

**CAROLINA RUSH CORPORATION**  
217 Queen Street West, Suite 401  
Toronto, ON M5V 0R2

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the special meeting of shareholders ("**Shareholders**") of Carolina Rush Corporation (the "**Company**") will be held at the offices of Irwin Lowy LLP, 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2, on Wednesday, November 26, 2025, at 11:00 a.m. (Toronto time) (the "**Meeting**") for the following purposes:

- (a) to consider and, if deemed advisable, pass, with or without variation, a special resolution approving the sale of up to 80% of the Company's beneficial interest in the Brewer Gold-Copper Project in South Carolina, USA (the "**Proposed Transaction Resolution**"), as more fully described in the accompanying management information circular ("**Circular**"); and
- (b) to transact such further and other business as may properly be brought before the Meeting or any adjournment thereof.

The full text of the Proposed Transaction Resolution is attached to this notice as Exhibit "A".

A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company's transfer agent and registrar, TSX Trust Company, at Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1 not later than 11:00 a.m. (Eastern time) on Monday, November 24, 2025, or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.

Shareholders who are unable to attend the Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation of Shareholders entitled to vote as possible may be had at the Meeting.

The board of directors of the Company has by resolution fixed the close of business on Monday, October 27, 2025, as the record date, being the date for the determination of the registered holders of common shares of the Company ("**Common Shares**") entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

Section 190 of the *Canada Business Corporations Act* provides that a holder of Common Shares who dissents from the Proposed Transaction Resolution described in item (a) above is entitled to be paid the fair value of his, her or its Common Shares. See the accompanying Circular under the heading "*Rights of Dissent*".

**DATED** this 27<sup>th</sup> day of October, 2025.

**BY ORDER OF THE BOARD**

*"Thomas Layton Croft" (Signed)*  
President & Chief Executive Officer

**EXHIBIT "A"**

**SPECIAL RESOLUTION OF THE SHAREHOLDERS  
OF  
CAROLINA RUSH CORPORATION (THE "COMPANY")**

**PROPOSED TRANSACTION RESOLUTION**

"BE IT RESOLVED as a special resolution that:

1. the granting of an option (the "**Proposed Transaction**") to OceanaGold Minerals U.S. Inc. ("**OceanaGold**") to earn up to an 80% beneficial interest in the Company's leasehold interest in the Brewer Gold-Copper Project in South Carolina, USA (the "**Brewer Property**"), granted pursuant to a mining lease with option to purchase agreement made as of March 1, 2020 between Pancon Resources Carolinas Corporation (formerly, Palmetto Mining Corporation) ("**Pancon Carolinas**"), the Company's wholly-owned subsidiary, Brewer Gold Receiver, LLC and Environmental Risk Transfer, LLC, as amended (the "**Underlying Agreement**"), which may constitute the sale of all or substantially all of the property of the Company, as contemplated by section 189(3) of the *Canada Business Corporations Act*, be and is hereby approved and authorized;
2. the execution of the earn-in to joint venture agreement dated as of September 15, 2025 (the "**OceanaGold Agreement**"), between the Company, Pancon Carolinas and OceanaGold, providing for, among other things, the Proposed Transaction, and the actions of the directors of the Company in authorizing and approving the Proposed Transaction upon the terms and conditions of the OceanaGold Agreement and the actions of the officers of the Company in executing and delivering the OceanaGold Agreement and any amendments thereto be and are hereby ratified and approved;
3. the value ascribed to the transactions under the OceanaGold Agreement, in the absence of evidence of value for such transaction as contemplated by section 5.11 of TSX Venture Exchange Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*, is hereby confirmed, authorized and approved;
4. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered, without further notice to, or approval of, the shareholders of the Company to amend the OceanaGold Agreement to the extent permitted thereby, or, subject to the terms of the OceanaGold Agreement, not to proceed with the Proposed Transaction; and
5. any director and/or officer of the Company be and such director or officer of the Company is hereby authorized and empowered, acting for in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver to cause to be delivered, any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of the foregoing paragraphs of this resolution, the execution of any such document or instrument or the doing of any such act or thing by such director or officer being conclusive evidence of such determination."

**CAROLINA RUSH CORPORATION**  
217 Queen Street West, Suite 401  
Toronto, ON M5V 0R2

**MANAGEMENT INFORMATION CIRCULAR**

**As of October 27, 2025**

**THIS MANAGEMENT INFORMATION CIRCULAR ("CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF CAROLINA RUSH CORPORATION** (the "**Company**") of proxies to be used at the special meeting of shareholders of the Company ("**Shareholders**") to be held on Wednesday, November 26, 2025, at 11:00 a.m. (Toronto time) at the office of Irwin Lowy LLP at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2, and at any adjournment or postponement thereof (the "**Meeting**") for the purposes set out in the enclosed notice of meeting (the "**Notice**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Company's proxy solicitation materials (the "**Meeting Materials**") to the beneficial owners of the common shares of the Company (the "**Common Shares**") held of record by such parties. The Company may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice.

