

APPENDIX “A”
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) involving Golden Arrow Resources Corporation (“**Golden Arrow**”), all as more particularly described and set forth in the Management Information Circular (the “**Circular**”) of Golden Arrow dated November 17, 2015 accompanying the notice of this meeting (as the Arrangement may be duly modified or amended), is hereby authorized, approved and adopted;
2. The plan of arrangement, as it may be or has been duly amended (the “**Plan of Arrangement**”), involving Golden Arrow and implementing the Arrangement, the full text of which is set out in Appendix “B” to the Circular, is hereby approved and adopted;
3. The business combination agreement (the “**Business Combination Agreement**”) among Golden Arrow, Silver Standard Resources Inc., Mina Pirquitas, LLC, Valle Del Cura S.A. and 1049708 B.C. Ltd., dated September 30, 2015, and all the transactions contemplated therein, the actions of the directors of Golden Arrow in approving the Arrangement and the actions of the directors and officers of Golden Arrow in executing and delivering the Business Combination 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 Golden Arrow or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Golden Arrow are hereby authorized and empowered, without further notice to, or approval of, the common shareholders of Golden Arrow:
 - a. to amend the Business Combination Agreement or the Plan of Arrangement to the extent permitted by the Business Combination Agreement and the Plan of Arrangement; and
 - b. subject to the terms of the Business Combination Agreement, not to proceed with the Arrangement.
5. Any director or officer of Golden Arrow is hereby authorized and directed for and on behalf of Golden Arrow to execute and deliver any and all documents that are required to be filed under the BCBCA in connection with the Business Combination Agreement or the Plan of Arrangement; and
6. Any one or more directors or officers of Golden Arrow is hereby authorized, for and on behalf and in the name of Golden Arrow, to execute and deliver all such agreements, forms, waivers, notices, certificate, confirmations and other documents and instruments, and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Business Combination Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Business Combination Agreement, including:
 - a. all actions required to be taken by or on behalf of Golden Arrow, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

- b. the signing of the certificates, consents and other documents or declarations required under the Business Combination Agreement or otherwise to be entered into by Golden Arrow;

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

**APPENDIX “B”
PLAN OF ARRANGEMENT**

IN THE MATTER OF AN ARRANGEMENT among 1049708 B.C. Ltd. (“**New GAR**”), Golden Arrow Resources Corporation (“**Golden Arrow**”) and the holders from time to time of the issued and outstanding common shares without par value in the capital of Golden Arrow, holders of options to acquire common shares of Golden Arrow and holders of warrants to purchase common shares of Golden Arrow, all pursuant to Part 9, Division 5 of the *Business Corporations Act* (British Columbia), as amended.

**ARTICLE 1
INTERPRETATION**

Section 1.1 Definitions.

- (1) In this Plan of Arrangement, any capitalized term used herein and not defined in this Section 1.1 will have the meaning ascribed thereto in the Business Combination Agreement. Unless the context otherwise requires, the following words and phrases used in this Plan of Arrangement will have the meanings hereinafter set out:

“**Arrangement**” means this arrangement under Part 9, Division 5 of the BCBCA as described herein, subject to any amendments or variations thereto made in accordance with the Business Combination Agreement and the provisions hereof or made at the direction of the Court in the Final Order;

“**Arrangement Resolution**” means the special resolution of the Golden Arrow Shareholders approving the Arrangement which is to be considered at the Golden Arrow Meeting and will be substantially in the form of Schedule “A” to the Business Combination Agreement;

“**BCBCA**” means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

“**Business Combination Agreement**” means the agreement made as of September 30, 2015 among Golden Arrow, SSRI, New GAR, MP LLC and VDC, including all schedules annexed thereto, together with the GAR Disclosure Letter and the SSRI Disclosure Letter, as each may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

“**Business Day**” means a day which is not a Saturday, Sunday or a civic or statutory holiday in Vancouver, Canada;

“**Closing**” has the meaning ascribed thereto in Section 9.1 of the Business Combination Agreement;

“**Closing Date**” means the date upon which the Closing occurs;

“**Closing Time**” means the date and time as may be agreed to in writing by New GAR and SSRI pursuant to Section 9.7 of the Business Combination Agreement;

“**Converted New GAR Options**” has the meaning ascribed thereto in Section 3.1(1)(c);

“**Converted New GAR Warrants**” has the meaning ascribed thereto in Section 3.1(1)(d);

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

“Dissenter” means a registered Golden Arrow Shareholder who has duly exercised a Dissent Right and who is ultimately entitled to be paid the fair value of the Golden Arrow Shares held by such registered Golden Arrow Shareholder;

“Dissent Procedures” has the meaning ascribed thereto in Section 4.1(1);

“Dissent Rights” means the rights of dissent exercisable by registered Golden Arrow Shareholders in respect of the Arrangement described in Section 4.1(1) hereto;

“Dissenting Shares” has the meaning ascribed thereto in Section 4.1(2);

“DR” means Desarrollo de Recursos S.A., a corporation existing under the laws of Argentina;

“ExploreCo” means a corporation which is to be newly incorporated under the BCBCA which, upon completion of this Plan of Arrangement will be owned 100% by New GAR;

“Final Order” means the final order of the Court, after a hearing upon the fairness of the terms and conditions of the Arrangement, approving the Arrangement, as such order may be amended by the Court at any time prior to the Closing Date (provided that such amendment is in form and substance to the satisfaction of SSRI, GAR and New GAR, each acting reasonably);

“Founding New GAR Share” means the one (1) New GAR Share held by Golden Arrow that was issued to Golden Arrow on the incorporation of New GAR;

“GAC” means Golden Arrow Chile Limitada, a corporation existing under the laws of Chile;

“Golden Arrow” means Golden Arrow Resources Corporation, a corporation existing under the BCBCA;

“Golden Arrow Circular” means the notice of the Golden Arrow Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to the Golden Arrow shareholders in connection with the Golden Arrow Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Business Combination Agreement;

“Golden Arrow Meeting” means the special meeting of Golden Arrow Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Business Combination Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Golden Arrow Circular;

“Golden Arrow Optionholders” means the holders of Golden Arrow Options;

“Golden Arrow Option Plan” means the Fixed Stock Option Plan of Golden Arrow with an effective date of June 25, 2013;

“Golden Arrow Options” means the outstanding options to purchase Golden Arrow Shares issued pursuant to the Golden Arrow Option Plan;

“Golden Arrow Securityholders” means the Golden Arrow Shareholders, Golden Arrow Optionholders and Golden Arrow Warrantholders, collectively;

“Golden Arrow Shareholders” means the registered or beneficial holder of the Golden Arrow Shares, as the context requires, except that with respect to Dissent Rights, Golden Arrow Shareholders refers only to registered shareholders;

