,417,457 based on the estimated fair value of the shares of the Company using the price per share from the above share exchange with Orefinders. This amount was recorded in exploration and evaluation expenses in 2020. The Company and Standard Ore have a director in common. In addition, the Company agreed to transfer all of its shares in Kraip to the Original Shareholders of the Company in return for a 3% NSR on Kraip’s Kuta Ridge Property as detailed in Note 7 which was estimated to have a nominal value.

**7. EXPLORATION AND EVALUATION EXPENSES**

The following are details of the Company’s exploration and evaluation expenses:

	2020	2019	Accumulated From Property Inception
Kuta Ridge, Papua New Guinea	\$ 11,561	\$ 142,980	\$ 154,541
Golden Trend, Nevada, USA	1,451,734	-	1,451,734
	<b>\$ 1,463,295</b>	<b>\$ 142,980</b>	<b>\$ 1,606,275</b>

**Kuta Ridge, Papua New Guinea**

The Company held a 100% interest in the Kuta Ridge Property until its sale of Kraip in July 2020. The Company retained a 3% NSR on Kraip’s Kuta Ridge Property in Papua New Guinea. Kraip has the right to purchase 2/3 of the NSR at any time before the start of commercial production for \$500,000 for every 0.5% component thereof, leaving the Company with a minimum 1% NSR.

**Golden Trend, Nevada**

The Company has entered into a twelve-month exclusive agreement that provides the option to enter a mining lease and also with an option to purchase 111 unpatented mining claims on the Golden Trend Property in Eureka County, Nevada. If the Company enters into the mining lease agreement, the initial term is ten years and the advanced minimum royalty payments (AMR) are (a) US\$50,000 (\$63,650) on the effective date (b) US\$15,000 (\$19,095) six months thereafter (c) US\$15,000 (\$19,095) on the first anniversary of the effective date (d) US\$15,000 (\$19,095) six months thereafter (e) US\$15,000 (\$19,095) on the second anniversary of the effective date (f) US\$15,000 (\$19,095) six months thereafter. On the third anniversary of the effective date and every six months remaining under the term of the agreement, the AMR payments shall be increased to US\$17,000 (\$21,641). During the lease term, the Company has the right to purchase the property subject to a 3% Net Smelter Royalty at a cost of US\$2,000,000 (\$2,546,000) and the issue of 2,000,000 common shares of the Company. After purchase of the property, the advanced minimum royalty payments shall be US\$10,000 (\$12,730) every six months. The December 31, 2020 US exchange rate was used to approximate the Canadian values. At December 31, 2020, the Company has not exercised its option to enter into the lease.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

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**8. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns to shareholders and benefits to other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or return capital to shareholders.

There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended December 31, 2020 and 2019. The Company is not subject to externally imposed capital restrictions.

**9. FINANCIAL RISK MANAGEMENT**

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

***Fair value of financial instruments***

The fair value of financial instruments approximates their carrying value due to the short-term maturity of these instruments. As at December 31, 2020, the Company's investment was carried at fair value. It was classified at Level 1 in the fair value hierarchy. The Company had no financial instruments to classify in the fair value hierarchy at December 31, 2019.

***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts. Cash is held with major banks in Canada. Management assesses credit risk of cash as remote.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. In the long-term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long-term objectives.

***Currency and interest rate risk***

The Company is exposed to foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar. The currencies giving rise to this risk are the US dollar and PNG kina.

***Market price risk***

The Company was exposed to market risk relating to its investment and unfavourable market conditions could result in dispositions of its investment at less than favourable prices. The Company's investment is comprised of a publicly-traded corporation. The Company's investment is subject to fair value fluctuations. As at December 31, 2020, if the fair value of the investments fluctuated by 10% all other factors held constant, consolidated net loss would change by approximately \$72,500 (2019 - \$Nil).

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

**9. FINANCIAL RISK MANAGEMENT (cont'd)*****Classification of financial instruments***

Financial assets included in the statement of financial position are as follows:

	2020	2019
Financial assets at amortized cost:		
Cash	\$ 136,237	\$ 114,812
GST/HST Receivable	4,405	6,937
Financial assets at FVPL:		
Investment in common shares of Orefinders	725,000	-
	<u>\$ 865,642</u>	<u>\$ 121,749</u>

Financial liabilities included in the statement of financial position are as follows:

	2020	2019
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	\$ 18,560	\$ 31,214
Due to related party	-	8,829
Share subscription liability	25,000	-
	<u>\$ 43,560</u>	<u>\$ 40,043</u>

**10. SHARE CAPITAL*****Authorized share capital***

Unlimited number of voting common shares without par value.

***Issued share capital***

- (a) On June 1, 2019, the Company completed a non-brokered private placement of 6,000,000 common shares at a price of \$0.05 per common share to raise proceeds of \$300,000.
- (b) On July 8, 2020, the Company issued 6,349,398 common shares to acquire 5,000,000 common shares of Orefinders at a valuation of \$600,000. The valuation was determined using the quoted market price of the common shares of Orefinders at the transaction date.
- (c) On July 8, 2020, the Original Shareholders transferred 15,000,000 common shares of the Company back to the treasury for cancellation.
- (d) Standard Ore Corporation assigned the property option agreement on the Golden Trend property to the Company (see Note 7) in return for the issuance of 15,000,000 common shares of the Company with an estimated value of \$1,417,457. The valuation was estimated based on the estimated fair value of the shares of the Company using the price per share from the above share exchange with Orefinders.
- (e) On September 16, 2020, the Company completed a non-brokered private placement of 1,100,000 common shares at a price of \$0.10 per common share to raise proceeds of \$110,000. In connection with the private placement, the Company incurred finder's fees of \$1,200.

***Shares to be issued***

At December 31, 2020, the Company received \$25,000 in advance of an upcoming private placement which is expected to close subsequent to year end. This amount has been presented as a share subscription liability in the consolidated statement of financial position as at December 31, 2020.

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
 For the years ended December 31, 2020 and 2019  
 (Expressed in Canadian dollars)

**11. RELATED PARTY TRANSACTIONS**

As at December 31, 2020, the Company held 5,000,000 common shares of Orefinders Resources Inc. at a fair value of \$725,000 based on the quoted market price of the Orefinders' shares at December 31, 2020. The Company has directors in common with Orefinders. At December 31, 2020, accounts payable includes \$Nil (2019 - \$3,125) owing to Orefinders for costs incurred by Orefinders on behalf of the Company.

In the private placement referred to in Note 10(a), 1,100,000 common shares were subscribed for by officers and directors of the Company. In the private placement referred to in Note 10(c), 100,000 common shares were subscribed for by officers and directors of the Company.

The December 31, 2020 due to related party is payable to a director in the amount of \$Nil (2019 - \$8,829). It is interest-free and payable on demand. At December 31, 2020, accounts payable and accrued liabilities includes \$Nil (2019 - \$18,632) owing to a director for consulting fees and expenses. It is interest free and payable on demand.

See Note 6.

***Key management personnel compensation***

Key management includes directors and officers. The remuneration of the key management of the Company during the year ended December 31, 2020 consisted of exploration and evaluation expenses of \$3,425 (2019 - \$ 46,440).

**12. INCOME TAXES**

## a) Provision for Income Taxes

Major items causing the Company's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5% (2019 – 26.5%) were as follows:

	<b>2020</b>	<b>2019</b>
(Loss) before income taxes	\$(1,377,131)	\$(207,520)
Expected income tax recovery based on statutory rate	(365,000)	(55,000)
Adjustment to expected income tax benefit:		
Expenses not deductible for tax purposes	357,000	-
Unrealized gain on investment	(16,000)	-
Change in Benefit of tax assets not recognized	24,000	55,000
Income tax provision (recovery)	\$ -	\$ -

## b) Deferred Income Tax

	<b>2020</b>	<b>2019</b>
Recognized deferred tax assets and liabilities		
Non-capital loss carry-forwards	\$17,000	\$ -
Investment	(17,000)	-
Deferred income tax liability	\$ -	\$ -

**American Eagle Gold Corp. (previously named Pacific Precious Inc.)**

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2020 and 2019  
(Expressed in Canadian dollars)

**12. INCOME TAXES (cont'd)**

	2020	2019
Unrecognized Deferred Tax Assets		
Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:		
Non-capital loss carry-forwards	\$86,000	\$78,000
Exploration and evaluation property	31,000	-
Capital losses	54,000	-
Share issue costs	1,000	-
<b>Total</b>	<b>\$172,000</b>	<b>\$78,000</b>

The tax benefits have not been recorded in the consolidated financial statements because it is not probable that future taxable profit will be available against which the Company can use the benefits.

The Company had unused non-capital loss carry forwards which expire as follows:

2028	\$ 9,000
2029	68,000
2030	72,000
<b>Total unused non-capital losses</b>	<b>\$ 149,000</b>

**13 COMMITMENTS AND CONTINGENCIES**

- a) The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- b) In March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be reasonably estimated at this time. The Company is monitoring developments and will adapt its business plans accordingly. The actual and threatened spread of COVID-19 globally could adversely impact the Company's operations and ability to raise capital.

**14. EVENTS SUBSEQUENT TO YEAR END**

Through January 19, 2021, the Company has received \$302,787 in cash in connection with an upcoming private placement. The terms of the private placement are \$0.20 per unit with each unit consisting of one common share of the Company and one-half of one common share purchase warrant exercisable for 2 years at \$0.30.

D-1

**APPENDIX "D"**

**INTERIM ORDER**

See Attached



S-212001

No. \_\_\_\_\_  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING  
OREFINDERS RESOURCES INC.

OREFINDERS RESOURCES INC.

PETITIONER

**ORDER MADE AFTER APPLICATION  
(INTERIM ORDER)**

) THE HONOURABLE JUSTICE

BEFORE

)  
) OF MASTER CAMERON )  
) MARCH 8 / 2021 )

ON THE APPLICATION of the Petitioner, Orefinders Resources Inc. ("**Orefinders**") for an Interim Order under section 291 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the "**BCBCA**") in connection with an arrangement involving Orefinders, its securityholders and American Eagle Gold Corp. ("**American Eagle**") under section 288 of the BCBCA.

without notice coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on 8/March/2021 and on hearing Joseph Ensom, counsel for the Petitioners and upon reading the Affidavit No. 1 of Stephen Stewart sworn on March 4, 2021 (the "**Stewart Affidavit**");

THIS COURT ORDERS that:

**DEFINITIONS**

1. As used in this Order, unless otherwise defined, terms beginning with capital letters shall have the respective meanings set out in the Notice of Meeting and Information Circular of Orefinders (the "**Circular**"), attached as Exhibit "A" to the Stewart Affidavit.