**APPOINTMENT AND REVOCATION OF PROXIES**

A holder of Common Shares who appears on the records maintained by the Company's registrar and transfer agent as a registered holder of Common Shares (each a "**Registered Shareholder**") may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice.

The purpose of a form of proxy is to designate persons who will vote on the shareholder's behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Company's transfer agent and registrar, TSX Trust Company (the "**Transfer Agent**"), not later than 11:00 a.m. (Eastern time) on Monday, November 24, 2025, or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies may be deposited with the Transfer Agent using one of the following methods:

<b>By Mail or Hand Delivery:</b>	TSX Trust Company 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1
<b>Telephone:</b>	(416) 595-9593
<b>By Internet:</b>	<a href="http://www.voteproxyonline.com">www.voteproxyonline.com</a> You will need to provide your 12 digit control number (located on the form of proxy accompanying this Circular).

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it: (a) by depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof, to (i) the registered office of the Company, located at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law.

#### EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for each item of business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

#### ADVICE TO NON-REGISTERED SHAREHOLDERS

**The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders of the Company do not hold Common Shares in their own name.** Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a beneficial holder of Common Shares who does not appear on the records maintained by the Company's registrar and transfer agent as a registered holder of Common Shares (each a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) (a "**Clearing Agency**") of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

### ***Distribution of Meeting Materials to Non-Registered Holders***

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Company or its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Company's OBOs can expect to be contacted by their Intermediary. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

### ***Voting by Non-Registered Holders***

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

*Voting Instruction Form.* In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a "**VIF**"). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

*Form of Proxy.* Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

### ***Voting by Non-Registered Holders at the Meeting***

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by

such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominees name in the blank space provided. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Company as maintained by the Transfer Agent, unless specifically stated otherwise.

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

Except as set out herein, no director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of October 27, 2025 (the "**Record Date**"), there were an aggregate of 59,000,122 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the directors and executive officers of the Company, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares.

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

To the knowledge of the board of directors of the Company, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice.

#### **1. APPROVAL OF THE EARN-IN OF BREWER GOLD-COPPER PROJECT IN SOUTH CAROLINA, USA**

##### **Background**

The Company holds a leasehold with an option to purchase an interest in the Brewer Gold-Copper Project in South Carolina USA (the "**Brewer Property**") which was acquired pursuant to a mining lease with option to purchase agreement made as of March 1, 2020, as amended, (the "**Underlying Agreement**") between Pancon Resources Carolinas Corporation (formerly Palmetto Mining Corporation) ("**Pancon Carolinas**"), a wholly-owned subsidiary of the Company, Brewer Gold Receiver, LLC ("**Brewer**") and Environmental Risk Transfer, LLC. The Brewer Property is a 396.6-hectare past-producing gold mine located in Chesterfield County, South Carolina, located 17 kilometers along trend from the producing Haile Gold Mine.

On August 14, 2025, the Company and OceanaGold Corporation ("**OG**") entered into a non-binding letter of intent (the "**LOI**") setting out the terms upon which OG or an affiliate thereof would be granted an option to earn up to 80% of the Company's interest in the Brewer Property. During the following 30 days, the parties conducted

customary due diligence investigations on each other and negotiated the terms and conditions of an earn-in agreement providing for the granting of an option to OG to earn up to an 80% interest in the Brewer Property.

On September 15, 2025, the Company, Pancon Carolinas and OceanaGold Minerals U.S. Inc. ("**OceanaGold**"), a wholly-owned subsidiary of OG, entered into an earn-in to joint venture agreement dated September 15, 2025 (the "**OceanaGold Agreement**"), providing for the granting of an option to OceanaGold (the "**LLC Option**") to acquire up to an 80% interest in and to a joint venture LLC to be created under the laws of Delaware (the "**LLC**") by Pancon Carolinas and OceanaGold (the "**Proposed Transaction**"). The LLC will be governed by a limited liability company agreement (the "**LLC Agreement**") to be entered into between Pancon Carolinas and OceanaGold and will hold the interest in the Brewer Property acquired by the Company pursuant to the Underlying Agreement. The OceanaGold Agreement is subject to the Company receiving, by December 14, 2025 (a) the approval of the Shareholders at the Meeting; (b) the written approval of Brewer to the assignment by Pancon Carolinas of its interest in the Brewer Property to the LLC in accordance with the Underlying Agreement; and (c) the approval of the TSX Venture Exchange (collectively, the "**Required Approvals**").