“Golden Arrow Shares” means the common shares in the capital of Golden Arrow which Golden Arrow is presently authorized to issue;

“Golden Arrow Warrantholders” means the holders of record of the Golden Arrow Warrants on the Closing Date;

“Golden Arrow Warrants” mean the share purchase warrants of Golden Arrow exercisable to acquire Golden Arrow Shares that are outstanding immediately prior to the Closing Time;

“IMPISA” means IMPISA Resources Corporation, a corporation existing under the laws of British Columbia;

“Interim Order” means the interim order of the Court made pursuant to Section 291 of the BCBCA providing for, among other things, the calling and holding of the Golden Arrow Meeting, as the same may be amended, supplemented or varied by the Court;

“JVco” means a corporation which is to be newly incorporated under the BCBCA which, upon completion of the Plan of Arrangement will be owned 75% by SSRI and 25% by New GAR;

“JVco Shares” means all of the issued and outstanding common shares of JVco;

“Laws” means any applicable laws, including international, national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, by-laws, rules, regulations, ordinances, or other requirements of any Regulatory Authority having the force of law;

“MP LLC” means Mina Pirquitas LLC, a corporation existing under the laws of Delaware;

“MPSA” means Mina Pirquitas LLC Sucursal Argentina, an Argentinian branch of MP LLC;

“New GAR” means 1049708 B.C. Ltd., a corporation existing under the BCBCA;

“New GAR Shares” means the common shares in the capital of New GAR which New GAR is presently authorized to issue;

“Person” includes an individual, partnership, association, company, corporation, body corporate, limited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, legal representative, government (including any Regulatory Authority) or any other entity, whether or not having legal status;

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

“Registrar” means the Registrar of Companies appointed pursuant to Section 400 of the BCBCA;

“Regulatory Authority” means (i) any multinational or supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission,

instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing; (ii) any self-regulatory organization or stock exchange, including the Toronto Stock Exchange and the TSXV; and (iii) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

“**Special Resolution**” has the meaning ascribed to such term in the BCBCA;

“**SSRI**” means Silver Standard Resources Inc., a corporation existing under the BCBCA;

“**subsidiary**” has the meaning given such term in the Business Combination Agreement;

“**Tax**” or “**Taxes**” means all taxes, however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any Taxing Authority, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and provincial income taxes), payroll and employee withholding taxes, employment insurance premiums, unemployment, insurance, social insurance taxes, Canada pension plan contributions, sales and use taxes, goods and services tax, harmonized sales tax, value added taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which the applicable Person is or was required to pay, withhold, remit or collect;

“**Tax Act**” means the *Income Tax Act* (Canada) as amended from time to time;

“**Taxing Authority**” means any governmental authority responsible for the imposition of any tax (domestic or foreign);

“**TSXV**” means the TSX Venture Exchange;

“**VDC**” means Valle Del Cura S.A., a corporation existing under the laws of Argentina; and

“**Warrant Certificate**” has the meaning ascribed thereto in Section 3.1(1)(d).

- (2) **Interpretation Not Affected by Headings.** The headings contained in this Plan of Arrangement are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Plan of Arrangement. The terms “this Plan of Arrangement”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular Article, Section or Subsection hereof and include any agreement or instrument supplementary or ancillary hereto.
- (3) **Date for any Action.** If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.
- (4) **Number and Gender.** In this Plan of Arrangement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders and neuter.
- (5) **References to Persons and Statutes.** A reference to a Person includes any successor to that Person. Any reference to a statute or to a rule of a self-regulatory organization, including any

stock exchange, refers to such statute or rule, and all rules and regulations, administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

- (6) **Currency.** Unless otherwise stated in this Plan of Arrangement, all references herein to amounts of money are expressed in lawful money of Canada.
- (7) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day.
- (8) **Time References.** Time shall be of the essence in every matter or action contemplated hereunder. References to time are to Pacific time.
- (9) **Including.** The word “including” means “including, without limiting the generality of the foregoing”.

ARTICLE 2

BUSINESS COMBINATION AGREEMENT; EFFECTIVENESS

Section 2.1 Effectiveness.

- (1) This Plan of Arrangement and the Arrangement are made pursuant to and subject to the provisions of the Business Combination Agreement.
- (2) This Plan of Arrangement will become effective as at the Closing Time and will be binding without any further authorization, act or formality on the part of the Court, the Registrar, or any Person, on New GAR, Golden Arrow and the Golden Arrow Securityholders, from and after the Closing Time.
- (3) As at and from the Closing Time:
 - (a) Golden Arrow will be a wholly-owned subsidiary of JVco;
 - (b) the rights of creditors against the property and interests of Golden Arrow will be unimpaired by the Arrangement;
 - (c) Golden Arrow Shareholders, other than Dissenters, will hold New GAR Shares in replacement for their Golden Arrow Shares, as provided by the Plan of Arrangement;
 - (d) Golden Arrow Options will be options to purchase New GAR Shares, as provided by the Plan of Arrangement; and
 - (e) Golden Arrow Warrants will be exercisable to acquire New GAR Shares, as provided by the Plan of Arrangement.

ARTICLE 3 THE ARRANGEMENT

Section 3.1 **Arrangement.**

- (1) At the Closing Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at one minute intervals starting at the Closing Time:
- (a) Each Golden Arrow Share outstanding immediately prior to the Closing Time held by a Dissenter shall be deemed to be transferred by such Dissenter, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to Golden Arrow and Golden Arrow shall thereupon be obligated to pay the amount therefor determined and payable in accordance with Article 4 hereof, and the name of each such Dissenter, shall be removed from the central securities register as a Golden Arrow Shareholder and such Golden Arrow Shares shall thereupon be cancelled;
 - (b) Each Golden Arrow Share outstanding immediately prior to the Closing Time (other than any Golden Arrow Share in respect of which the Golden Arrow Shareholder has validly exercised its Dissent Right) will be transferred to, and acquired by New GAR, without any act of formality on the part of the holder of such Golden Arrow Share, free and clear of all liens, claims and encumbrances, in exchange for one (1) New GAR Share;
 - (c) In accordance with the Golden Arrow Option Plan, with respect to each Golden Arrow Option outstanding immediately prior to the Closing Time, a Golden Arrow Optionholder shall receive (and such holder shall accept), upon the exercise of such Golden Arrow Optionholder's Golden Arrow Option, in lieu of each Golden Arrow Share to which such holder was theretofore entitled, upon such exercise and for the same aggregate consideration payable therefor, a New GAR Share. After the Closing Time, each such Golden Arrow Option (a "**Converted New GAR Option**") shall, except as set forth herein, continue to be governed by and subject to the terms of the Golden Arrow Option Plan and any applicable agreements thereunder and New GAR shall be deemed a successor for the purposes of the Golden Arrow Option Plan and will have assumed and be bound by all of the covenants and obligations of Golden Arrow under the Golden Arrow Option Plan and any applicable agreements thereunder and Golden Arrow will be unconditionally and irrevocably released and forever discharged from any and all obligations and liabilities under the Golden Arrow Option Plan and will no longer be a party to the Golden Arrow Option Plan. Upon due exercise of a Converted New GAR Option by a Golden Arrow Optionholder in accordance with its terms as amended hereunder, New GAR shall, upon receipt of the applicable exercise price, issue to such Golden Arrow Optionholder the number of New GAR Shares necessary to settle such exercise;
 - (d) In accordance with the warrant certificates governing the Golden Arrow Warrants (each, a "**Warrant Certificate**"), with respect to each Golden Arrow Warrant, a Golden Arrow Warrantholder shall be entitled to receive (and such holder shall accept) upon the exercise of such holder's Golden Arrow Warrant, in lieu of Golden Arrow Shares to which such holder was theretofore entitled upon such exercise, and for the same aggregate consideration payable therefor, the number of New GAR Shares which the holder would have been entitled to receive as a result of the transactions contemplated by the Arrangement if, immediately prior to the Closing Date, such holder had been the