## SPECIAL MEETING

2. The Petitioner, Orefinders, be permitted to convene, hold and conduct an annual general and special meeting (the "**Meeting**") of the holders (the "**Orefinders Shareholders**") of common shares of Orefinders (the "**Orefinders Shares**") to *inter alia*:
  - (a) consider and, if deemed advisable, pass with or without variation, a special resolution (the "**Arrangement Resolution**") authorizing, approving and adopting, with or without amendment, an arrangement (the "**Arrangement**") and the plan of arrangement implementing the Arrangement (the "**Plan of Arrangement**") substantially in the form included as Appendix "F" to the Circular, involving Orefinders, the securityholders of Orefinders and American Eagle; and
  - (b) transact such other business as may properly come before the Meeting or any adjournment thereof.
3. The Meeting shall be called, held and conducted on April 6, 2021, or such other date as may result from postponement or adjournment in accordance with paragraph 6 of this Interim Order, in accordance with the provisions of the BCBCA, the notice of articles and articles of Orefinders and applicable securities laws, and subject to the terms of this Interim Order and any further Order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating or governing or collateral to the Orefinders Shares or to which such shares are collateral, or the articles of Orefinders, this Interim Order shall govern.
4. The shareholders of American Eagle be authorized to approve the Arrangement by a written resolution and such written resolution shall be deemed to be a meeting convened in accordance with an order of the Court under section 291(2)(b) of the BCBCA.

## AMENDMENTS

5. The Petitioners are authorized to make, in the manner contemplated by and subject to the Arrangement Agreement and Plan of Arrangement, as applicable, such amendments, revisions or supplements to the Arrangement Agreement, Arrangement, Plan of Arrangement, notice of annual general and special meeting for the Meeting or the Circular as it may determine without any additional notice to Orefinders Shareholders or any further Order of this Court. The Arrangement Agreement, Arrangement and Plan of Arrangement

as so amended, revised or supplemented shall be the Arrangement Agreement, Arrangement and Plan of Arrangement that are the subject of the Arrangement Resolution.

#### ADJOURNMENTS AND POSTPONEMENTS

6. Notwithstanding the provisions of the BCBCA and the articles of Orefinders, the board of directors of Orefinders by resolution shall be entitled to adjourn or postpone the Meeting on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Orefinders Shareholders regarding the adjournment or postponement and without the need for approval of the Court, subject to the terms of the Arrangement Agreement. Notice of any such adjournment shall be given by press release, newspaper advertisement, or by notice sent to the Orefinders Shareholders by one of the methods specified in paragraph 8 of this Interim Order, as determined to be the most appropriate method of communication by the Board of Directors of Orefinders.

#### RECORD DATE

7. The record date (the "**Record Date**") for determining Orefinders Shareholders entitled to receive notice of and attend at the Meeting is the close of business on March 6, 2021 or such other date as the board of directors of Orefinders may determine and as disclosed to the Orefinders Shareholders in the manner they see fit.

#### NOTICE OF THE MEETING

8. The following:
  - (a) notice of annual general and special meeting for the Meeting;
  - (b) the Circular;
  - (c) the Plan of Arrangement;
  - (d) Notice of Petition; and
  - (e) the form of proxy or voting instruction form for use by the Orefinders Shareholders

(collectively, the "**Meeting Materials**"), in substantially the same form contained as Exhibits to the Stewart Affidavit, with such amendments and inclusions thereto as the directors of Orefinders and counsel for the Petitioners may deem necessary or desirable, provided that such

amendments and inclusions are not inconsistent with the terms of this Interim Order, and this Interim Order (collectively with the Meeting Materials, the "Mailed Materials") shall be sent to:

- (I) the Orefinders Shareholders as they appear on the securities registers of Orefinders on the Record Date, such Mailed Materials to be sent at least twenty-one (21) days prior to the date of the Meeting, by one of the following methods:
  - (i) by prepaid ordinary or air-mail addressed to the Orefinders Shareholder at his, her, or its address as it appears on the applicable securities registers of Orefinders as at the Record Date;
  - (ii) by delivery in person or by delivery to the addresses specified in paragraph (i) above; or
  - (iii) by email or facsimile transmission to any Orefinders Shareholder who identifies himself, herself or itself to the satisfaction of Orefinders, acting through its representatives, who requests such email or facsimile transmission;
- (II) the directors and auditors of Orefinders by mailing the Mailed Materials by prepaid ordinary mail, or by email or facsimile transmission, to such persons at least twenty-one (21) days prior to the date of the Meeting; and
- (III) in the case of non-registered holders of common shares of Orefinders, by sending copies of the Mailed Materials to intermediaries and registered nominees to facilitate the distribution of the Mailed Materials to beneficial owners in accordance with National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators at least three (3) business days prior to the twenty-first (21st) day prior to the date of the Meeting;

and that service of the Notice of Petition as herein described, shall constitute good and sufficient service of such Notice of Petition upon all who may wish to appear in these proceedings, and no other service need be made.

- 9. Delivery of the Mailed Materials as ordered herein shall constitute compliance with the requirements of section 290(1)(a) of the BCBCA.
- 10. The Circular (including the Notice of Petition and this Interim Order) with such amendments or additional documents as counsel for Orefinders may

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advise are necessary or desirable, and as are not inconsistent with the terms of this Interim Order, shall be sent to the holders of Orefinders options (the "Orefinders Optionholders") and holders of Orefinders warrants (the "Orefinders Warrantholders", together with the Orefinders Shareholders and the Orefinders Optionholders, the "Orefinders Securityholders") as at the Record Date by any method permitted for service to the Registered Orefinders Shareholders not later than twenty-one (21) days before the Meeting and such mailing, delivery and distribution shall constitute good and sufficient notice of the Final Application (as defined below) and of the hearing in respect of the Final Application upon such persons.

11. The accidental failure or omission to give notice of the Meeting or Notice of Petition to, or the non-receipt of such notices by, or any failure or omission to give such notice as a result of events beyond the reasonable control of Orefinders (including, without limitation, any inability to use postal services) to any one or more of the persons specified herein shall not constitute a breach of this Interim Order, or in relation to notice to the Orefinders Shareholders, a defect in the calling of the Meeting, and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Orefinders then it shall use reasonable best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.
12. Orefinders be at liberty to give notice of this application to persons outside the jurisdiction of this Court in the manner specified herein.

#### DEEMED RECEIPT OF NOTICE

13. The Meeting Materials shall be deemed, for the purposes of this Interim Order, to have been received:
  - (a) in the case of mailing, the day, Saturdays and holidays excepted, following the date of mailing;
  - (b) in the case of delivery in person, upon receipt thereof at the intended recipient's address or, in the case of delivery by courier, one (1) business day after receipt by the courier;
  - (c) in the case of transmission by email or facsimile, upon the transmission thereof;
  - (d) in the case of advertisement, at the time of publication of the advertisement;

- (e) in the case of electronic filing on SEDAR, upon the transmission thereof; and
  - (f) in the case of beneficial Orefinders Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.
14. Accidental failure of or omission by Orefinders to give notice to any one or more Orefinders Securityholder or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Orefinders (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or, in relation to notice to Orefinders Shareholders, a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Orefinders, then it shall use reasonable best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

#### UPDATING MEETING MATERIALS

15. Notice of any amendments, updates or supplement to any of the information provided in the Meeting Materials may be communicated to the securityholders of Orefinders by press release, news release, newspaper advertisement or by notice sent to the securityholders by any of the means set forth in paragraph 7 herein, as determined to be the most appropriate method of communication by the Board of Directors of Orefinders.

#### CONDUCT OF THE MEETING

16. The Chair of the Meeting shall be an officer or director of Orefinders or such other person as may be appointed by the Orefinders Shareholders for that purpose.
17. The Chair of the Meeting is at liberty to call on the assistance of legal counsel to Orefinders at any time and from time to time, as the Chair of the Meeting may deem necessary or appropriate, during the Meeting, and such legal counsel is entitled to attend the Meeting for this purpose.
18. The only persons entitled to attend or speak at the Meeting shall be the Orefinders Shareholders, their proxyholders, the auditors of Orefinders, the officers and directors of Orefinders, employees and agents of Orefinders' transfer agent, the professional and legal advisors to Orefinders, and such other persons with the permission of the Chair of the Meeting.
19. The Meeting may be adjourned for any reason upon the approval of the Chair of the Meeting, and if the Meeting is adjourned, it shall be reconvened at a

place and time to be designated by the Chair of the Meeting to a date which is not more than 30 days thereafter except for the reason of a lack of quorum.

#### QUORUM AND VOTING

20. The quorum required at the Meeting shall be the quorum required by the articles of Orefinders.
21. If no quorum of Orefinders Shareholders is present within one-half hour from the time set for the holding of the Meeting, the Meeting shall stand adjourned to the same day in the next week at the same time and place and, if such day is a non-business day, the next business day following such day at the same time and place, and if at such adjourned meeting a quorum is not present within one-half hour from the time set for the holding of the Meeting, the Orefinders Shareholders present, or represented by proxy, and being one or more Orefinders Shareholders entitled to vote at the Meeting, shall constitute a quorum.
22. Each Orefinders Shareholder shall be entitled to one vote for each Orefinders Share held by such Orefinders Shareholder.
23. The vote of Orefinders Shareholders required to adopt the Arrangement Resolution at the Meeting shall be the affirmative vote of not less than 66 $\frac{2}{3}$ % of the votes cast by Orefinders Shareholders who vote in person or by proxy at the Meeting.
24. The only persons entitled to vote at the Meeting or any adjournment(s) thereof either in person or by proxy shall be the registered holders of the Orefinders Shares as at the close of business on March 6, 2021 (and under applicable securities legislation and policies, the beneficial owners of the Orefinders Shares registered in the name of intermediaries). Such persons and the directors and auditors of Orefinders shall also be entitled to notice of the Meeting.

#### SCRUTINEERS

25. A representative of Orefinders' registrar and transfer agent (or any agent thereof) is authorized to act as a scrutineer for the Meeting.

#### SOLICITATION OF PROXIES

26. Orefinders is authorized to use the form of proxy and voting instruction form in connection with the Meeting, in substantially the same form contained in Exhibit "B" to the Stewart Affidavit and Orefinders may in its discretion waive generally the time limits for deposit of proxies by Orefinders

Shareholders if Orefinders deems it reasonable to do so. Orefinders is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine.

27. The procedure for the use of proxies at the Meeting shall be as set out in the Meeting Materials.

#### DISSENT RIGHTS

28. Each Orefinders Shareholder be accorded the rights of dissent with respect to the Arrangement Resolution approving the Arrangement, as set out in Division 2 of Part 8 of the BCBCA, as modified by Article 4 of the Plan of Arrangement, this Interim Order and the Final Order.

#### APPLICATION FOR THE FINAL ORDER

29. Unless the directors of Orefinders by resolution determine to abandon the Arrangement, upon the approval, with or without variation by the Orefinders Shareholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Orefinders may apply to this Court for an order (being the Final Order):
  - (a) pursuant to section 291(4)(c) of the BCBCA, declaring that the Arrangement, including the terms and conditions thereof and the issuances, exchanges and/or adjustments of securities contemplated therein, is fair and reasonable to the Orefinders Securityholders; and
  - (b) pursuant to section 291(4)(a) of the BCBCA, approving the Arrangement, including the terms and conditions thereof and the issuances, exchanges and/or adjustments of securities contemplated therein,

and that the application for the Final Order (the "**Final Application**") be set down for hearing before the presiding Master or Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, on April 8, 2021 at 9:45 a.m., or as soon thereafter as the Court may direct or counsel for Orefinders may be heard, and that Orefinders be at liberty to proceed with the Final Application on that date.