### **Parties to the Proposed Transaction**

OceanaGold is a wholly-owned subsidiary of OG, which is a company listed on the Toronto Stock Exchange and is a growing intermediate gold and copper producer with four operating mines: the Haile Gold Mine in the State of South Carolina, United States of America; the Didipio Mine in the Philippines; and the Macraes and Waihi operations in New Zealand.

### **The Underlying Agreement**

Pursuant to the Underlying Agreement, Pancon Carolinas was granted an initial leasehold interest (the "**Lease**") in the Brewer Property. Pursuant to the Lease, Pancon Carolinas was granted the exclusive right and privilege to conduct all activities directed towards ascertaining the existence, location, quantity, quality or commercial value of deposits of all ore minerals and mineral products located on, in or under the Brewer Property and all beneficiated and other products produced therefrom for the purposes of determining the feasibility of the Brewer Property for the development, commissioning and operation of a mining operation.

In addition, pursuant to the Underlying Agreement, Pancon Carolinas was granted an option (the "**Brewer Option**") to acquire all or a portion of the Brewer Property for an amount equal to the sum of: (a) initially 50%, increased to 60% pursuant to the Fifth Amendment (as defined below), of the total past costs incurred by the Environmental Protection Agency (the "**EPA**") and the South Carolina Department of Health and Environmental Control ("**DHEC**") in responding to the release and threat of hazardous substances existing on the Brewer Property (the "**Past Hazardous Costs**"); plus (b) the cost of implementation of the selected remedy described in the Record of Decision for the Brewer Gold Mine Site issued by the EPA and dated September 14, 2014 (the "**ROD**") or such other remedy as agreed upon by the EPA, DHEC and Pancon Carolinas.

The Underlying Agreement may be assigned with the prior approval of Brewer.

Pursuant to the Underlying Agreement, in connection with the Lease and the Brewer Option, Pancon Carolinas is required to:

- (a) Pay to Brewer rent in the amount of US\$12,000 for leasing the Brewer Property for an initial period of 18 months beginning April 1, 2020, which initial period was extended, through various amendments described below, to December 31, 2027 (the "**Initial Term**"), which amount was paid on the date of entering into of the Underlying Agreement.
- (b) Pay to Brewer the operating expenses of Pancon Carolinas which include (i) the cost of utilities serving the Brewer Property used by Pancon Carolinas for mining and exploration or for environmental due diligence; (ii) real estate taxes; and (iii) cost of Brewer's casualty and liability insurance premiums.

- (c) Pay the amount of US\$150,000, which was reduced to US\$104,932 pursuant to the Second Amendment (as defined below) (the "**Initial Escrow Funds**") to an escrow agent to secure Pancon Carolinas' obligations to prepare the Brewer Property for purchase under the Brewer Option and to perform mineral exploration and environmental due diligence on the Brewer Property. The Initial Escrow Funds were deposited by Pancon Carolinas in escrow on June 30, 2020. The Initial Escrowed Funds were released to Pancon Carolinas on January 2021 upon Pancon Carolinas incurring US\$500,000 in expenditures on the Brewer Property.

On April 20, 2020, the Company, Pancon Carolinas and Brewer entered into the first amendment to the Underlying Agreement (the "**First Amendment**") pursuant to which the Initial Term was extended from 18 months to 24 months.

On June 29, 2020, the Company, Pancon Carolinas and Brewer entered into the second amendment to the Underlying Agreement (the "**Second Amendment**") pursuant to which (a) certain terms of the Underlying Agreement pertaining to the insurance Pancon Carolinas is required to keep in force were amended, and (b) the amount of the Initial Escrow Funds was reduced from US\$150,000 to US\$104,932.

On March 21, 2022, the Company, Pancon Carolinas and Brewer entered into the third amendment to the Underlying Agreement (the "**Third Amendment**") pursuant to which the Initial Term was extended to December 31, 2024.

On July 1, 2022, the Company, Pancon Carolinas and Brewer entered into the fourth amendment to the Underlying Agreement (the "**Fourth Amendment**") pursuant to which:

- (a) The Initial Term was extended to December 31, 2027.
- (b) The Initial Term may be further extended by Pancon Carolinas for three periods of one additional year by demonstrating: (i) for the first extension, from January 1, 2028 until December 31, 2028, that it has expended at least US\$9,000,000.00 on exploration activities at the Brewer Property since the commencement of the Lease; and (ii) for each subsequent one-year extension, from January 1, 2029 to December 31, 2029 and January 1, 2030 to December 31, 2030, respectively, that it has spent at least US\$1,500,000.00 on exploration activities at the Brewer Property in the immediately prior year.
- (c) During the extended term described above, Pancon Carolinas is required to pay to EPA and DHEC for the costs of response activities conducted at the Brewer Property, including operation and management of interim remedy being implemented at the Brewer Property consistent with EPA's Interim Record of Decision September 2005: (i) a maximum of US\$1,400,000 per year for 2025, 2026 and 2027, in quarterly instalments of US\$350,000; and (ii) a maximum of US\$1,500,000 per year for 2028, 2029 and 2030, in quarterly instalments of US\$375,000 (collectively the "**Response Activities Costs**"). Under the Fourth Amendment, the Response Activity Costs were required to be made by Pancon Carolinas in an escrow account commencing January 1, 2025.