registered holder of the number of Golden Arrow Shares to which such holder would have been entitled if such holder had exercised such holder's Golden Arrow Warrants immediately prior to the Closing Time. After the Closing Time, each such Golden Arrow Warrant (a "**Converted New GAR Warrant**") shall, except as set forth herein, continue to be governed by and be subject to the terms of the applicable Warrant Certificate and New GAR shall be a "successor corporation" for all purposes of such Warrant Certificate and will have assumed and be bound by all of the covenants and obligations of Golden Arrow under such Warrant Certificate and Golden Arrow will be unconditionally and irrevocably released and forever discharged from any and all obligations and liabilities under such Warrant Certificate and will no longer be a party to such Warrant Certificate. Upon due exercise of a Converted New GAR Warrant by a Golden Arrow Warrantholder in accordance with its terms as amended hereunder, New GAR shall, upon receipt of the applicable exercise price, issue to such Golden Arrow Warrantholder the number of New GAR Shares necessary to settle such exercise;

- (e) The Founding New GAR Share shall be cancelled for no consideration and Golden Arrow shall be, and shall be deemed to be, removed from the register of New GAR maintained by or on behalf of New GAR;
- (f) Golden Arrow will file an election with the Canada Revenue Agency, to be effective prior to the reduction of capital described in Section 3.1(1)(h) of the Plan of Arrangement, to cease to be a public corporation for purposes of the Tax Act;
- (g) All the shares of IMPSA, DR and GAC owned by Golden Arrow will be transferred and assigned by Golden Arrow to ExploreCo, without any act or formality, free and clear of all liens, claims and encumbrances in exchange for ExploreCo issuing from treasury 1,000 ExploreCo Shares to Golden Arrow, free and clear of all liens, claims and encumbrances;
- (h) Pursuant to the provisions of Section 74(1)(b) of the BCBCA, the capital of Golden Arrow be reduced by an amount equal to the fair market value of all the shares of ExploreCo owned by Golden Arrow and all the shares of ExploreCo owned by Golden Arrow be distributed to New GAR as a reduction of capital;
- (i) Each Golden Arrow Share will be transferred and assigned by New GAR to JVco, without any act or formality, free and clear of all liens, claims and encumbrances, in exchange for JVco issuing from treasury 250,000 JVco Shares to New GAR, free and clear of all liens, claims and encumbrances;
- (j) Each of the New GAR directors will be deemed to have resigned and the directors of New GAR will be the directors of Golden Arrow immediately prior to the Closing Time;
- (k) Each of the New GAR officers will be deemed to have resigned and the officers of New GAR shall be the officers of Golden Arrow immediately prior to the Closing Time; and
- (l) The name of New GAR shall be changed to "Golden Arrow Resources Corporation" and its Notice of Articles and Articles shall be amended accordingly;
- (m) The name of Golden Arrow shall be changed to "Chinchillas Canada Inc." and its Notice of Articles and Articles shall be amended accordingly.

ARTICLE 4 RIGHTS OF DISSENT

Section 4.1 Dissent Rights.

- (1) Registered holders of Golden Arrow Shares may exercise rights of dissent (the “**Dissent Rights**”) in connection with the Arrangement pursuant to the Interim Order and in the manner set forth in Sections 242 to 247 of the BCBCA (collectively, the “**Dissent Procedures**”), provided that the written notice setting forth the objection of such registered Golden Arrow Shareholder to the Arrangement contemplated by Section 242 of the BCBCA must be received by Golden Arrow not later than 4:30 p.m. on the Business Day that is two (2) Business Days before the Golden Arrow Meeting.
- (2) Golden Arrow Shareholders who duly and validly exercise Dissent Rights with respect to their Golden Arrow Shares (“**Dissenting Shares**”) and who:
 - (a) are ultimately entitled to be paid fair value for their Dissenting Shares will be deemed to have transferred their Dissenting Shares to Golden Arrow under Section 3.1 and shall be paid an amount equal to such fair value by Golden Arrow out of its separate assets; or
 - (b) for any reason are ultimately not entitled to be paid fair value for their Dissenting Shares, will be deemed to have participated in the Arrangement on the same basis as a non-dissenting Golden Arrow Shareholder and will receive New GAR Shares on the same basis as every other non-dissenting Golden Arrow Shareholder;

but in no case will Golden Arrow or New GAR be required to recognize such persons as holding Golden Arrow Shares on or after the Closing Date. For greater certainty, in no case shall Golden Arrow, New GAR or any other Person be required to recognize Dissenting Shareholders as Golden Arrow Shareholders after the Closing Time, and the names of such Dissenting Shareholders shall be deleted from the register of Golden Arrow Shareholders as of the Closing Time.

ARTICLE 5 CERTIFICATES

Section 5.1 New Share Certificates.

- (1) From and after the Closing Date, share certificates representing Golden Arrow Shares not deemed to have been cancelled pursuant to Article 4 shall for all purposes be deemed to be share certificates representing New GAR Shares, and no new share certificates shall be issued with respect to the New GAR Shares issued in connection with the Arrangement.

ARTICLE 6 AMENDMENT

Section 6.1 Amendment.

- (1) New GAR and Golden Arrow reserve the right to amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Closing Date, provided that any amendment, modification or supplement must be contained in a written document which is agreed to in writing by Golden Arrow and New GAR and filed with the Court and, if made following the Golden Arrow Meeting, then: (i) approved by the Court, and (ii) if the Court directs, approved by

the Golden Arrow Securityholders and in any event communicated to them, and in either case in the manner required by the Court.