30. Any Orefinders Securityholder, any director or auditor of Orefinders, or any other interested party with leave of the Court desiring to support or oppose the application may appear and make submissions at the Final Application provided that such person must:

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- (a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Final Application; and
- (b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Final Application, to the Petitioners' counsel at:

Harris & Company LLP  
14th Floor, Bentall 5 550 Burrard Street  
Vancouver, BC V6C 2B5


Attention: Joseph Ensom

by or before 4:00 p.m. (Vancouver time) on April 6, 2021.

- 31. The only persons entitled to notice of any further proceedings herein, including any hearing to sanction and approve the Arrangement, and to appear and be heard thereon, shall be the solicitors for Orefinders and persons who have filed and delivered a Response to Petition in accordance with this Interim Order.
- 32. Subject to other provisions in this Interim Order, no material other than that contained in the Circular need be served on any persons in respect of these proceedings.
- 33. If the Final Application is adjourned, only those persons who have filed and delivered a Response to Petition in accordance with this Order need to be served and provided with notice of the adjourned date.
- 34. Orefinders shall be entitled, at any time, to apply to vary this Order.
- 35. Rules 8-1 and 16-1(8) - (12) will not apply to any further applications in respect of this proceeding, including the Final Application and any application to vary this Interim Order.

36. Orefinders and the Orefinders Securityholders, directors and auditors shall, and hereby do, have liberty to apply for such further orders as may be appropriate.

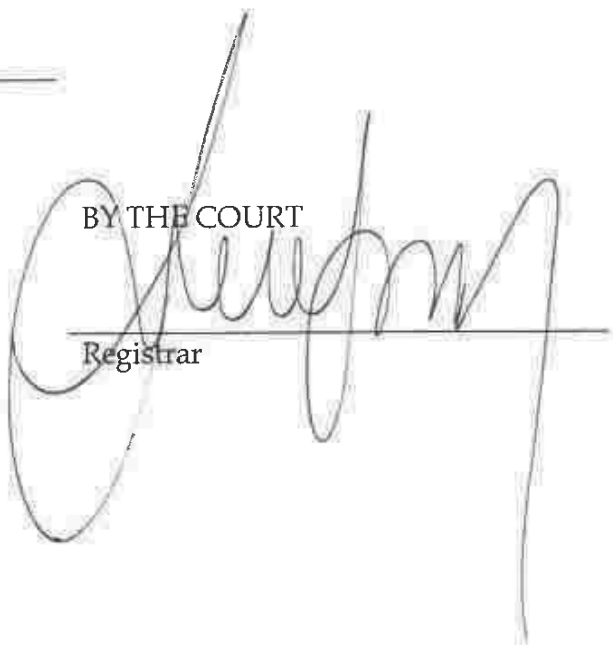
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



---

Signature of Lawyer for the Petitioner,  
Orefinders Resources Inc.  
Joseph Ensom

BY THE COURT



---

Registrar

No.  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF SECTION 288 OF THE BRITISH  
COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002,  
C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT  
INVOLVING  
OREFINDERS RESOURCES INC.  
OREFINDERS RESOURCES INC.

PETITIONER

---

**Order Made After Application  
(Interim Order)**

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JE/009470.001



**HARRIS & COMPANY LLP**

14th floor • 550 Burrard Street  
Vancouver BC • V6C 2B5  
Tel 604 684 6633

Attention: Joseph Ensom

E-1

**APPENDIX "E"**

**NOTICE OF PETITION**

See Attached

IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN THE MATTER OF SECTION 291 OF THE BRITISH COLUMBIA *BUSINESS  
CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING  
OREFINDERS RESOURCES INC.

OREFINDERS RESOURCES INC.

PETITIONER

**NOTICE OF PETITION**

TO: The holders of Orefinders Resources Inc. ("**Orefinders**") common shares (the "**Orefinders Shareholders**") and holders of warrants and options of Orefinders (collectively with the Orefinders Shareholders, the "**Orefinders Securityholders**")

NOTICE IS HEREBY GIVEN that a Petition to the Court has been filed by Orefinders in the Supreme Court of British Columbia for approval, pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002 c. 57 and amendments thereto (the "**BCBCA**"), of an arrangement contemplated in an Arrangement Agreement dated January 27, 2021, involving Orefinders, its securityholders and American Eagle Gold Corp. (the "**Arrangement**").

NOTICE IS FURTHER GIVEN that by Order of Master Cameron, a master of the Supreme Court of British Columbia, dated March 8, 2021, the Court has given directions by means of an interim order (the "**Interim Order**") as to the calling of a meeting (the "**Meeting**") of the registered Orefinders Shareholders for the purpose of, among other things, considering and voting upon the special resolution to approve the Arrangement.

NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the Meeting, the Petitioner intends to apply to the Supreme Court of British Columbia for a final order (the "**Final Order**") approving the Arrangement, declaring it to be fair and reasonable to the Orefinders Securityholders, which application will be heard at the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia on April 8, 2021 at 9:45 a.m. (Vancouver time) or as soon thereafter as the Court may direct or counsel for Orefinders may be heard.

NOTICE IS FURTHER GIVEN that the Court has been advised that, if granted, the Final Order approving the Arrangement and the declaration that the Arrangement

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is fair to the Orefinders Securityholders will constitute the basis for an exemption from the registration requirements under the *United States Securities Act of 1933*, pursuant to section 3(a)(10) thereof, upon which the parties will rely for the issuance and exchange of securities in connection with the Arrangement.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE APPLICATION FOR THE FINAL ORDER OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled "Response to Petition" together with any evidence or materials which you intend to present to the Court at the Vancouver Registry of the Supreme Court of British Columbia and YOU MUST ALSO DELIVER a copy of the Response to Petition and any other evidence or materials to the Petitioner's address for delivery, which is set out below, on or before 4:00 p.m. (Vancouver time) on April 6, 2021.

YOU OR YOUR SOLICITOR may file the Response to Petition. You may obtain a form of Response to Petition at the Registry. The address of the Registry is 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

IF YOU DO NOT FILE A RESPONSE TO PETITION AND ATTEND EITHER IN PERSON OR BY COUNSEL at the time of the hearing of the application for the Final Order, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will affect the rights of the Orefinders Securityholders.

A copy of the Petition to the Court and the other documents that were filed in support of the Interim Order and will be filed in support of the Final Order will be furnished to any Orefinders Securityholder upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out below.

The Petitioner's address for delivery is:

Harris & Company LLP 14th Floor,  
Bentall 5 550 Burrard Street  
Vancouver, BC, V6C 2B5  
Attention: Joe Ensom

DATED this 9th day of March, 2021.



---

Solicitor for the Petitioner  
Joseph Ensom

F-1

**APPENDIX "F"**

**PLAN OF ARRANGEMENT**

See Attached

EXHIBIT 1

PLAN OF ARRANGEMENT

PURSUANT TO THE ARRANGEMENT AGREEMENT DATED AS OF  
JANUARY 27, 2021 BETWEEN OREFINDERS RESOURCES INC. AND AMERICAN EAGLE GOLD CORP.

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

ARTICLE 1 - INTERPRETATION

**1.01 Definitions**

In this Plan of Arrangement, unless something in the subject matter or context is inconsistent therewith:

"**Act**" means *Business Corporations Act*, S.B.C. 2004, c. 57, as amended;

"**AEG**" means American Eagle Gold Corp., a company existing under the laws of Canada;

"**AEG Shares**" means the common shares without par value of AEG;

"**Arrangement Agreement**" means the Arrangement Agreement to which this Exhibit I is attached, including the Exhibits thereto as the same may be supplemented or amended from time to time;

"**Arrangement**" means an arrangement under the provisions of Section 288 of the Act, on the terms and conditions set forth in this Plan of Arrangement;

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

"**Depository**" means Computershare Trust Company of Canada, located at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9;

"**Dissenting Shareholder**" means a Shareholder who has duly complied with the procedures set out in Article 4 and is ultimately entitled to be paid for their dissenting shares;

"**Effective Date**" means the effective date set forth on the final notice of alteration of Orefinders that is filed with the British Columbia Registrar of Companies in connection with the Arrangement;

"**Effective Time**" means 12:01 a.m. on the Effective Date, unless otherwise set forth on the final notice of alteration of Orefinders that is filed with the British Columbia Registrar of Companies in connection with the amendments to the authorized share structure of Orefinders under Section 3.01;

"**Final Order**" means the final order of the Court approving the Arrangement;

"**Information Circular**" means the information circular to be sent to Shareholders in connection with the Meeting;

"**Interim Order**" means the order of the Court pursuant to the application therefor contemplated by Section 2.3 of the Arrangement Agreement;

"**Meeting**" means the annual general and special meeting of Shareholders to be held at 10:00 a.m. (Eastern Time) on March 12, 2021 and any adjournment or postponement thereof;

"**New Orefinders Shares**" has the meaning assigned thereto in Section 3.01(b);

"**New Orefinders Stock Option**" has the meaning assigned thereto in Section 3.01(e);

"**Old Orefinders Shares**" means the Orefinders Shares, after being altered by changing their identifying name to "Class A" common shares pursuant to Section 3.01(b);

"**Orefinders Shares**" means the common shares without par value of Orefinders;

"**Orefinders Stock Options**" means the stock options of Orefinders for the purchase of Orefinders Shares issued under Orefinders's stock option plan;

"**Orefinders Warrant Certificates**" means the certificates representing the Orefinders Warrants;

"**Orefinders Warrants**" means the issued and outstanding share purchase warrants of Orefinders for the purchase of Orefinders Shares;

"**Orefinders**" means Orefinders Resources Inc., a company existing under the laws of the Province of British Columbia;

"**Plan of Arrangement**" means this plan of arrangement and any amendment or variation hereto made in accordance with Section 6.1 of the Arrangement Agreement;

"**Shareholder**" or "**holder of shares**" means a registered or beneficial holder of Orefinders Shares;

"**Tax Act**" means the *Income Tax Act* (Canada); and

"**U.S. Tax Code**" means the U.S. Internal Revenue Code of 1986, as amended;

### **1.02 Headings**

The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof" and "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular Article or Section hereof and include any agreement or instrument supplemental therewith, references herein to Articles and Sections are to Articles and Sections of this Plan of Arrangement.

### **1.03 Number**

In this Plan of Arrangement, unless something in the context is inconsistent therewith, words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words importing shareholders shall include members.