On February 20, 2024, the Company, Pancon Carolinas and Brewer entered into the fifth amendment to the Underlying Agreement (the "**Fifth Amendment**"), pursuant to which:

- (a) The Response Activities Costs are no longer required to be made by Pancon Carolinas in an escrow account commencing January 1, 2025 but rather such accrued Response Activities Costs are required to be paid in full at closing following Pancon Carolinas' exercise of the Brewer Option.
- (b) The Past Hazardous Costs accrued to December 31, 2024 were increased to 60% from 50% and are required to be paid in full at closing following Pancon Carolinas' exercise of the Brewer Option.
- (c) In order to provide certainty for the proper abandonment of any remaining open exploration boreholes drilled by Pancon Carolinas on the Brewer Property, Pancon Carolinas was required to make a financial assurance payment ("**Financial Assurance Payment**") in the amount US\$150,000 payable in an escrow

account, which payment is required to be updated quarterly to cover any increased costs related to future borings or decreased to account for any future abandonments completed by Pancon Carolinas. The Financial Assurance Payment was returned to Pancon Carolinas in February 2025, after abandonment reclamation was completed.

Accordingly, at the time of entering into the OceanaGold Agreement:

- (a) Pancon Carolinas made the following payments under the Underlying Agreement, as amended, in order to keep the Lease and the Brewer Option in good standing:
- rent in the amount of US\$12,000;
  - Initial Escrow Funds in the amount of US\$104,932, which was released to Pancon Carolinas in January 2021, upon Pancon Carolinas incurring US\$500,000 in expenditures on the Brewer Property;
  - operating expenses in the aggregate amount of US\$3,000,000;
  - spent US\$6,040,000 on exploration activities at the Brewer Property; and
  - deposited in escrow US\$150,000 to satisfy the Financial Assurance Payment.
- (b) If the Brewer Option is not exercised prior to December 31, 2027, in order for Pancon Carolinas to extend the Initial Term from December 31, 2027 to December 31, 2030, Pancon Carolinas is required to, in addition to the applicable operating expenses, spend a maximum of US\$12,000,000 on exploration activities at the Brewer Property since the commencement of the Lease.
- (c) In order for Pancon Carolinas to exercise the Brewer Option, the purchase price will be determined to be an amount equal to the aggregate of: (a) 60% of the Past Hazardous Costs accrued to December 31, 2024; and (b) the *pro-rated* sum of deferred annual payments incurred by Pancon Carolinas from 2025 through 2030. In addition, Pancon Carolinas will be required to post financial assurance at closing, which, according to EPA guidelines, can be satisfied through one of the following: Trust Funds; Letters of Credit; Surety Bonds; Insurance Policies; Corporate Financial Tests; or Corporate Guarantees (<https://www.epa.gov/enforcement/financial-assurance-superfund-settlements-and-orders>). Such purchase price was estimated, as at the date of the OceanaGold Agreement, to be US\$26,700,000.

### **The OceanaGold Agreement**

The material terms of the OceanaGold Agreement are summarized below. A copy of the OceanaGold Agreement has been filed under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). This summary is qualified in its entirety by the provisions of the OceanaGold Agreement.

Under the OceanaGold Agreement, OceanaGold has an initial option (the "**Initial Option**") to earn a 50% interest in the LLC with an additional option (the "**Second Option**") to earn an additional 30% interest, for a total of 80% interest, in the LLC, all as described below. Pursuant to the terms of the OceanaGold Agreement, OceanaGold was initially granted by Pancon Carolinas the exclusive exploration right and option to: (a) enter upon and have immediate possession of the Brewer Property; (b) carry out operations on the Brewer Property as OceanaGold may in its sole discretion determine; (c) bring and install on the Brewer Property and remove from time to time such buildings, plant, machinery, equipment, tools, appliances and supplies as OceanaGold may deem necessary; and (d) remove from the Brewer Property reasonable quantities of rocks, ores, minerals and metals and to transport the same for the purpose of sampling, testing and assaying.

### Purchase Price

As consideration for entering into the OceanaGold Agreement, OceanaGold has agreed to pay to Pancon Carolinas:

- (a) a non-refundable payment of US\$150,000 (the "**Pre-Drilling Expense Payment**") within 10 days after OceanaGold's receipt from Pancon Carolinas of an invoice for the Pre-Drilling Expense Payment following receipt of the Required Approvals (the "**Required Approval Date**"); and
- (b) incur at least US\$1,500,000 in expenditures on the Brewer Property (the "**Expenditure Commitment**") within 12 months after the Required Approval Date.