- (2) Any amendment, modification or supplement to this Plan of Arrangement, if agreed to by Golden Arrow and New GAR, may be made at any time prior to or at the Golden Arrow Meeting, with or without any other prior notice or communication and, if so proposed and accepted by Persons voting at the Golden Arrow Meeting (other than as may be required under the Interim Order) shall become part of this Plan of Arrangement for all purposes.
- (3) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Golden Arrow Meeting will be effective only if it is consented to by Golden Arrow, New GAR and SSRI and, if required by the Court, by the Golden Arrow Shareholders.
- (4) Notwithstanding the foregoing provisions of this Article 6, no amendment, modification or supplement of this Plan of Arrangement may be made prior to the Closing Time except in accordance with the terms of the Business Combination Agreement.
- (5) This Plan of Arrangement may be withdrawn prior to the Closing Time in accordance with the terms of the Business Combination Agreement.

ARTICLE 7 WITHHOLDING RIGHTS

Section 7.1 Withholding Rights.

Golden Arrow, New GAR and any Person on their behalf shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any Person hereunder and from all dividends, interest or other amounts payable to any Person such amounts as Golden Arrow, New GAR or any Person on their behalf may be required or permitted to deduct and withhold therefrom under any provision of applicable Laws in respect of Taxes. To the extent that such amounts are so deducted, withheld and remitted, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid. Golden Arrow or New GAR shall also have the right to withhold and sell, on their own account or through a broker, and on behalf of any aforementioned Person to whom a withholding obligation applies, or require such Person to irrevocably direct the sale through a broker and irrevocably direct the broker to pay the proceeds of such sale to Golden Arrow or New GAR, as appropriate, such number of New GAR Shares issued to such Person pursuant to the Arrangement as is necessary to produce sale proceeds (after deducting commissions payable to the broker and other costs and expenses) sufficient to fund any withholding obligations. Neither Golden Arrow or New GAR will be liable for any loss arising out of any sale.

ARTICLE 8 PARAMOUNTCY

Section 8.1 Paramountcy.

- (1) From and after the Closing Time:
 - (a) this Plan of Arrangement shall take precedence and priority over any and all rights related to the Golden Arrow Option Plan, Golden Arrow Options, Golden Arrow Warrants and Golden Arrow Shares, outstanding prior to the Closing Time,

- (b) the rights and obligations of Golden Arrow Shareholders, holders of Golden Arrow Options, holders of Golden Arrow Warrants and any trustee and transfer agent therefor, shall be solely as provided for in this Plan of Arrangement, and
- (c) all actions, causes of actions, claims or proceedings (actual or contingent, and whether or not previously asserted) based on or in any way relating to the Golden Arrow Shares, Golden Arrow Warrants or the Golden Arrow Options shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 9 FURTHER ASSURANCES

Section 9.1 Further Assurances.

- (1) Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Business Combination Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order further to document or evidence any of the transactions or events set out in this Plan of Arrangement.

APPENDIX “C”

INFORMATION CONCERNING NEW GAR POST-ARRANGEMENT

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INFORMATION CONCERNING NEW GAR POST-ARRANGEMENT

The following describes the proposed business of New GAR, following the completion of the Arrangement, and should be read together with the *pro forma* financial statements of New GAR attached as Appendix “G” to the Circular. Except where the context otherwise requires, all of the information contained in this Appendix is made on the basis that the Arrangement has been completed as described in the Circular.

INFORMATION CONTAINED IN THIS APPENDIX “C”

The information provided herein concerning New GAR following the completion of the Arrangement is provided as of the date of the Circular. Pursuant to the Business Combination Agreement, SSRI may elect to exercise its Election to Proceed at any time on or before March 30, 2017. The Arrangement will not proceed unless SSRI exercises its Election to Proceed and all conditions precedent to the Arrangement, as more particularly described in the Business Combination Agreement, are satisfied or waived by the appropriate Party. Accordingly, the information provided herein is subject to change prior or subsequent to the Closing Date. See “*Cautionary Note Regarding Forward-Looking Statements and Risks*” in the Circular.

In order to facilitate the incorporation and organization of New GAR, Mr. Nikolaos Cacos has been appointed as an officer and director of New GAR on an interim basis. Unless otherwise indicated, references herein to the programs, policies, procedures, practices, guidelines, mandates and plans (collectively, the “Programs and Policies”) of New GAR refer, in each case, to the Programs and Policies of New GAR which are expected to be formally ratified and adopted by the New GAR Board subsequent to the Arrangement. Each of the Programs and Policies are expected to be in substantially the same form as those presently in place at Golden Arrow and, unless otherwise indicated, the disclosure in respect thereof contained in this Appendix “C” is presented on the assumption that the Programs and Policies have been formally ratified by the New GAR Board in such form and have been instituted at New GAR. Notwithstanding the foregoing, prior to the formal ratification and adoption of each of the Programs and Policies, it is expected that the New GAR Board will review and adjust such Programs and Policies to the extent necessary to ensure that the specific requirements of New GAR and its operations are met. Accordingly, the disclosure contained in this Appendix “C” in respect of such Programs and Policies remains subject to revision prior or subsequent to the Closing Date.

Unless the context otherwise requires, all references in this Appendix to “New GAR” means 1049708 B.C. Ltd. Except as specified under the headings “*Description of JVco - Shareholder Agreement*” and “*New GAR Properties – The Chinchillas Project*”, capitalized terms in this Appendix “C” not otherwise defined have the meanings set out in the Glossary of Terms of the Circular.

CORPORATE STRUCTURE

Name and Incorporation

New GAR was incorporated under the BCBCA on September 22, 2015 under the name “1049708 B.C. Ltd.” Pursuant to the Arrangement, at the Closing Time, New GAR will change its name to “Golden Arrow Resources Corporation”. Prior to the Closing Date of the Arrangement, New GAR will not carry on any business except as contemplated by the Arrangement.

The registered and records office of New GAR is located at Suite 2600, Three Bentall Centre, 595 Burrard Street, P.O. Box 49314, Vancouver, British Columbia, V7X 1L3. New GAR’s head office is

located at 411-837 West Hastings Street, Vancouver, British Columbia, V6C 3N6.