## **ARTICLE 2 – GOVERNING AGREEMENT**

### **2.01 Arrangement Agreement**

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

### ARTICLE 3 – ARRANGEMENT

#### 3.01 *The Arrangement*

On the Effective Date, the following shall occur and be deemed to occur in the following order without any further act or formality:

- (a) each issued Orefinders Share held by a Dissenting Shareholder is acquired by Orefinders in consideration for Orefinders agreeing to pay the amount to be paid as determined in accordance with Article 4 of this Plan of Arrangement in respect of the dissenting shares;
- (b) the authorized capital of Orefinders is amended by:
  - (i) the alteration of the Orefinders Shares by changing their identifying name to “Class A” common shares (the “**Old Orefinders Shares**”); and
  - (ii) the creation of an unlimited number of common shares without par value (the “**New Orefinders Shares**”) having attached thereto the special rights and restrictions set out in Schedule A hereto,
 and the Notice of Articles and the Articles of Orefinders are amended accordingly;
- (c) each issued Orefinders Share held by a Shareholder (other than a Dissenting Shareholder) will be transferred to Orefinders in exchange for:
  - (i) one New Orefinders Share; and
  - (ii) such Shareholder's pro rata portion (excluding Dissenting Shareholders) of 5,000,000 of the AEG Shares held by Orefinders on the Effective Date;
- (d) the authorized capital of Orefinders will be amended by eliminating the Old Orefinders Shares from the authorized share structure of Orefinders and the Notice of Articles and Articles of Orefinders will be amended accordingly;
- (e) each Orefinders Stock Option outstanding immediately before the Effective Date will be exchanged for a stock option to be issued by Orefinders (a “**New Orefinders Stock Option**”) having the same terms and conditions as the Orefinders Stock Option for which it was exchanged, but being exercisable to acquire New Orefinders Shares; and
- (f) in accordance with the terms of the Orefinders Warrant Certificates, (A) each holder of an Orefinders Warrant outstanding immediately prior to the Effective Time shall receive (and such holder shall accept) upon the exercise of such holder's Orefinders Warrant, in lieu of each Orefinders Share to which such holder was theretofore entitled upon such exercise and for the same aggregate consideration payable therefor, the number of New Orefinders Shares and AEG Shares which the holder would have been entitled to receive as a result of the transactions contemplated by this Plan of Arrangement if, immediately prior to the Effective Time, such holder had been the registered holder of the number of Orefinders Shares to which such holder was theretofore entitled upon exercise of the Orefinders Warrants; and (B) such Orefinders Warrant shall continue to be governed by and be subject to the terms of the Orefinders Warrant Certificates.

The board of directors of Orefinders may, in its absolute discretion, determine whether or not to proceed with the Arrangement without further approval, ratification or confirmation by the Shareholders.

**ARTICLE 4 – RIGHTS OF DISSENT****4.01 *Rights of Dissent***

Holders of Orefinders Shares may exercise rights of dissent pursuant to and in the manner set forth in Sections 237 to 247 of the Act provided that the notice of dissent is given by 10:00 a.m. (Pacific Time) on the day which is two business days immediately preceding the date of the Meeting or the day otherwise ordered by the Court and this Section 4.01 in connection with the Arrangement, and holders who duly exercise such rights of dissent and who:

- (a) are ultimately to be paid fair value for their Orefinders Shares by Orefinders and shall be deemed to have had their Orefinders Shares transferred to Orefinders for such value on the Effective Date; or
- (b) are ultimately not entitled to be paid fair value for any reason for their Orefinders Shares shall be deemed to have participated in the Arrangement on the same basis as any non-dissenting holder of Orefinders Shares and shall receive New Orefinders Shares and AEG Shares on the basis determined in accordance with Section 3.01 hereof.

**ARTICLE 5 – CERTIFICATES AND DOCUMENTATION****5.01 *Entitlement to and Delivery of Certificates***

As soon as practicable after the Effective Date, the Depository will forward in accordance with Section 3.01 hereof, to each registered holder of record of Orefinders Shares who has not dissented to the Arrangement, a letter of transmittal containing instructions with respect to the deposit of certificates for Orefinders Shares with the Depository for use in exchanging their Orefinders Share certificates for certificates representing:

- (a) New Orefinders Shares; and
- (b) AEG Shares,

to which they are entitled under the Arrangement. Upon return of a properly completed letter of transmittal, together with certificates formerly representing Orefinders Shares and such other documents as the Depository may require, certificates for the appropriate number of New Orefinders Shares and AEG Shares will be distributed.

**5.02 *Fractional Securities***

No holder of Orefinders Shares shall receive fractional securities of Orefinders and AEG and no cash will be paid in lieu thereof. Any fractions resulting will be rounded to the nearest whole number, with fractions of one-half or greater being rounded to the next higher whole number and fractions of less than one-half being rounded to the next lower whole number.

**5.03 *Withholding Rights***

Orefinders, AEG and the Depository shall be entitled to deduct and withhold from the consideration or other amounts payable to any Shareholder such amounts as Orefinders, AEG or the Depository is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the U.S. Tax Code 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 Shareholder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

**5.04 Orefinders Warrants**

- (a) After the Effective Time, and in accordance with the terms of the Orefinders Warrant Certificates, each holder of an Orefinders Warrant shall receive upon the subsequent exercise of such holder's Orefinders Warrant, in accordance with its terms, and shall accept in lieu of each Orefinders Share to which such holder was theretofore entitled upon such exercise and for the same aggregate consideration payable therefor, the number of New Orefinders Shares and AEG Shares which the holder would have been entitled to receive as a result of the transactions contemplated by this Plan of Arrangement if, immediately prior to the Effective Time, such holder had been the registered holder of the number of Orefinders Shares to which such holder was theretofore entitled upon exercise of the Orefinders Warrant.
- (b) Orefinders hereby covenants and agrees that, following the Effective Time, on each exercise of an Orefinders Warrant the terms of which require New Orefinders Shares and AEG Shares to be issued, it will deliver to AEG a notice of exercise which shall specify the number of New Orefinders Shares and AEG Shares to be issued to the holder exercising such Orefinders Warrant and which shall include the full amount of the payment described in Section 5.04(c).
- (c) The exercise price received by Orefinders in respect of an Orefinders Warrant, the terms of which require New Orefinders Shares and AEG Shares to be issued, shall be allocated in the manner agreed to between Orefinders and AEG on the Effective Date. The portion of such exercise price allocated to AEG shall be received and held by Orefinders as agent of AEG for the purpose of delivering to AEG payment for the applicable AEG Shares to be issued on exercise of an Orefinders Warrant.
- (d) The terms and conditions applicable to the Orefinders Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Orefinders Warrants as they exist immediately before the Effective Time.

**ARTICLE 6 – AMENDMENT****6.01 Amendment**

This Plan of Arrangement may, at any time and from time to time before the Effective Date, be amended by written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of their respective shareholders. Without limiting the generality of the foregoing, any such amendment may:

- (a) change the time for performance of any of the obligations or acts of the parties hereto;
- (b) waive any inaccuracies or modify any representation contained herein or any document to be delivered pursuant hereto;
- (c) change non-material terms;
- (d) waive compliance with or modify any of the covenants herein contained or waive or modify performance of any of the obligations of the parties hereto; and
- (e) amend the terms of Section 3.01 hereof and the sequence of transactions described in the Plan of Arrangement provided that any amendment thereof in any material respect shall subject to any required approval of the Shareholders, given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

**SCHEDULE A**  
**SPECIAL RIGHTS AND RESTRICTIONS ATTACHED TO NEW OREFINDERS SHARES**

**27 SPECIAL RIGHTS AND RESTRICTIONS ATTACHED TO COMMON SHARES**

The Common shares without par value (the "**Common Shares**") shall have attached to them the special rights and restrictions set out in this Article 27:

**27.1 Voting**

Each holder of Common Shares shall have the right to one vote per share at any meeting of the shareholders of the Company except meetings at which only holders of a specified class of shares are entitled to vote.

**27.2 Dividend Rights on Common Shares**

Each holder of Common Shares shall be entitled to receive dividends as and when declared by the Company. Dividends may be declared and paid on the Common Shares to the exclusion of the declaration or payment of dividends on any other class of shares.

**27.3 Liquidation, Dissolution or Winding Up**

In the event of the liquidation, dissolution or winding up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Common Shares shall have the right to receive the remaining property of the Corporation on dissolution, liquidation, winding up or other distribution of its assets or property among its shareholders for the purpose of winding up its affairs on a pro rata basis with all issued Common Shares.

**APPENDIX "G"**

**DISSENT PROVISIONS**

**SECTIONS 237 TO 247 OF  
THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)**

**Definitions and application**

**237** (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or
- (d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

- (a) the court orders otherwise, or
- (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

**Right to dissent**

**238** (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles
  - (i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

- (ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;
  - (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
  - (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
  - (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
  - (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
  - (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
  - (g) in respect of any other resolution, if dissent is authorized by the resolution;
  - (h) in respect of any court order that permits dissent.
- (2) A shareholder wishing to dissent must
- (a) prepare a separate notice of dissent under section 242 for
    - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
    - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
  - (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
  - (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.
- (3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must
- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
  - (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

**Waiver of right to dissent**

**239** (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must
- (a) provide to the company a separate waiver for

- (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
  - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
- (b) identify in each waiver the person on whose behalf the waiver is made.
- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
- (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
  - (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.
- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

#### Notice of resolution

**240** (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

- (a) a copy of the proposed resolution, and
  - (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.
- (2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
  - (b) a statement advising of the right to send a notice of dissent.
- (3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

- (a) a copy of the resolution,
  - (b) a statement advising of the right to send a notice of dissent, and
  - (c) if the resolution has passed, notification of that fact and the date on which it was passed.
- (4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

**Notice of court orders**

**241** If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

- (a) a copy of the entered order, and
- (b) a statement advising of the right to send a notice of dissent.

**Notice of dissent**

**242** (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
  - (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
  - (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
    - (i) the date on which the shareholder learns that the resolution was passed, and
    - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.
- (2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company
- (a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
  - (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.
- (3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company
- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
  - (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

- (4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:
- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
  - (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
    - (i) the names of the registered owners of those other shares,
    - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
    - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
  - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
    - (i) the name and address of the beneficial owner, and
    - (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

**Notice of intention to proceed**

- 243** (1) A company that receives a notice of dissent under section 242 from a dissenter must,
- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
    - (i) the date on which the company forms the intention to proceed, and
    - (ii) the date on which the notice of dissent was received, or
  - (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.
- (2) A notice sent under subsection (1) (a) or (b) of this section must
- (a) be dated not earlier than the date on which the notice is sent,
  - (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
  - (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

### Completion of dissent

**244** (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
  - (b) the certificates, if any, representing the notice shares, and
  - (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.
- (2) The written statement referred to in subsection (1) (c) must
- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
  - (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
    - (i) the names of the registered owners of those other shares,
    - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
    - (iii) that dissent is being exercised in respect of all of those other shares.
- (3) After the dissenter has complied with subsection (1),
- (a) the dissenter is deemed to have sold to the company the notice shares, and
  - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.
- (4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.
- (5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.
- (6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

### Payment for notice shares

**245** (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

- (a) promptly pay that amount to the dissenter, or
  - (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may
- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
  - (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
  - (c) make consequential orders and give directions it considers appropriate.
- (3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must
- (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
  - (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),
- (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
  - (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.
- (5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that
- (a) the company is insolvent, or
  - (b) the payment would render the company insolvent.

#### **Loss of right to dissent**

**246** The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

- (b) the resolution in respect of which the notice of dissent was sent does not pass;
- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

**Shareholders entitled to return of shares and rights**

**247** If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

H-1

**APPENDIX "H"**

**FAIRNESS OPINION**

See Attached

January 25, 2021

**OREFINDERS RESOURCES INC.**  
55 University Avenue, Suite 1805  
Toronto, Ontario, Canada M5J 2H7

**Attention: Board of Directors**

Dear Sirs:

**Subject: Fairness Opinion**

**1.0 Introduction**

1.01 Evans & Evans, Inc. (“Evans & Evans” or the “authors of the Opinion”) has been requested by the Board of Directors (the “Board”) of Orefinders Resources Inc. (“Orefinders” or the “Company”) to prepare a Fairness Opinion (the “Opinion”), with respect to the fairness of the Proposed Transaction, as outlined and defined in section 1.04 below, from a financial standpoint, to the shareholders of the Company (the “Orefinders Shareholders”) as at January 25, 2021 (the “Review Date”).