### Exercising the Initial Option

In order to exercise the Initial Option, OceanaGold is required to meet the following conditions (collectively, the "**LLC Formation Conditions**"): (i) satisfy the Pre-Drilling Expense Payment; (ii) satisfy the Expenditure Commitment and incur an additional US\$6,500,000 of expenditures (for an aggregate amount of US\$8,000,000 of expenditures) (collectively, the "**Required Expenditures**") on the Brewer Property on or before December 31, 2027 (the "**Expenditure Period**"); and (iii) no later than 90 days after the end of the Expenditure Period, give Pancon Carolinas notice that the requirements of the Initial Option have been completed and elect for Pancon Carolinas and OceanaGold to jointly form the LLC (the date of such notice, the "**LLC Formation Date**"). Upon OceanaGold satisfying the LLC Formation Conditions and exercising of the Initial Option, Pancon Carolinas will hold its interest in the Brewer Property, including the Lease and the Brewer Option, acquired under the Underlying Agreement for the benefit of the LLC until such time as such interest is transferred to the LLC in accordance with the provisions of the OceanaGold Agreement.

### Joint Venture and Exercising of the Second Option

Upon the satisfaction of the LLC Formation Conditions and the exercise of the Initial Option, OceanaGold will cause the formation of the LLC which will be governed by the LLC Agreement. Upon execution of the LLC Agreement, OceanaGold will contribute the Required Expenditures to the LLC and own a 50% interest in the LLC and Pancon Carolinas will contribute its interest in the Brewer Property, including the Lease and the Brewer Option, acquired under the Underlying Agreement to the LLC and own the remaining 50% interest in the LLC.

Under the terms of the LLC Agreement, OceanaGold will have the right, but not the obligation, to exercise the Second Option by contributing to the LLC an additional US\$12,000,000 (for aggregate expenditures of US\$20,000,000) on or before December 31, 2030. Upon exercise of the Second Option, OceanaGold will have earned a 80% interest in the LLC and an 80% interest in the Brewer Property (and Pancon Carolinas will have a 20% interest in the LLC and in the Brewer Property).

In addition, under the terms of the LLC Agreement, OceanaGold will have the exclusive option to cause the LLC to exercise the Brewer Option on or before December 31, 2030, by solely funding the LLC with the amounts required to exercise the Brewer Option (the "**LLC Brewer Option**"), which as of the date of the OceanaGold Agreement were estimated to be \$26,700,000. If the LLC exercises the LLC Brewer Option under the terms of the LLC Agreement:

- (a) prior to the exercise of the Second Option by OceanaGold, OceanaGold will be deemed to have exercised the Second Option and will own an additional 30% interest in the LLC, whereupon OceanaGold's interest in the LLC will be 80% and Pancon Carolinas' interest in the LLC will be 20%; and
- (b) subsequent to the exercise of the Second Option by OceanaGold, OceanaGold's interest in the LLC will be 80% and Pancon Carolinas' interest in the LLC will be 20%.

### Acceleration and In-Lieu of Payment

OceanaGold may, at any time, accelerate the Pre-Drilling Expense Payment, the Expenditure Commitment or the Required Expenditures. In addition, OceanaGold may at any time pay Pancon Carolinas money in lieu of incurring the Expenditure Commitment or the Required Expenditures, in which event OceanaGold will be deemed to have incurred additional expenditures in the same amount as the amount of any such payment.

### Operator

Under the terms of the OceanaGold Agreement, one party to the OceanaGold Agreement will be appointed as operator in connection with the Brewer Property (the "**Operator**"). The Operator is responsible for overseeing and carrying out all operations and incurring expenditures in connection with the Brewer Property. Pancon Carolinas was appointed as the Operator during the Expenditure Period unless and until removed in accordance with the OceanaGold Agreement.

### Technical Committee

Following the date of the OceanaGold Agreement, the Company, Pancon Carolinas and OceanaGold shall form a technical committee (the "**Technical Committee**") comprising of two representatives from Pancon Carolinas and two representatives from OceanaGold.

The purpose of the Technical Committee is to:

- (a) consult with the Operator in respect of proposed Programs and Budgets (each as defined in the OceanaGold Agreement), if requested by the Operator;
- (b) provide advice to the Operator on exploration programs;
- (c) provide a forum for Pancon Carolinas and OceanaGold to share their views with respect to conducting operations on the Brewer Property; and
- (d) approve Programs and Budgets during the Expenditure Period.