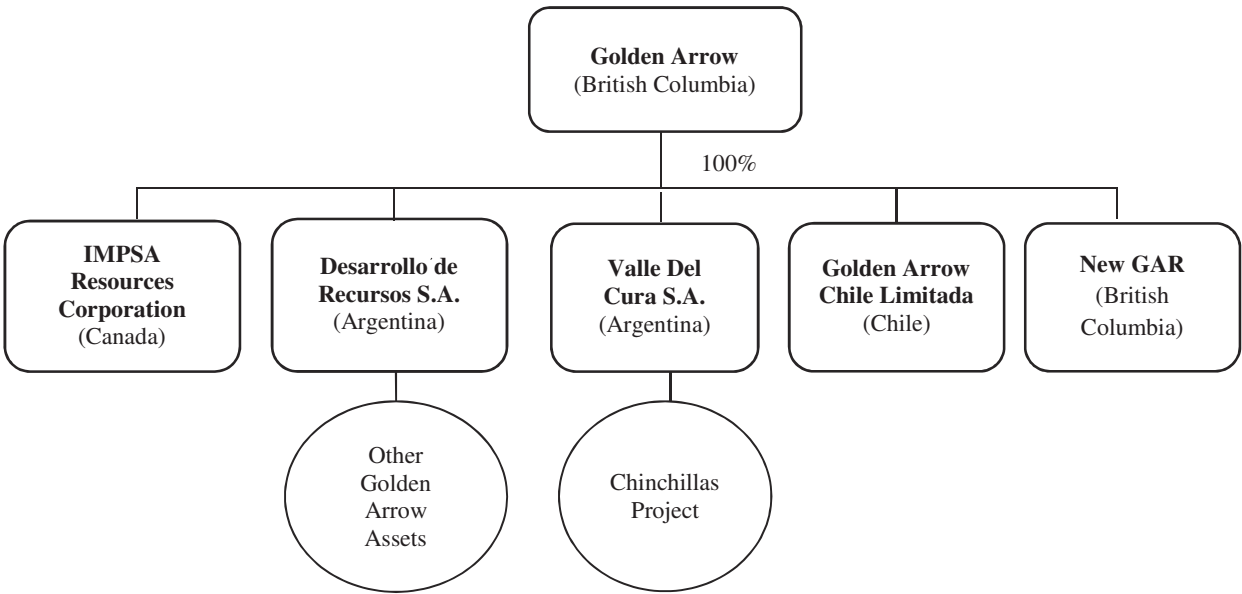
New GAR is currently a wholly-owned subsidiary of Golden Arrow that has been formed to acquire and hold the JVco Shares and ExploreCo Shares pursuant to the Arrangement. Upon completion of the Arrangement, each Golden Arrow Shareholder will become a shareholder of New GAR.

New GAR is not currently a reporting issuer and the New GAR Shares are not listed on any stock exchange. Upon completion of the Arrangement, New GAR will be a reporting issuer in British Columbia and Alberta. The TSX-V has provided conditional approval for the Transaction. Pursuant to the Transaction the New GAR Shares will be listed on the TSX-V under the existing Golden Arrow symbol “GRG” upon the delisting of the Golden Arrow Shares. Final approval for the Transaction will be subject to meeting the requirements of the TSX-V.

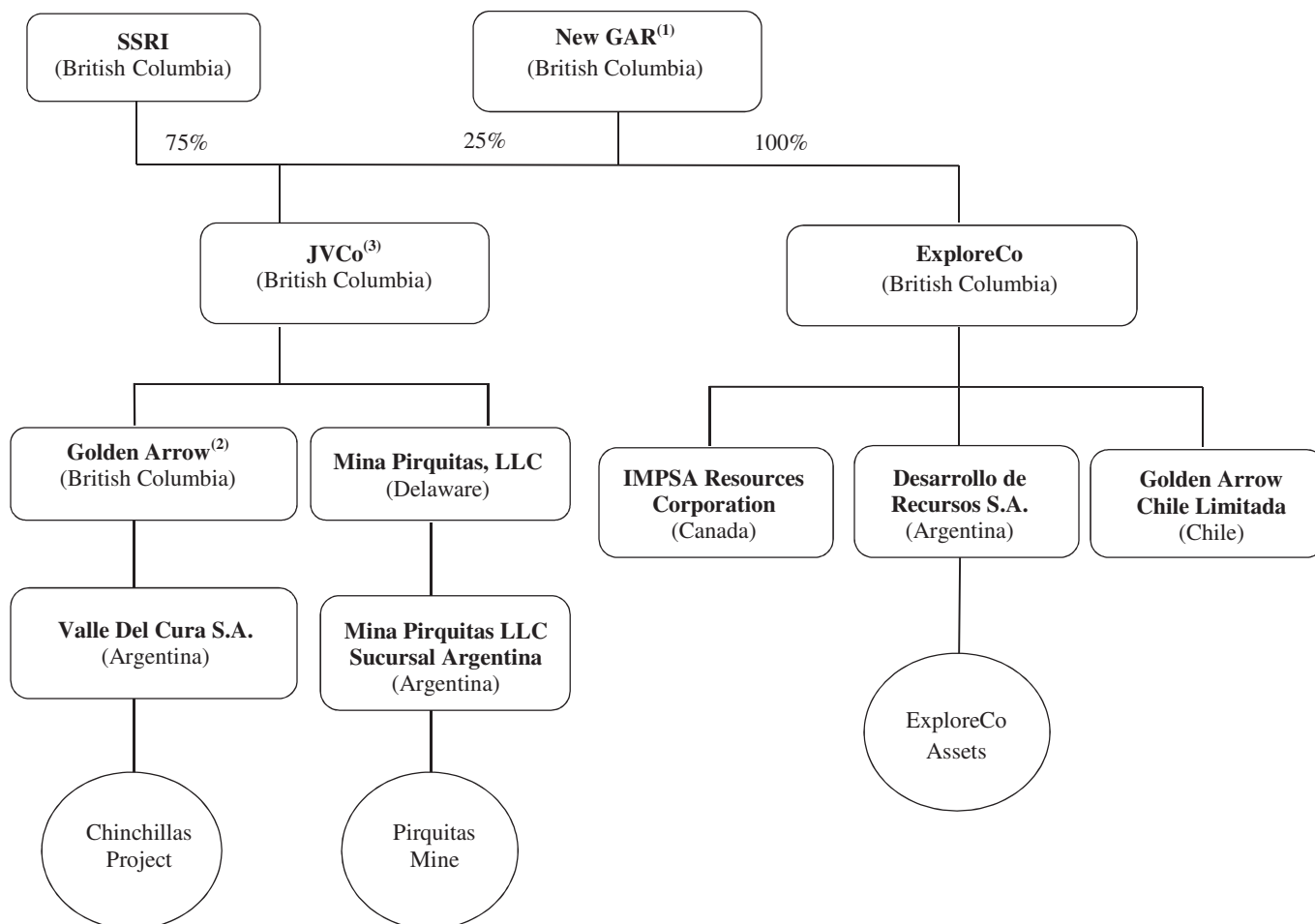
To facilitate the incorporation of New GAR, a standard set of Articles for New GAR was approved by Golden Arrow in its capacity as the sole shareholder of New GAR. On November 2, 2015, New GAR adopted new Articles that are identical in all material respects to the current Articles of Golden Arrow.