Orefinders is a reporting issuer whose shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol “ORX”.

1.02 *Unless otherwise indicated, all monetary amounts are stated in Canadian dollars.*

1.03 Orefinders was incorporated under the *Business Corporations Act* (British Columbia) on July 26, 2011 and its principal activity is the exploration, development and production of exploration and evaluation assets in Canada. On December 17, 2012, Orefinders completed an initial public offering and its shares were listed for trading on the Exchange. On January 5, 2018, the Company acquired 100% of the outstanding common shares and warrants of Premet Inc. (“Premet”), a private company. On May 30, 2018, Orefinders and Premet amalgamated and continued under the name of Orefinders Resources Inc.

Orefinders is focused on gold exploration in the Abitibi region of Ontario and owns three gold projects: the Mirado project near Kirkland Lake, the Knight project in the Shining Tree District and the McGarry Project near Virginiatown.

The Mirado Project: located in the Abitibi Gold District, 35 kilometres (“km”) southeast of the gold mining town of Kirkland Lake in north-eastern Ontario. The Mirado Project was acquired from Jubilee Gold Resources Inc. and consists of 12 patented claims covering 176.6 hectares and is located in McElroy and Catharine Townships. Surrounding the core

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## OREFINDERS RESOURCES INC.

January 15, 2021

Page 2

patented claims, Orefinders has optioned and/or staked 37 additional contiguous claims covering approximately 10 km of prospective strike length. Amongst these claims is Orefinders' 100% owned MZ property, which forms the Mirado Mine's western extension in-pit resource.

The Knight Project : On November 30, 2017, Orefinders entered into agreements for a series of three acquisitions of contiguous properties from two individual landholders and from Premet Inc., a then private company. All properties are in the Abitibi's Shining Tree district of Ontario. The Tyrenite Extension and Porphyry Lake properties were acquired from two individual landholders and consist of a 100% interest in 30 mining claims. The Knight Project owned by Premet at acquisition consisted of 37 mining claims (35 claims - 100% interest; 2 claims - 75% interest) and 14 mining leases. During 2017, under a Plan of Arrangement, the Company transferred the Mann property component of the Knight Project (consisting of 19 mining claims) to PowerOre Inc. (now known as QC Copper and Gold Inc.) leaving the Company with 18 claims (16 claims - 100% interest; 2 claims - 75% interest) at October 31, 2018.

The McGarry Project: in August 2018, Orefinders closed an agreement to acquire the McGarry Mine, a former producer, and the BarberLarder projects in return for the issuance of 8,000,000 shares of Orefinders at closing. The project consists of 46 Patented Mining Claims and 5 Mining Occupation licenses comprising an area of 681.4 hectares and located along a 2.4 km strike length of the Cadillac-Larder Lake fault abutting the Kerr Addison Mine on the east and Gatling Exploration' Cheminis and Bear Lake Projects on the west.

On May 31, 2019, the Company, under a share exchange agreement, completed the acquisition of 40% of the outstanding shares of American Eagle Gold Corp. ("AEG") (formerly Pacific Precious Inc. and Kuta Ridge Exploration Inc.), a privately-owned Canadian company which is exploring its flagship Golden Trend project on the Cortez in Nevada, USA. Subsequent to a 6,000,000 common share financing at \$0.05 in AEG, the Company held approximately 32% of the outstanding common shares of AEG and held approximately 26% as of January 15, 2021. On July 31, 2020, AEG entered into an option to lease agreement for its flagship Golden Trend property in Nevada, USA. The lease requires annual payments of US\$19,000 and is for an initial term of ten years. It can be renewed for ten additional ten-year terms. The lease also contains the option to purchase the property, at any time, for US\$2,000,000. The lease agreement was entered into by and between Standard Ore Corp. ("Standard") and Rubicon Resources Inc as at June 19, 2020. Standard later assigned the lease to AEG.

- 1.04 Orefinders is currently considering entering into a Plan of Arrangement (the "Proposed Transaction") with AEG under Section 288 of the *Business Corporations Act* (British Columbia), pursuant to which Orefinders will dividend out some of its shares in AEG ratably to all of the Orefinders' shareholders of record as of the closing date of the Proposed Transaction. There are currently 222,508,742 issued and outstanding common shares (each, a "Common Share") of Orefinders. Orefinders currently owns 10,000,000 shares or 26% of AEG. Following the completion of the Proposed Transaction, AEG intends to seek

## **OREFINDERS RESOURCES INC.**

January 15, 2021

Page 3

a listing on the Exchange and an undertake a financing to raise gross proceeds of a minimum of \$3.0 million (the “Financing”).

Under the Proposed Transaction, Orefinders will dividend out 5,000,000 shares of AEG to Orefinders Shareholders. For each Common Share, Orefinders Shareholders will receive the pro rata portion of 5,000,000 shares of AEG.

- 1.05 Throughout the Opinion, Orefinders and AEG are collectively referred to as the “Companies”.
- 1.06 The Board retained Evans & Evans to act as an independent advisor to Orefinders and to prepare and deliver the Opinion to the Board to provide an independent opinion as to the fairness of the Proposed Transaction, from a financial point of view, to the Orefinders Shareholders.

### **2.0 Engagement of Evans & Evans, Inc.**

- 2.01 Evans & Evans was formally engaged by the Board pursuant to an engagement letter with the Board and Orefinders dated November 5, 2020 (the “Engagement Letter”). The Engagement Letter provides the terms upon which Evans & Evans has agreed to provide the Opinion to the Board. The terms of the Engagement Letter provide that Evans & Evans is to be paid a flat professional fee for its services. In addition, Evans & Evans is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by Orefinders in certain circumstances. The fee established for the Opinion has not been contingent upon the opinions presented.

### **3.0 Scope of Review**

- 3.01 In connection with preparing the Opinion, Evans & Evans has reviewed and relied upon, or carried out, among other things, the following:
- Interviewed management of Orefinders to gain an understanding of the current status of AEG and the plans going forward.
  - Reviewed Orefinders’ website [www.orefinders.ca](http://www.orefinders.ca).
  - Reviewed AEG’s websites [www.americaneaglegold.ca](http://www.americaneaglegold.ca) and [www.pacificprecious.com](http://www.pacificprecious.com).
  - Reviewed AEG’s corporate presentation as of November 2020.
  - Reviewed the Golden Trend Project presentation.
  - Reviewed AEG’s press releases from July 2019 to the date of the Opinion.
  - Reviewed the Orefinders’ corporate presentation as available on its website.

## OREFINDERS RESOURCES INC.

January 15, 2021

Page 4

- Reviewed the Orefinders' management discussion and analysis for the nine months ended July 31, 2020 and 2019.
- Reviewed the interim financial statements of Orefinders for the nine months ended July 31, 2020 and 2019.
- Reviewed the draft consolidated financial statements for AEG for the years ended December 31, 2019 and 2020.
- Reviewed the Assignment of Golden Trend Option Agreement dated July 22, 2020 whereby Standard Ore Corp. assigned the Option to Lease with Option to Purchase agreement between Rubicon Resources Inc. and Standard Ore Corp. dated June 19, 2020 to Pacific Precious Inc.
- Reviewed the Technical Report on the Golden Trend Project, Eureka County, Nevada prepared for Pacific Precious Inc. prepared by Desert Ventures, Inc. and dated January 4, 2021 (the "Golden Trend Technical Report").
- Reviewed the Company's trading price and volumes on the Exchange for the period from January 16, 2020 to the Date of Review. As shown in the chart below, the share price and volume increased significantly in September, however, declined again in October.



- Reviewed Orefinders' press releases for the 18 months preceding the date of the Opinion.
- Reviewed the trading price of Orefinders for the period January 1, 2019 to the date of the Opinion.
- Reviewed information on recent transactions involving the sale of early stage gold exploration properties.

## OREFINDERS RESOURCES INC.

January 15, 2021

Page 5

- Reviewed the Option to Lease with Option to Purchase Agreement between Rubicon Resources Inc. and Standard Ore Corp dated June 19, 2020.
- Reviewed the draft Arrangement Agreement as provided by management.
- Reviewed the draft Plan of Arrangement as provided by management.
- Reviewed information on the gold market from such sources as: Mining.Com, World Gold Council, U.S. Global Investor, The Northern Miner, Fitch Solution, Inc., Gold Investing News, S&P Global Market Intelligence, Intrade Globe Newswire, Market Research.Com, Statista. U.S. Geological Survey, Canadian Mining News, Natural Resources Canada, London Metal Exchange, www.kitco.com, www.kitcometals.com, International Monetary Fund, The Economist, Bloomberg, CRU Group, Thomson Reuter, ScotiaMocatta, Wall Street Journal, Reuters, Metals Economics Group, Forbes, and KPMG.
- Reviewed financial and trading data on the following companies: Angus Gold Inc.; Aurelius Minerals Inc.; BTU Metals Corp.; Gatling Exploration Inc.; Gowest Gold Ltd.; Inventus Mining Corp.; Labrador Gold Corp.; Manitou Gold Inc.; New Found Gold Corp.; O3 Mining Inc.; Signature Resources Ltd.; TomaGold Corporation; and Warrior Gold Inc.
- **Limitation and Qualification:** Evans & Evans did not visit the Golden Trend Property. Evans & Evans did review and entirely relied upon the Golden Trend Technical Report as outlined above. Evans & Evans has, therefore, relied on such expert's technical and due diligence work as well as Orefinders' management disclosure with respect to the Golden Trend Property. The reader is advised that Evans & Evans can provide no independent technical and due diligence comfort or assurances as to the specific operating characteristics and functional capabilities of the Golden Trend Property.