### Other Material Terms of the OceanaGold Agreement

#### *Mutual Representations and Warranties.*

The OceanaGold Agreement contains mutual representations and warranties of OceanaGold and Pancon Carolinas. In particular, each of OceanaGold and Pancon Carolinas agreed to certain representations and warranties relating to, among other things: the incorporation and registration of each party; the power and authority to enter into and perform the obligations under the Transaction Agreement and its related agreements; no conflicts; the binding nature and validity of the Transaction Agreement and its related agreements and no fees or commissions payable in connection with the Proposed Transaction.

#### *Additional Representations and Warranties of Pancon Carolinas.*

The OceanaGold Agreement contains additional representations and warranties of Pancon Carolinas. In particular, Pancon Carolinas represents and warrants that, among others, Brewer is the legal and beneficial owner of the Brewer Property; Pancon Carolinas has a valid leasehold interest in the Brewer Property, free and clear of all encumbrances; the Underlying Agreement is in full force and effect; Pancon Carolinas has observed and preformed all of its covenants under the Underlying Agreement; Pancon Carolinas has not assigned the Underlying Agreement and Pancon Carolinas is entitled to the full benefit thereof; the Brewer Property is in good standing; Pancon Carolinas has all necessary surface and access rights to authorize reasonable access to and operations on the Brewer Property;

and, except as disclosed to OceanaGold, there are no hazardous materials on the Brewer Property and there are no material violations of environmental laws.

#### *Covenants of the Company.*

The Company has agreed to certain customary covenants. In particular, the Company has agreed to use all reasonable efforts to obtain the Required Approvals.

#### *Termination*

OceanaGold may terminate the OceanaGold Agreement:

- (a) if the Required Approvals are not received by December 14, 2025;
- (b) at any time after the payment of the Pre-Drilling Expense Payment and incurring the Expenditure Commitment (unless it has been excused under the terms of the OceanaGold Agreement from being required to pay the Pre-Drilling Expense Payment or incurring the Expenditure Commitment); and
- (c) if Pancon Carolinas' title to all or any part of the Brewer Property is at any time (except as a direct result of OceanaGold conducting its operations on the Brewer Property): (i) materially defective, encumbered (other than by a permitted encumbrance), or less than as represented in the OceanaGold Agreement, and Pancon Carolinas is unable or unwilling to promptly correct the alleged defect, encumbrance or impairment; or (ii) contested or challenged by any person, and Pancon Carolinas is unable or unwilling to promptly correct the alleged defect, encumbrance, or impairment.

Pancon Carolinas may terminate the OceanaGold Agreement if:

- (a) OceanaGold fails to make the Pre-Drilling Expense Payment within 10 days after the Required Approval Date; and
- (b) OceanaGold fails to incur the Expenditure Commitment on or before 12 months after the Required Approval Date, and does not incur the Expenditure Commitment within 30 days of notice of the default given by Pancon Carolinas after the due date for performance (or make payment of the deficiency to Pancon Carolina in lieu of incurring the Expenditure Commitment);

#### **Reasons for the Proposed Transaction**

In approving the Proposed Transaction, the board of directors of the Company has taken the following factors into consideration:

- The Proposed Transaction enables the Company to secure capital to drill deep drill holes at the Brewer Property to investigate the potential presence of an economic copper-gold porphyry deposit.
- The Proposed Transaction enables the Company to create shareholder value in the case that such deep drill holes return positive results that increase the likelihood of the potential presence of an economic copper-gold porphyry deposit.
- The Proposed Transaction enables the Company to form a strategic partnership with OG, who is committed to spending up to US\$20,000,000 of capital to the Company in order to advance exploration on the Brewer Property.
- If the LLC decides to purchase the Brewer Property, then OG will assume 100% responsibility for exercising the Brewer Option compliant with the US Environmental Protection Agency.

- OG through OceanaGold intends to advance the Brewer Property and the Company does not currently have the resources to maintain or advance the Brewer Property.
- With respect to rights and approvals which protect the Shareholders, at least two-thirds of the votes cast in person or by proxy at the Meeting must be voted in favour of the Proposed Transaction Resolution and Shareholders are provided with rights of dissent in accordance with the applicable provisions of the *Canada Business Corporations Act* (see the heading "*Rights of Dissent*").

### **Shareholder Approval and TSXV Approval**

The Brewer Property represents more than 50% of the Company's assets and may constitute the sale of substantially all of the assets of the Company. As a result, Section 5.14(c) of TSX Venture Exchange Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* ("**TSXV Policy 5.3**") and Section 189(3) of the *Canada Business Corporations Act* requires the Company to obtain the approval of the Proposed Transaction by the Shareholders by a special resolution. The Proposed Transaction Resolution requires the approval of two-thirds of all votes cast in person or by proxy at the Meeting. Furthermore, if approved at the Meeting, the Proposed Transaction Resolution will also approve the value ascribed to the Proposed Transaction, in the absence of evidence of value for such transaction as contemplated by section 5.11 of TSXV Policy 5.3.

A copy of the text of the Proposed Transaction Resolution is set out in Exhibit "A" of the Notice.