Intercorporate Relationships

As of the date of the Circular, New GAR is a wholly-owned subsidiary of Golden Arrow, whose interests and subsidiaries are shown in the diagram below.



As of the Closing Date, New GAR will hold the interests and subsidiaries as shown in the diagram below.



Notes:

- (1) New GAR will be renamed “Golden Arrow Resources Corporation” upon completion of the Arrangement.
- (2) Golden Arrow will be renamed “Chinchillas Canada Inc.” upon completion of the Arrangement.
- (3) Following the Closing Time, New GAR and SSRI’s interest in JVco will be governed by the terms of the Shareholder Agreement. See in this Appendix “C”, “Description of the Business – Description of JVco – Shareholder Agreement” for further information.

DESCRIPTION OF THE BUSINESS

General

Currently, New GAR has no assets or operations. Following completion of the Arrangement, New GAR will be engaged in the business of acquiring, exploring and evaluating natural resource properties and either joint venturing or developing these properties further or disposing of them when the evaluation is completed.

As at the Closing Date, New GAR will have a 25% interest in JVco, of which the remaining 75% interest will be held by SSRI, and a 100% interest in ExploreCo. Through JVco, New GAR will have a 25% interest in Golden Arrow’s Chinchillas Project and SSRI’s Pirquitas Mine, located approximately 35 km apart in the Jujuy Province of Argentina, which will be New GAR’s material mineral property interests.

Arrangement and Business Combination Agreement

Pursuant to the Arrangement, Golden Arrow Shares will be exchanged for New GAR Shares such that each Golden Arrow Shareholder will hold one New GAR Share for each Golden Arrow Share currently held. No new share certificates will be issued with respect to the New GAR Shares issued in connection with the Arrangement. Rather, at the Closing Time, share certificates representing, on their face, Golden Arrow Shares, will for all purposes be deemed to be share certificates representing New GAR Shares.

The Arrangement is part of a series of transactions contemplated by the Business Combination Agreement, including the incorporation of JVco by SSRI pursuant to the SSRI Pre-Closing Reorganization, the transfer of SSRI's interest in the Pirquitas Mine to JVco, the transfer of all of Golden Arrow's assets (other than its interest in VDC and the Chinchillas Project) to New GAR and the transfer by New GAR to JVco of all Golden Arrow Shares (including its interest in VDC and the Chinchillas Project) in exchange for JVco issuing JVco Shares to New GAR. See "*The Golden Arrow Meeting*" and "*The Business Combination Agreement*" in the Circular for further information.

History

New GAR was incorporated under the BCBCA on September 22, 2015 under the name "1049708 B.C. Ltd." Prior to the Closing Date, New GAR will not carry on any business except as contemplated by the Arrangement. Golden Arrow, New GAR's predecessor entity, was created on July 7, 2004, as a result of the Reorganization completed by Kobex (formerly IMA Exploration Inc.). Shareholders of Kobex were issued one share of Golden Arrow for every ten shares of Kobex held.

Golden Arrow is currently a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. Golden Arrow's material mineral property interest is the Chinchillas Project located in South America.

2013

In May 2013, Golden Arrow announced its initial NI 43-101 compliant resource estimate for the Chinchillas Project and on June 20, 2013 filed the "Mineral Resource Estimate For the Chinchillas Silver-Lead-Zinc Project Jujuy Province, Argentina".

In July of 2013, Golden Arrow announced that it had been granted additional concessions surrounding the Chinchillas Project, effectively tripling the area of the entire property to 1,160 hectares.

In December 2013, Golden Arrow announced the results of a Preliminary Economic Assessment for the Chinchillas Project. Golden Arrow filed the corresponding technical report entitled "*Preliminary Economic Assessment For the Chinchillas Silver-Lead-Zinc Project, Jujuy Province, Argentina*" on January 20, 2014, with an effective date of December 5, 2013.

2014

On August 29, 2014, Golden Arrow announced an updated NI 43-101 compliant resource estimate for the Chinchillas Project and on October 10, 2014, Golden Arrow filed the corresponding technical report.

On May 10, 2014, Golden Arrow entered into a drilling contract with a leading drilling company in Argentina, whereby up to 15,000 meters (or up to US\$3,000,000) of drilling at the Chinchillas Project

would be paid for by issuing up to a total of 1,260,504 Golden Arrow Shares, at a deemed price of US\$2.38 per share.

An updated Preliminary Economic Assessment was announced by Golden Arrow on October 30, 2014. The update was based on the expanded resourced estimate announced on August 29, 2014. Golden Arrow filed the updated Preliminary Economic Assessment on December 3, 2014 and filed an amendment thereto on February 16, 2015.

In December 2014, Golden Arrow completed the first tranche of a private placement of units consisting of aggregate gross proceeds of \$1,016,000. Golden Arrow issued 5,080,000 units (each, a “Unit”) at a price of \$0.20 per Unit, with each Unit consisting of one Golden Arrow Share and one Golden Arrow Warrant. Each such Golden Arrow Warrant entitled the holder thereof to purchase one additional Golden Arrow Share at a price of \$0.25 until December 18, 2016.

2015

On January 21, 2015, Golden Arrow closed the second and final tranche of the non-brokered private placement, issuing 2,739,000 Units for gross proceeds of \$547,800. Each Golden Arrow Warrant issued in the second tranche entitled the holder thereof to acquire one Golden Arrow Share at a price of \$0.25 until January 15, 2017.

On January 23, 2015, Golden Arrow received TSX-V approval to issue Golden Arrow Shares to two Argentinian companies, one of which was one providing drilling services to Golden Arrow and the other providing heavy equipment services. With respect to the drilling services, Golden Arrow and the Argentinian company agreed to payment for such services by way of the issuance of an aggregate of up to 1,117,900 Golden Arrow Shares at a deemed price of \$1.456 per Golden Arrow Share. The Golden Arrow Shares were issued in consideration for the Argentinian company conducting 6,400 meters of diamond drilling on the Chinchillas Project. With respect to the heavy equipment services, Golden Arrow and the Argentinian company agreed to the payment for such services by way of the issuance of an aggregate of up to 98,783 Golden Arrow Shares at a deemed price of \$1.456 per Golden Arrow Share.

Golden Arrow completed a number of other private placements in the first seven months of 2015. On January 30, 2015, Golden Arrow completed a private placement of 442,056 Golden Arrow Shares for gross proceeds of \$643,648. On July 9, 2015, Golden Arrow completed a non-brokered private placement of 442,056 Golden Arrow Shares at a price of \$1.50 per Golden Arrow Share for gross proceeds of \$663,084.

On March 17, 2015, Golden Arrow reported that it had been granted a third concession for the Chinchillas Project, expanding the total project area to 2,043 hectares.