### **4.0 Market Overview**

- 4.01 In assessing the fairness of the Proposed Transaction as of the Date of Review, Evans & Evans did review the Company's and the AEG's market and the industry sentiment for gold companies.
- 4.02 Most junior exploration companies are generally reliant on equity financings to advance their properties (as they lack producing assets) and accordingly, their ability to advance projects is dependent on market conditions and investor interest. According to S&P Global Market Intelligence the industry recovery, which began in late 2016, faltered in 2019 and 2020. The global nonferrous exploration budget declined by 3% year over year to \$9.8 billion in 2019 from \$10.1 billion in 2018. The optimism for a return to increasing exploration in 2020 was stymied early this year by the global spread of Covid-19. As such, mobilizing exploration teams became difficult as lockdowns hit Asia in the March quarter and then spread to most other nations. The global nonferrous exploration budget declined

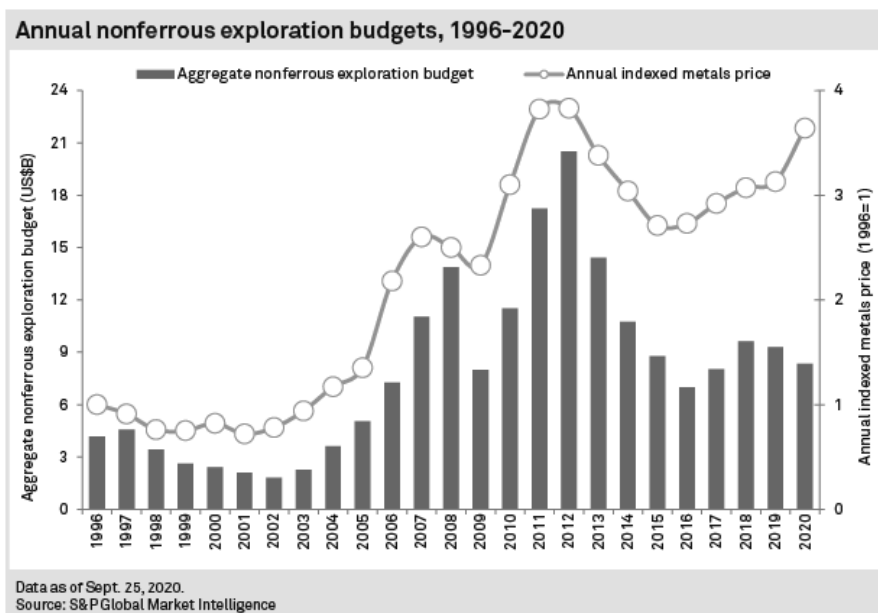
## OREFINDERS RESOURCES INC.

January 15, 2021

Page 6

by 11% year over year to \$8.7 billion in 2020. However, Orefinders has bucked this trend, having raised in excess of \$7,609,000 in 2020, and is currently drilling on its major projects which started in November 2020 and will continue through April, 2121.

Although allocations to the base metals group fell 21% year-on-year to \$2.54 billion in 2020, decreases are partly offset by increases in allocations to gold and silver. Prices for both precious metals have had a strong run in 2020 to date, drawing the attention of investors. The Gold explorers increased their budget by \$51 million to \$4.3 billion in 2020.

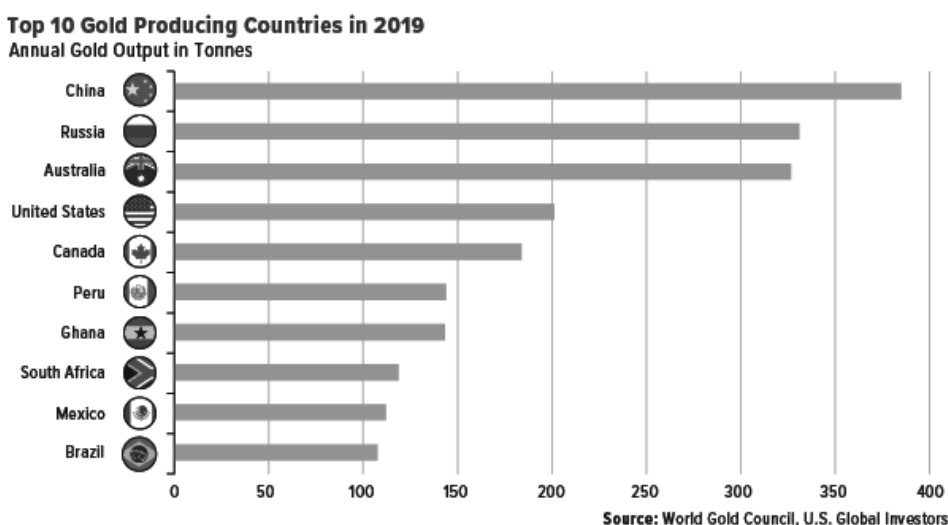


According to S&P Global Market Intelligence the shuttering of many major economies resulted in severe demand destruction, which sent base metals prices lower until late March in 2020, while uncertainty hit global markets, causing a decline in financings into the June quarter of 2020. However, the mining industry recovered quickly from the initial shock. Base metals prices trended upward during the June and September quarters and financings returned to pre-pandemic levels as mining was declared an essential industry in most countries with shutdowns relatively short-lived. Exploration programs resumed, but difficulty remained with large district programs crossing state or provincial boundaries or near first nations. Through all of this, gold went on a bull run, spending several months above \$1,900 per ounce, although it has since pulled back somewhat. All of these factors have contributed to the 2020 exploration budget decrease being far less steep than anticipated at the end of the March quarter.

Despite the drop, industry experts cast the outcome as something of a win for the mining sector, amid a major pandemic and the concomitant toll it has had on economic activity. S&P Global Market Intelligence forecasts that 2021 budgets will see double-digit growth year-on-year, potentially in the 20% range, with gold the most likely target to lead exploration spending upward.

4.03 Gold Market Overview:

- Gold mining is a global business with operations on every continent, except Antarctica, and gold is extracted from mines of widely varying types and scale. Mines and gold mining operations have become increasingly geographically diverse, far removed from the concentrated supply of four decades or so ago when the vast majority of the world's gold came from South Africa. At a country level, China was the largest producer in the world in 2019 and accounted for around 11% of total global production. The below chart shows the top 10 gold producing countries in the world:



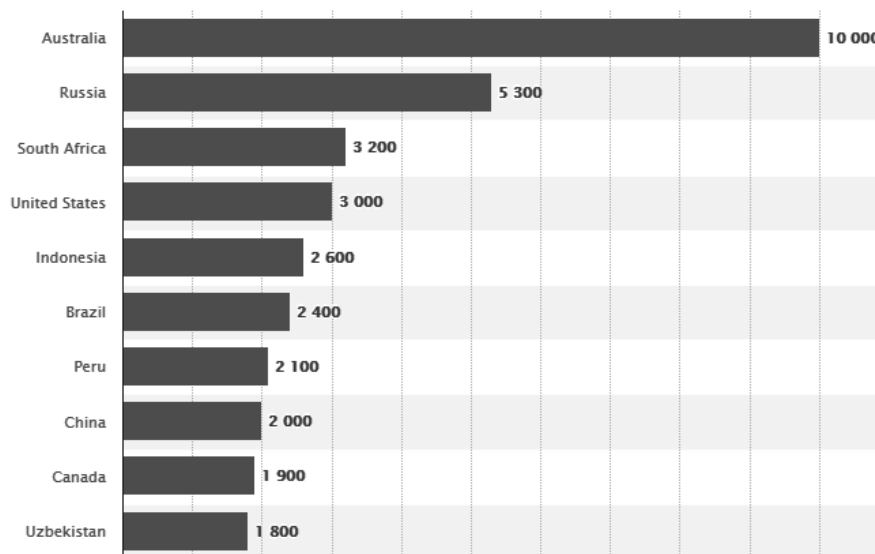
- The below chart shows the top countries with largest mine reserves of gold across the globe:

**World mine reserves of gold as of 2019, by country (in metric tons)**

## OREFINDERS RESOURCES INC.

January 15, 2021

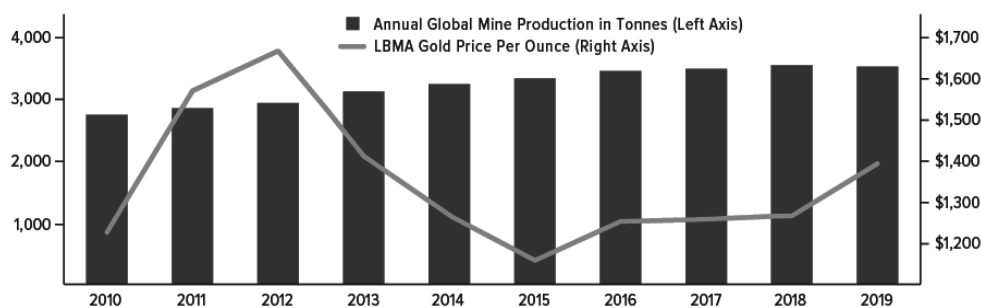
Page 8



Source: Statista

- In 2019, global gold mine production was a reported 3,463.7 tonnes – down 1% from the prior year and the first year-over-year decline in output since 2008. As shown in the below chart, gold production has remained relatively steady since 2010.

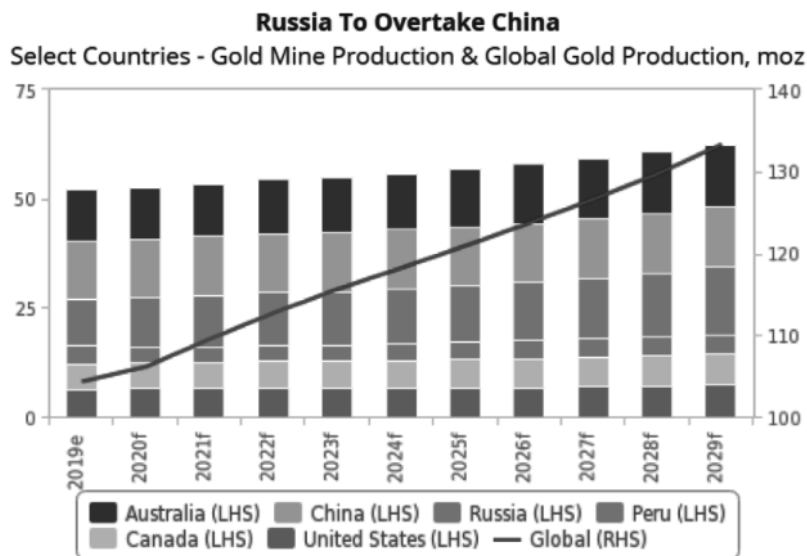
### Gold Supply Relatively Unchanged Over Last Decade



Source: ICE Benchmark Administration, Metals Focus, Refinitiv GFMS, World Gold Council, U.S. Global Investors

\*Gold price per ounce in US\$

- According to a research report by Fitch Solutions, global gold production will increase from 106 million oz. in 2020 to 133 million oz. by 2029, for an average annual growth rate of 2.5%. The increase would be an acceleration from the average growth of just 1.2% over the period from 2016 to 2019. Russian gold production will lead the rise with gold output jumping from 11.3 million oz. in 2020 to 15.5 million oz. in 2029. This figure represents average annual growth of 3.7% during 2020-2029 and, as shown in the chart below, would see Russia overtake China as the largest gold miner, accounting for 11.6% of global output by 2029, compared with 10.6% in 2020.



e/f = Fitch Solutions estimate/forecast. Source: USGS, national sources, Fitch Solutions

- The US gold mining sector will continue to attract significant investment activity supported by the country’s history of exploration and known precious metal deposits. Nevada in particular will remain a key location for exploration and development, with both Barrick Gold Corp. (“Barrick”) and Newmont Corp. committed to several large-scale projects in the state. Among these projects are Barrick’s flagship Goldrush project near Cortez, which offers proven and probable reserves of 8.7 million oz. AEG’s Golden Trend project is located in the Cortex trend, three miles south of Goldrush.
- The modern gold market is a picture of diversity and growth. Since the early 1970s, the volume of gold produced each year has tripled, the amount of gold bought annually has quadrupled and gold markets have flourished across the globe. Gold is now bought by a far more diverse set of consumers and investors than at any previous time in history. Gold’s diverse uses, in jewelry, technology and by central banks and investors, mean different sectors of the gold market rise to prominence at different points in the global economic cycle. This diversity of demand and self-balancing nature of the gold market underpin gold’s robust qualities as an investment asset. Over the last decade, demand for gold has moved East. This has been driven not only by cultural affinity, but also by wealth creation and income growth in some of the world’s most dynamic and rapidly growing economies.
- According to the World Gold Council global demand for gold was 4,355.7 tonnes in 2019, down 1% from 2018’s 4,401 tonnes. Central banks and other sovereign entities bought 650.3 tonnes of gold in 2019, just 5.9 tonnes less than 2018’s more than 50-year high of 656.2 tonnes. Demand for gold for jewelry fell 6% to 2,107 tonnes, with consumption falling 9% in India and 8% in China, the two largest

markets. Purchases of gold bars and coins declined by 10% in India and 31% in China, pulling total global demand down 20% to 870.6 tonnes. Demand for gold dropped to 892.3 tonnes in Q3 2020, its lowest quarterly total since Q3 2009, as consumers and investors continued to battle the effects of the COVID-19 pandemic. At 2,972.1 tonnes year-to-date demand is 10% below the same period of 2019.