### **Recommendation of the Board of Directors**

The board of directors of the Company has unanimously approved the Proposed Transaction and believes that the Proposed Transaction is in the best interests of the Company and, based on the factors set out above under "*Reasons for the Proposed Transaction*", that the Proposed Transaction is fair to Shareholders. In reaching this determination, the board of directors of the Company has considered, among other things, the amount of aggregate expenditures incurred by the Company on the Brewer Property and the current market capitalization of the Company. **Accordingly, the board of directors of the Company unanimously recommends that Shareholders allow for the completion of the Proposed Transaction by voting IN FAVOUR of the Proposed Transaction Resolution.**

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE PROPOSED TRANSACTION RESOLUTION UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

### **RISK FACTORS**

The completion of the Proposed Transaction involves risks. Shareholders should carefully consider risk factors described below before making a decision regarding approving the Proposed Transaction Resolution. Readers are cautioned that such risk factors are not exhaustive and additional risks and uncertainties, including those currently unknown or considered immaterial to the Company may also adversely affect the Company.

#### **The Proposed Transaction is subject to satisfaction or waiver of various conditions**

Completion of the Proposed Transaction is subject to receipt of the Required Approvals, which may be outside the control of the Company, Pancon Carolinas, OG or OceanaGold. There can be no assurance that these approvals will be received or that the Proposed Transaction will be completed as currently contemplated or at all. If, for any reason, the Proposed Transaction is not completed or its completion is substantially delayed, the market price of the Common Shares may be materially adversely affected. In such event, the Company's business, financial condition or results of operations could also be subject to material adverse consequences.

It is a condition of closing the Proposed Transaction that the TSXV shall have conditionally approved the Proposed Transaction, subject to the satisfaction of customary conditions of such exchange. The Company has applied to the TSXV to approve the Proposed Transaction.

### **The OceanaGold Agreement may be terminated in certain circumstances**

Each of the Company, through Pancon Carolinas, and OceanaGold has the right to terminate the OceanaGold Agreement in certain circumstances. Accordingly, there is no certainty, and the Company cannot provide any assurance, that the OceanaGold Agreement will not be terminated by either Pancon Carolinas or OceanaGold before the completion of the Proposed Transaction. Failure to complete the Proposed Transaction could negatively impact the trading price of the Common Shares or otherwise adversely affect the business of the Company. See "*OceanaGold Agreement – Other Material Terms of the OceanaGold Agreement – Termination*".

### **The Company will incur costs even if the Proposed Transaction is not completed and the Company may have to pay various expenses incurred in connection with the Proposed Transaction**

Certain costs related to the Proposed Transaction, such as legal, accounting and certain financial advisor fees, must be paid by the Company even if the Proposed Transaction is not completed. The Company is liable for its own costs incurred in connection with the Proposed Transaction.

The Company has also incurred and expects to incur additional material non-recurring expenses in connection with the Proposed Transaction and completion of the transactions contemplated by the OceanaGold Agreement, including costs related to obtaining the Required Approvals.

### **If the Required Approvals are not obtained by December 14, 2025, OceanaGold may elect not to proceed with the Proposed Transaction**

OceanaGold may terminate the OceanaGold Agreement if the Required Approvals have not been completed by December 14, 2025 and the parties to the OceanaGold Agreement do not mutually agree to extend such date.

### **The pending Proposed Transaction may divert the attention of the Company's management**

The pendency of the Proposed Transaction could cause the attention of the Company's management to be diverted from the day-to-day operations and suppliers may seek to modify or terminate their business relationships with either the Company or Pancon Carolinas. These disruptions could be exacerbated by a delay in the completion of the Proposed Transaction and could have an adverse effect on the business, operating results or prospects of the Company regardless of whether the Proposed Transaction is ultimately completed.

### **Payments in connection with the exercise of Dissent Rights may impair the Company's financial resources**

Registered Shareholders have the right to exercise certain Dissent Rights (as hereinafter defined) and demand payment of the fair value of their Common Shares in cash in connection with the Proposed Transaction in accordance with the applicable provisions of the *Canada Business Corporations Act*. If there are significant number of dissenting Shareholders, a substantial cash payment may be required to be made to such dissenting Shareholders that could have an adverse effect on the Company's financial condition and cash resources if the Proposed Transaction is completed. See "*Dissent Rights*".

### **Directors and officers of the Company may have interests in the Proposed Transaction different from the interests of Shareholders following completion of the Proposed Transaction**

Certain of the directors and executive officers of the Company negotiated the terms of the OceanaGold Agreement, and the board of directors of the Company has unanimously recommended that Shareholders vote in favour of the Proposed Transaction Resolution. These directors and executive officers may have interests in the Proposed Transaction that are different from, or in addition to, those of Shareholders generally. These interests include, but are not limited to, these directors focusing on projects other than the Brewer Property. Shareholders should be aware of these interests when they consider the board of directors' unanimous recommendation to the Shareholders. The board of directors of the Company were aware of, and considered, these interests when they declared the advisability

of the OceanaGold Agreement and made their respective unanimous recommendations to the board of directors of the Company and the Shareholders, respectively.