On May 27, 2015, Golden Arrow entered into a subscription agreement with SSRI to issue and sell \$1,500,000 of Golden Arrow Shares to SSRI at a price per Golden Arrow Share of \$0.35. The financing closed on June 4, 2015. In consideration for the issuance of the Golden Arrow Shares, Golden Arrow received 214,592 Pretium Shares from SSRI at a price of \$6.99 per Pretium Share.

On July 28, 2015, Golden Arrow completed the option payments required to acquire 100% of the Chinchillas Project under the Option Agreement.

On September 30, 2015, Golden Arrow entered into the Business Combination Agreement with New GAR, SSRI, MP LLC and VDC. For more information on the background to the Business Combination

Agreement and the Business Combination Agreement, see “*The Golden Arrow Meeting - Background to the Arrangement*” and “*The Business Combination Agreement*” in the Circular.

On October 22, 2015, Golden Arrow completed a private placement of Golden Arrow Shares for gross proceeds of \$227,500.

On November 2, 2015, Golden Arrow filed the amended and restated Chinchillas Technical Report, which had been originally filed on September 14, 2015. For more information on the Chinchillas Technical Report, see in this Appendix “C”, “*New GAR Properties*”.

Description of JVco

JVco is to be newly incorporated by SSRI under the BCBCA pursuant to the Business Combination Agreement. At Closing, JVco will own 100% of the outstanding securities of Golden Arrow and MP LLC and will be owned 75% by SSRI and 25% by New GAR. JVco will hold Golden Arrow’s Chinchillas Project and SSRI’s Pirquitas Mine. For more information on the Chinchillas Project, see in this Appendix “C”, “*New GAR Properties*”. For more information on the Pirquitas Mine, see “*Appendix “D” – Information Concerning MP LLC – Mineral Properties - Pirquitas Mine*”.

As part of the SSRI Pre-Closing Reorganization, SSRI will transfer to JVco all of the MP LLC Units in consideration for JVco issuing from treasury JVco Shares to SSRI. MP LLC is the owner of the Pirquitas Mine. At Closing and pursuant to the Arrangement, New GAR will transfer to JVco all of the Golden Arrow Shares in exchange for JVco issuing JVco Shares to New GAR.

Shareholder Agreement

At Closing, SSRI and New GAR will enter into the Shareholder Agreement which will govern their ownership in JVco (such date being the “**Effective Date**”). The material provisions of the Shareholder Agreement are summarized below. Unless otherwise indicated, all capitalized terms otherwise not defined in this section have the meanings ascribed to them in the Shareholder Agreement attached as Schedule “I” to the Business Combination Agreement. This description of the Shareholder Agreement, both below and elsewhere in this Appendix, is qualified in its entirety by reference to the complete Shareholder Agreement attached as Schedule “I” to the Business Combination Agreement, as filed under Golden Arrow’s profile on SEDAR at www.sedar.com.

Under the Shareholder Agreement, SSRI will control almost all of the affairs of JVco following the Closing Time. Golden Arrow Shareholders are urged to read the full text of the Shareholder Agreement and consider the related risk factors discussed herein (see “*Risk Factors – Structural and Operational Risks*” in this Appendix “C”).

(a) Purpose

JVco will be formed for certain purposes including, but not limited to: (i) conducting exploration of the Pirquitas Properties and Chinchillas Properties (together, the “**Properties**”) and within the Area of Interest, (ii) overseeing and managing Operations by MP LLC, MPSA, Historic GAR (being Golden Arrow following completion of the Arrangement) and VDC (collectively, the “**Subsidiaries**”), (iii) acquiring additional properties within the Area of Interest through one or more of the Subsidiaries, (iv) evaluating the possible Development and Mining of the Properties through one or more of the Subsidiaries, and (v) engaging in any Development and Mining of the Properties.

(b) Organization

JVco will be managed by a board of directors (the “**JVco Board**”) consisting of no more than three directors. Subject to SSRI or New GAR (each, a “**Shareholder**”) losing a director seat if such Shareholder’s Ownership Interest is reduced to 10% or less, up to two directors may be appointed by the Shareholder with the majority Ownership Interest and one director will be appointed by the Shareholder with the minority Ownership Interest. The directors appointed by the Shareholder holding a majority Ownership Interest will appoint the Chair of the JVco Board. The Chair of the JVco Board will conduct all JVco Board meetings. Each director will have one vote.

Subject to matters requiring unanimous consent of the JVco Board as set out below, decisions of the JVco Board will be by simple majority. Immediately following the Arrangement, SSRI will hold the majority (75%) Ownership Interest of JVco and will therefore hold the majority of votes of the JVco Board. As a result, SSRI will have effective control over almost all of the affairs of JVco. Certain matters will require unanimous approval of the JVco Board, namely:

- an acquisition of assets or shares that is not contemplated by an approved Program and Budget (as such terms are defined below) and that involves a payment in excess of US\$2,000,000;
- an amalgamation, corporate reorganization, arrangement or merger by JVco with a third party;
- a corporate reorganization within the Group (as defined below) to the extent the reorganization involves JVco and would result in a material adverse effect on a Shareholder;
- entering into a contract, lease or other agreement with a Shareholder or an Affiliate of a Shareholder, which pursuant to the Shareholder Agreement requires unanimous approval of the JVco Board;
- conducting Exploration, Development or Mining activities located outside of the Area of Interest;
- the redemption, purchase for cancellation or other acquisition for value by JVco of any outstanding JVco Shares, except for those redemptions, purchases for cancellation or other acquisitions for value of outstanding JVco Shares which are expressly permitted under the Shareholder Agreement;
- the making, directly or indirectly, of any loans or advances in excess of US\$5,000,000 by JVco to a Person who is not a member of the Group and which loans or advances are not contemplated by an approved Program and Budget or the granting of any security interests by JVco over its assets as security for any such loans or advances;
- any amendment to the Notice of Articles or Articles of JVco, but only to the extent that such amendment would have a material effect on a Shareholder;
- subject to certain exceptions set out in the Shareholder Agreement, initiating litigation or arbitration proceedings if the amount of the dispute is in excess of US\$10,000,000 and the settlement of litigation or arbitration proceedings if the amount of the settlement is in excess of US\$5,000,000;

- the cessation of Operations if such cessation occurs within the first 12 months after the Effective Date, provided that unanimous approval of the JVco Board is not required under certain enumerated circumstances;
- if a cessation of Operations occurs within the first 12 months after the Effective Date, the recommencement of Operations within the first 12 months after the Effective Date, provided that unanimous approval of the JVco Board is not required for any recommencement after a cessation resulting from certain enumerated circumstances;
- issuing JVco Shares to any Person who is not already a Shareholder; and
- the sale of all or substantially all of the assets of JVco.