- Mine production accounts for the largest part of gold supply, typically, 75% each year. However, annual demand requires more gold than is newly mined and the shortfall is made up from recycling. Gold mining and its associated activities does not respond to price changes quickly. There is usually a very long lead time between exploring and finding new gold deposits and mines entering into production. As it is virtually indestructible, nearly all of the gold ever mined is theoretically still accessible in one form or another and potentially available for recycling. Recycling is the source of gold supply that is most immediately responsive to the gold price and economic shocks. The majority of recycled gold, around 90%, comes from jewelry, with gold extracted from technology providing the remaining 10%.
- Global gold supply rose 2% to 4,776.1 tonnes in 2019, due to an 11% increase in recycling. However, the total supply of gold fell 3% y-o-y in Q3 2020 to 1,223.6 tonnes, despite 6% growth in gold recycling, with mine production still feeling the effects of the COVID-19 restrictions.
- Ultimately, the success of the AEG is related to the price for and the demand for gold.
- As can be seen from the chart below, the price of gold has increased significantly from about US\$1,100 per ounce in January 2016 to approximately US\$1,900 per ounce in January 2021. In August 2020, for the first time in history the gold price crossed US\$2,000 per ounce mark and reached the high of US\$2,063 per ounce. The gold price has since declined about 10% to the current price of US\$1,850 per ounce as at January 14, 2021.



- As shown in the chart below, over the last one year, the price of gold has increased significantly from about US\$1,575 per ounce in January 2020 to approximately

US\$1,900 per ounce in January 2021. The rise in the price of gold from about US\$1,455 per ounce in March 2020 is largely attributed to the COVID-19 global pandemic which began as a health crisis and is morphing into an economic crisis as economies worldwide slowdown in order to combat the spread of COVID-19. The global COVID-19 pandemic fueled safe-haven investment demand for gold is currently offsetting marked weakness in consumer-focused sectors of the market.



## **5.0 Prior Valuations**

5.01 Management has represented to Evans & Evans that, to the best of their knowledge, there have been no formal valuations or appraisals relating to AEG or the Golden Trend Property made in the preceding two years which are in the possession or control of Orefinders.

## **6.0 Conditions and Restrictions**

6.01 The Opinion may not be relied upon by any party beyond the Board and Orefinders. The Opinion may be referenced and/or included in Orefinders' information circular and may be submitted to the Orefinders' Shareholders.

6.02 The Opinion may be submitted to the court approving the Plan of Arrangement. The Opinion may not be used in any court proceedings unrelated to the approval of the Proposed Transaction.

6.03 The Opinion may not be issued and/or used to support any type of value with any other third parties, legal authorities, nor stock exchanges, or other regulatory authorities, nor any Canadian or international tax authority. Such use is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above. Nor can it be used or relied upon by any of these parties or relied upon in any legal proceeding and/or court matter (other than relating to the approval of the Proposed Transaction).

6.04 Any use beyond that defined above in 6.01 to 6.03 is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above.

**OREFINDERS RESOURCES INC.**

January 15, 2021

Page 12

- 6.05 The Opinion is not a formal valuation or appraisal of the Company, AEG and their securities or assets and our Opinion should not be construed as such. Evans & Evans, has, however, conducted such analyses as we considered necessary in the circumstances.
- 6.06 In preparing the Opinion, Evans & Evans has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by the Company. Evans & Evans has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Opinion has also been used.

The Opinion is based on: (i) our interpretation of the information which Orefinders, as well as its representatives and advisers, have supplied to-date; (ii) our understanding of the terms of the Proposed Transaction; and (iii) the assumption that the Proposed Transaction will be consummated in accordance with the expected terms.

- 6.07 The Opinion is necessarily based on economic, market and other conditions as of the date hereof, and the written and oral information made available to us until the date of the Opinion. It is understood that subsequent developments may affect the conclusions of the Opinion, and that, in addition, Evans & Evans has no obligation to update, revise or reaffirm the Opinion.
- 6.08 Evans & Evans denies any responsibility, financial, legal or other, for any use and/or improper use of the Opinion however occasioned.
- 6.09 Evans & Evans is expressing no opinion as to the price at which any securities of Orefinders or AEG will trade on any stock exchange at any time.
- 6.10 No opinion is expressed by Evans & Evans whether any alternative transaction might have been more beneficial to the shareholders of Orefinders.
- 6.11 Evans & Evans reserves the right to review all information and calculations included or referred to in the Opinion and, if it considers it necessary, to revise part and/or its entire Opinion and conclusion in light of any information which becomes known to Evans & Evans during or after the date of this Opinion.
- 6.12 In preparing the Opinion, Evans & Evans has relied upon a letter from management of Orefinders confirming to Evans & Evans in writing that the information and management's representations made to Evans & Evans in preparing the Opinion are accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Opinion.
- 6.13 Evans & Evans has based its Opinion upon a variety of factors. Accordingly, Evans & Evans believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by Evans & Evans, without considering all factors and

analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. Evans & Evans' conclusions as to the fairness, from a financial point of view, to the Orefinders Shareholders, of the Proposed Transaction were based on its review of the Proposed Transaction taken as a whole, in the context of all of the matters described under "Scope of Review", rather than on any particular element of the Proposed Transaction or the Proposed Transaction outside the context of the matters described under "Scope of Review". The Opinion should be read in its entirety.

- 6.14 Evans & Evans expresses no opinion or recommendation as to how any shareholder of the Issuer should vote or act in connection with the Proposed Transaction, any related matter or any other transactions. We are not experts in, nor do we express any opinion, counsel or interpretation with respect to, legal, regulatory, accounting or tax matters. We have assumed that such opinions, counsel or interpretation have been or will be obtained by the Issuer from the appropriate professional sources. Furthermore, we have relied, with the Issuer's consent, on the assessments by the Issuer and its advisors, as to all legal, regulatory, accounting and tax matters with respect to the Issuer and the Proposed Transaction, and accordingly we are not expressing any opinion as to the value of the Issuer's tax attributes or the effect of the Proposed Transaction thereon.
- 6.15 Evans & Evans and all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Opinion. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Opinion.

## **7.0 Assumptions**

- 7.01 In preparing the Opinion, Evans & Evans has made certain assumptions as outlined below.
- 7.02 With the approval of Orefinders and as provided for in the Engagement Letter, Evans & Evans has relied upon, and has assumed the completeness, accuracy and fair presentation of, all financial information, business plans, forecasts and other information, data, advice, opinions and representations obtained by it from public sources or provided by Orefinders or its affiliates or any of its respective officers, directors, consultants, advisors or representatives (collectively, the "Information"). The Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. In accordance with the terms of the Engagement Letter, but subject to the exercise of its professional judgment, and except as expressly described herein, Evans & Evans has not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

**OREFINDERS RESOURCES INC.**

January 15, 2021

Page 14

- 7.03 Senior officers of Orefinders have represented to Evans & Evans that, among other things: (i) the Information provided orally by, an officer or employee of Orefinders or in writing by Orefinders (including, in each case, affiliates and their respective directors, officers, consultants, advisors and representatives) to Evans & Evans relating to Orefinders, its affiliates or the Proposed Transaction, for the purposes of the Engagement Letter, including in particular preparing the Opinion was, at the date the Information was provided to Evans & Evans, fairly and reasonably presented and complete, true and correct in all material respects, and did not, and does not, contain any untrue statement of a material fact in respect of Orefinders, AEG, their respective affiliates or the Proposed Transaction and did not and does not omit to state a material fact in respect of Orefinders, its affiliates or the Proposed Transaction that is necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; (ii) with respect to portions of the Information that constitute financial forecasts, projections, estimates or budgets, they have been fairly and reasonably presented and reasonably prepared on bases reflecting the best currently available estimates and judgments of management of Orefinders as to the matters covered thereby and such financial forecasts, projections, estimates and budgets reasonably represent the views of management of the financial prospects and forecasted performance of Orefinders or AEG; and (iii) since the dates on which the Information was provided to Evans & Evans, except as disclosed in writing to Evans & Evans, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of Orefinders, AEG or any of their affiliates and no material change has occurred in the Information or any part thereof which would have, or which would reasonably be expected to have, a material effect on the Opinion.
- 7.04 In preparing the Opinion, we have made several assumptions, including that all final or executed versions of documents will conform in all material respects to the copies provided to us, all of the conditions required to implement the Proposed Transaction will be met, all consents, permissions, exemptions or orders of relevant third parties or regulating authorities will be obtained without adverse condition or qualification, the procedures being followed to implement the Proposed Transaction are valid and effective and that the disclosure provided or (if applicable) incorporated by reference in any information circular provided to shareholders with respect to Orefinders and the Proposed Transaction will be accurate in all material respects and will comply with the requirements of applicable law. Evans & Evans also made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Evans & Evans and any party involved in the Proposed Transaction. Although Evans & Evans believes that the assumptions used in preparing the Opinion are appropriate in the circumstances, some or all of these assumptions may nevertheless prove to be incorrect.
- 7.05 The Company and all of its related parties and principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against,

**OREFINDERS RESOURCES INC.**

January 15, 2021

Page 15

other than those disclosed by management in its financial statements that would affect the evaluation or comment.

- 7.06 As at January \_\_\_, 2021, all assets and liabilities of Orefinders and AEG have been recorded in their accounts and financial statements and follow International Financial Reporting Standards.
- 7.07 There were no material changes in the financial position of Orefinders between the date of the financial statements and January \_\_\_, 2021 (i.e., the Review Date) unless noted in the Opinion.
- 7.08 Representations made by Orefinders as to the number of AEG shares held i.e. 10,000,000 or 26% of the total number of issued and outstanding shares of AEG are accurate.
- 7.09 AEG is successful in completing the minimum \$3.0 million financing round.
- 7.10 AEG seeks a listing on the Exchange and its assets (i.e., the Golden Trend Project) meet minimum listing requirements.