## **DISSENT RIGHTS**

**The following description of the right to dissent ("Dissent Rights") to which registered Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a dissenting Shareholder who is qualified in its entirety by the reference to the full text of the Section 190 of the *Canada Business Corporations Act* (a copy of which is attached hereto as Schedule "A"). A Dissenting Shareholder who intends to exercise the right to dissent should carefully consider and comply with the provisions of the *Canada Business Corporations Act*. Failure to adhere to the procedures established therein may result in the loss of all rights thereunder. Accordingly, each dissenting Shareholder who might desire to exercise dissent rights should consult their own legal advisor.**

**Only Registered Shareholders may dissent. Persons who are beneficial owners of Common Shares registered in the name of a broker, dealer, bank, trust company or other nominee who wish to dissent, should be aware that they may only do so through the registered owner of such Common Shares. A Registered Shareholder, such as a broker, who holds Common Shares as nominee for beneficial holders, some of whom wish to dissent, must exercise the dissent right on behalf of such beneficial owners with respect to all of the Common Shares held for such beneficial owners. In such case, the demand for dissent should set forth the number of Common Shares covered by it.**

**Dissenting Shareholders must provide a written objection to the Proposed Transaction Resolution to the Company prior to the Meeting. A dissenting Shareholder may dissent only with respect to all of the Common Shares held by such dissenting Shareholder or on behalf of any one beneficial owner and registered in the dissenting Shareholder's name. No Shareholder who has voted in favour of the Proposed Transaction Resolution shall be entitled to dissent with respect to the Proposed Transaction.**

**The above summary does not purport to provide a comprehensive statement of the procedures to be followed by dissenting Shareholders who seek payment of the fair value of their Common Shares. Section 190 of the *Canada Business Corporations Act* requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. Accordingly, dissenting Shareholders who might desire to exercise the right to dissent and appraisal should carefully consider and comply with the provisions of Section 190 of the *Canada Business Corporations Act* and consult their own legal advisors.**

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

Except as otherwise disclosed in this Circular, no director or officer of the Company, no proposed nominee for election to the board of directors, no person who owns, or controls or directs, directly or indirectly, more than 10% of the Company's issued and outstanding shares, and no associate or affiliate of any such person, has had an material interest, direct or indirect, in any material transaction involving the Company since the commencement of its most recently completed financial year.

## **APPOINTMENT OF AUDITOR**

The Auditor of the Company is Jones & O'Connell LLP, Chartered Professional Accountants. Jones & O'Connell LLP were first appointed as the auditors of the Company on November 9, 2022.

## **OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

The management knows of no matters to come before the Meeting other than as set forth in the Notice. **However, if other matters which are not known to the management should properly come before the Meeting, the**

**accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Securityholders may contact the Company in order to request copies of the Company's consolidated financial statements at the offices of the Company at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2. Financial information about the Company may be found in the Company's consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial year.

#### **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the board of directors of the Company.

**DATED** this 27<sup>th</sup> day of October, 2025.

#### **BY ORDER OF THE BOARD**

*"Thomas Layton Croft" (Signed)*  
President & Chief Executive Officer

**SCHEDULE "A"**  
**SECTION 190 OF THE *CANADA BUSINESS CORPORATIONS ACT***

**Right to Dissent**

190. (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;

(c) amalgamate otherwise than under section 184;

(d) be continued under section 188;

(e) sell, lease or exchange all or substantially all its property under subsection 189(3); or

(f) carry out a going-private transaction or a squeeze-out transaction.

**Further right**

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

**If one class of shares**

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

**Payment for shares**

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

**No partial dissent**

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

**Objection**

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

### **Notice of resolution**

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

### **Demand for payment**

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

### **Share certificate**

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

### **Forfeiture**

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

### **Endorsing certificate**

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

### **Suspension of rights**

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

- (a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
- (b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
- (c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

### **Offer to pay**

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

#### **Same terms**

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

#### **Payment**

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

#### **Corporation may apply to court**

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

#### **Shareholder application to court**

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

#### **Venue**

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

#### **No security for costs**

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

#### **Parties**

(19) On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

#### **Powers of court**

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

### **Appraisers**

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

### **Final order**

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

### **Interest**

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

### **Notice that subsection (26) applies**

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

### **Effect where subsection (26) applies**

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

### **Limitation**

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

R.S., 1985, c. C-44, s. 190; 1994, c. 24, s. 23; 2001, c. 14, ss. 94, 134(F), 135(E).