**8.0 Conclusions as to Fairness**

- 8.01 Based on the above information, observations and analyses by Evans & Evans as well as other relevant factors applying to Orefinders, AEG and the Proposed Transaction, Evans & Evans is of the opinion that the proposed distribution to Orefinders Shareholders under the Plan of Arrangement consisting of the pro rata portion of 5,000,000 shares of AEG for each Common Share held is fair, from a financial point of view, to the Orefinders Shareholders.
- 8.02 In considering fairness, from a financial point of view, Evans & Evans considered the Proposed Transaction from the perspective of the Orefinders Shareholders as a whole and did not consider the specific circumstances of any particular shareholder, including with regard to income tax considerations.
- 8.03 In arriving at the above-noted conclusions as to the fairness of the Proposed Transaction, Evans & Evans considered the following:
  - a. The Proposed Transaction does not change the ownership position of current shareholders of Orefinders. Each shareholder of Orefinders will hold the same number of shares in Orefinders post-Proposed Transaction as pre-Proposed Transaction. No new shares of Orefinders are being issued in concert with the Proposed Transaction.
  - b. On completion of the Proposed Transaction, the proportional interest that Orefinders Shareholders will own in the assets of Orefinders (pre-Proposed Transaction) will remain unchanged.

**OREFINDERS RESOURCES INC.**

January 15, 2021

Page 16

- c. Based on the review, as at the Review Date, of 10-day, 30-day and 90-day volume weighted share price of Orefinders, as shown below, trading multiples of guideline public companies as outlined in Exhibit 1.0, and valuation multiples implied by mergers and acquisition transaction in the gold mining industry as outlined in Exhibit 2.0, Evans & Evans is of the view that Orefinders trades at a price based on its ownership of Mirado, McGarry and Knight Projects and that no significant value is being placed on its shareholding in AEG.

<b>Ore finders</b>	
<b>Volume Weighted Price as at Review Date</b>	<b>Price</b>
10 - Day Volume Weighted Price	\$0.16
30 - Day Volume Weighted Price	\$0.15
90 - Day Volume Weighted Price	\$0.15

- d. The Proposed Transaction would broaden the shareholding base of AEG and may enable AEG to secure a listing of its shares on the Exchange without having to do a further dilutive financing.
- e. If AEG is successful in securing a listing of its shares on the Exchange as part of the Proposed Transaction, the value of AEG shares may increase owing to the improved liquidity.
- f. Evans & Evans notes that instead of distributing the AEG shares to the Orefinders Shareholders, the Company could sell the shares and use the proceeds to fund future programs without having to raise additional financing.
- g. In connection with the Proposed Transaction, AEG is expected to complete a private placement to fund, among other things, an initial exploration program and the general working capital requirements. If such work proves positive in nature, there is the potential for share appreciation in the AEG shares.

**9.0 Qualifications & Certification**

- 9.01 The Opinion preparation was carried out by Jennifer Lucas and thereafter reviewed by Michael Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For the past 35 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period he has been involved in the preparation of over 1,500 technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes. Formerly, he spent three years in the computer industry in

**OREFINDERS RESOURCES INC.**

January 15, 2021

Page 17

Western Canada with Wang Canada Limited (1983-1986) where he worked in the areas of marketing and sales.

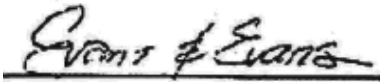
Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Canadian Institute of Chartered Business Valuators ("CICBV") and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing over 1,500 valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designation of CBV and Accredited Senior Appraiser. She is a member of the CICBV and the ASA.

- 9.02 The analyses, opinions, calculations and conclusions were developed, and this Opinion has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators.
- 9.03 The authors of the Opinion have no present or prospective interest in Orefinders, Power Ore, or any entity that is the subject of this Opinion, and we have no personal interest with respect to the parties involved.

Yours very truly,

A handwritten signature in cursive script that reads "Evans & Evans". The signature is written in black ink and is positioned above a horizontal line.

**EVANS & EVANS, INC.**

**10.0 Exhibits**

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**EVANS & EVANS, INC.**

Canadian Dollars (Millions)

**Identified Guideline Companies (1)**

Company Name	Ticker	Exchange	Project Locations	Market Capitalization	Enterprise Value	Hectares	Reserves & Resources (Au Oz) (2)	EV/ Hectares	EV/Reserves & Resources (Au Oz)
Angus Gold Inc.	GUS	TSXV	ON	15.4	12.8	23,400	0.13	546	\$98.4
Aurelius Minerals Inc.	AUL	TSXV	ON	13.6	9.5	15,077	0.42	627	\$22.3
BTU Metals Corp.	BTU	TSXV	ON	15.8	12.9	19,723	n/a	654	n/a
Gatling Exploration Inc.	GTR	TSXV	ON	19.6	18.9	3,370	0.50	5,620	\$37.7
Gowest Gold Ltd.	GWA	TSXV	ON	26.6	25.6	10,900	1.08	2,347	\$23.8
Inventus Mining Corp.	IVS	TSXV	ON	31.9	31.7	42,400	n/a	748	n/a
Labrador Gold Corp.	LAB	TSXV	NL,ON,Quebec	42.0	36.9	71,700	n/a	515	n/a
Manitou Gold Inc.	MTU	TSXV	ON	14.5	11.6	27,833	n/a	416	n/a
New Found Gold Corp.	NFG	TSXV	NL, ON	574.7	502.8	151,030	n/a	3,329	n/a
O3 Mining Inc.	OIII	TSXV	ON,Quebec	175.5	114.7	460,000	4.35	249	\$26.4
Signature Resources Ltd.	SGU	TSXV	ON	10.3	8.3	12,148	0.23	683	\$35.4
TomaGold Corporation	LOT	TSXV	ON,Quebec	10.5	9.1	8,489	n/a	1,077	n/a
Warrior Gold Inc.	WAR	TSXV	ON	7.7	7.4	4,122	n/a	1,791	n/a
							Average	1,431	\$40.7
							Median	683	\$30.9
							Low	249	\$22.3
							High	5,620	\$98.4

Notes:

(1) Source: Company filings, Yahoo Finance.

(2) Evans & Evans considered 50% of the inferred resources and historical resource estimates.

**Orefinders Resources Inc.**  
**Fairness Opinion**  
**Mergers and Acquisitions Transactions**

Identified Transactions (1)							Price (C\$)	Resources (Au Ozs)	Price / Au Oz
Date Closing	Acquirer	Vendor	Target	Location					
09-Jul-20	Frontline Gold Corporation	Not disclosed	Crooked Pine Property	Canada		\$175,000			
02-Jul-20	Invectus Mining Corp.	Flag Resources (1985) Ltd.	Three exploration Au-Cu Projects	Canada		\$750,000			
08-Jun-20	IAMGOLD Corporation	Monarch Gold Corporation	Fayolle Property	Canada		\$11,500,000	111,010	\$103.6	
04-Jun-20	Aura Resources Inc.	Territory Metals Corp.	Tip Top Gold Project	Nevada		\$1,329,070			
14-May-20	Probe Metals Inc.	SOQUEM inc.	25% in Detour Quebec JV	Canada		\$1,700,000			
07-May-20	Aurelius Minerals Inc.	Sprott Private Resource Lending	Dufferin Gold Properties	Canada		\$738,195	188,950	\$3.9	
05-May-20	Frontline Gold Corporation	Not disclosed	100% interest in 28 claims	Canada		\$61,000			
30-Apr-20	Pacton Gold Inc.	TomaGold Corporation	39.5% Interest in Sidace gold property	Canada		\$5,233,418	250,700	\$20.9	
23-Apr-20	Excellon Resources Inc.	Otis Gold Corp.	Kilgore Project	Idaho		\$30,425,418	893,000	\$34.1	
20-Apr-20	Hemlo Explorers Inc.	O3 Mining Inc.	West Hemlo and North Hemlo Properties	Canada		\$726,750			
16-Apr-20	Freeman Gold Corp.*	1132144 British Columbia Ltd.,	Lemhi Gold Project	Idaho		\$15,520,400	704,111	\$22.0	
16-Jan-20	Kinross Gold Corporation	N-Mining	Chulbatkan Project	Russia		\$394,329,370	3,940,000	\$100.1	
09-Jan-20	Rio Silver Inc.		Palta Dorada Au-Ag-Cu Property	Peru		\$654,830			
27-Dec-19	Angus Ventures Inc.	Talisker Gold Corp	Wawa Properties	Canada		\$201,000			
21-Dec-19	Angus Ventures Inc.	Talisker Gold Corp	Wawa Properties	Canada		\$1,200,000			
09-Dec-19	Teranga Gold Corporation*	Barrick Gold Corporation	Massawa Project	Sierra Leone		\$498,799,400	3,305,000	\$150.9	
02-Dec-19	Blue Star Gold Corp.	Mandalay Resources Corp.	Ulu Gold Property	Canada		\$650,000	718,000	\$0.9	
21-Nov-19	Osisko Gold Royalties Ltd.	Barkerville Gold Mines Ltd.	Fayolle Property	Canada		\$324,350,000	3,350,000	\$96.8	
20-Aug-19	Monarch Gold Corporation	Hecla Quebec Inc.	Canadian Creek Property	Canada		\$4,970,166	50,663	\$98.1	
28-Aug-19	Casino Mining Corp. (Western Copper and Gold Corp.)	Cariboo Rose Resources Ltd.		Canada		\$2,760,000			
28-Jun-19	Confederation Minerals Ltd.	1106877 B.C. Ltd.	Three exploration properties	Canada		\$1,041,701			
01-Mar-19	White Gold Corp.	Comstock Metals Ltd.	QV Gold Project	Canada		\$2,610,001	115,000	\$22.7	
11-Feb-19	Fidelity Minerals Corp.	Minera LBJ S.A.C.	44.5% of Core Las Huauillas project	Peru		\$4,987,516			
04-Dec-18	Surge Exploration Inc.		Mineral Mountain Copper Gold	Canada		\$120,000			
26-Oct-18	Ascot Resources Ltd.	Jayden Resources Inc.	Silver Coin Project	British Columbia		\$17,501,000	183,578	\$95.3	
15-Oct-18	White Gold Corp.	Independence Gold Corp.	Henderson, Flow and Birdman Properties	Canada		\$311,800			
20-Sep-18	Manitou Gold Inc.	Not disclosed	Midas Gold Property	Canada		\$162,500			
21-Sep-18	Bonterra Resource Inc.	Metanor Resources Inc.	100% of shares	Canada		\$54,289,635	287,565	\$188.8	
24-Jul-18	Rio2 Limited	Atacama Pacific Gold Corporation	100% of shares	Chile		\$57,001,475	5,300,000	\$10.8	
24-May-18	VR Resources Ltd.	Not disclosed	Kraut Property (Renamed Ansel)	Nevada		\$32,636			
20-Nov-17	GoldMining Inc.	Lupaka Gold Corp.	Cruceo Gold Project	Peru		\$6,350,000	1,515,000	\$4.2	
18-Sep-17	Manitou Gold Inc.	Not disclosed	Goudreau Property	Canada		\$76,000			
30-Aug-17	VR Resources Ltd.	Sunrise Resources PLC	Junction Copper-Gold Property	Nevada		\$29,234			
	*Historical resource estimate					Average		\$63.5	
						Median		\$34.1	
						Min		\$0.9	
						Max		\$188.8	

Notes:

(1) Source: Company filings, press releases.

**EVANS & EVANS, INC.**