Other than with respect to the foregoing matters, SSRI will have effective control over JVco. See “*Risk Factors – Structural and Operational Risks*”.

JVco Board meetings will be held quarterly. Special meetings of the JVco Board may be called by any director on seven days prior Notice. There will be a quorum if at least two directors are present, at least one of whom is a nominee of the Shareholder holding a minority Ownership Interest.

(c) Group Manager

SSRI will be appointed to provide management services to JVco as set forth in the Management Services Agreement and to perform those other functions as Group Manager as are set forth in the Shareholder Agreement. The Management Services Agreement will be entered into between SSRI and JVco at the Closing in the form attached as Schedule “H” to the Business Combination Agreement. JVco will reimburse the Group Manager and pay the Group Manager a management fee. If the Group Manager resigns or is deemed to resign, the JVco Board will appoint a new Group Manager by a simple majority vote, which vote will be controlled by SSRI.

(d) Ownership Interest and Additional Cash Contributions

The JVco Shares will be held by each Shareholder in proportion to its Ownership Interest. The Ownership Interests of the Shareholders will be adjusted as provided in the Shareholder Agreement. On the Effective Date, SSRI will have a 75% Ownership Interest and New GAR will have a 25% Ownership Interest. Any contributions to JVco will be contributed by the Shareholders in proportion to their then respective Ownership Interests.

(e) Programs and Budgets

Operations will be conducted, expenses will be incurred, and Assets will be acquired by JVco and its Subsidiaries substantially in accordance with Programs and Budgets adopted by a majority vote of the JVco Board. As discussed above, SSRI will hold the majority of votes of the JVco Board and as the Group Manager, will prepare all Programs and Budgets. As a result, SSRI will have control over, among other things, the development of the Pirquitas Mine and Chinchillas Project. See in this Appendix “C”, “*Risk Factors – Structural and Operational Risks*”.

A “**Program**” means a description in reasonable detail of the Operations to be conducted and objectives to be accomplished during a budget period. A “**Budget**” means a reasonably detailed estimate of all costs to be incurred by JVco, MP LLC, MPSA, Historic GAR and/or VDC with respect to a Program.

The maximum amount that New GAR will be required to contribute to the Budget for the first 12 month period after the Effective Date will not exceed the lesser of (a) US\$10 million and (b) the SSRI Closing Payment (as defined in the Circular), less US\$2 million.

If the JVco Board approves an overall Program and Budget to incur capital expenditures (excluding sustaining capital expenditures) in excess of US\$20 million in aggregate, on or in respect of any of the Properties and/or Assets (a “**Material Capital Program and Budget**”), the overall Material Capital Program and Budget will be implemented through incremental Programs and Budgets (each with its own budgetary period), which will be consistent with the overall Material Capital Program and Budget unless the JVco Board otherwise directs. A Material Capital Program and Budget (and any associated incremental Programs and Budgets) may be prepared and approved independent of any other Programs and Budgets.

Within 30 days after submission of any proposed Program and Budget by the Group Manager to the JVco Board, including a Material Capital Program and Budget, the JVco Board will call a meeting of the JVco Board and will approve, propose modifications to, or reject the proposed Program and Budget. If the JVco Board approves the proposed Program and Budget or some modification thereof, the Program and Budget thus approved constitutes the approved Program and Budget for the ensuing budgetary period. If the JVco Board does not approve a Program and Budget, the Group Manager will immediately endeavour in good faith to develop a Program and Budget for the ensuing budgetary period and submit the same for approval in accordance with the foregoing process.

Each Shareholder will be required to participate in the funding of an approved Program and Budget except with respect to a Material Capital Program and Budget. A Shareholder may elect to not contribute to an approved overall Material Capital Program and Budget. In such case, the other Shareholder may elect to fund the entire amount of the approved overall Material Capital Program and Budget. If the other Shareholder does not so elect to fund the entire deficiency, the Group Manager may adjust the overall Material Capital Program and Budget to reflect the funds available. If a Shareholder elects to contribute to an approved overall Material Capital Program and Budget, such Shareholder will have elected to contribute to each related incremental Program and Budget, and if the Shareholder elects not to contribute to an overall Material Capital Program and Budget, such Shareholder will have elected not to contribute to each related incremental Program and Budget.

If New GAR fails to contribute to a Program or Budget, New GAR may have its interest in JVco diluted. See in this Appendix “C”, “*Risk Factors – Structural and Operational Risks*”.

(f) Closure Fund

The JVco Board may at any time establish and administer a separate contingency fund (the “**Closure Fund**”) for the purpose of paying, among other things, costs, outlays, expenses, obligations and Liabilities incurred or chargeable by any of JVco, MP LLC, MPSA, Historic GAR, VDC or any other Subsidiary (collectively, the “**Group**”), for environmental protection, reclamation, pollution control and related activities, from the Properties, as well as remediation, decommissioning, shutdown and other similar matters, severance pay and pensions for employees arising as a result of operations and in connection with the permanent or temporary shutdown in whole or in part of any mine on the Properties.

At the time such Closure Fund is established, based on the estimated mine life, the JVco Board will estimate the Closure Costs required for the Properties. The JVco Board will determine the amount of funds that should be retained within the Group and the amounts required to be contributed by each Shareholder in accordance with its Ownership Interests. The JVco Board will then have certain discretion over the amount of the Closure Fund.

Decisions relating to the Closure Fund will require a simple majority vote of the JVco Board, which vote will be controlled by SSRI. See in this Appendix “C”, “*Risk Factors – Structural and Operational Risks*”.

(g) Amendment of Programs and Budgets

At any time, the Group Manager, after consultation with the Chair of the JVco Board, may propose the amendment of an approved Program and Budget, in which event the JVco Board will call a meeting to approve, propose modifications to, or reject the proposed Program and Budget, subject to:

- i. unanimous approval of the JVco Board for (A) certain increases to an overall Material Capital Program and Budget (to which both Shareholders had elected to fully contribute in proportion to their Ownership Interests) and (B) certain increases to the budgeted expenditures for Exploration in a Budget; and
- ii. the Shareholders having the right to make a new election with respect to contributing to an amendment to an overall Material Capital Program and Budget (to which both Shareholders had elected to fully contribute in proportion to their Ownership Interests) if the amended overall Budget exceeds the previously adopted overall Budget by more than 125%.

A simple majority vote of the JVco Board will be required for all other Budget amendments, which vote will be controlled by SSRI.

(h) Calls for Contributions

The JVco Board may call for contributions from the Shareholders in accordance with the following procedure. The Group Manager will submit to each Shareholder prior to the last day of each calendar quarter, a call for contributions to JVco in an amount corresponding to the estimated cash requirements for the next calendar quarter and specifying the approved Program and Budget in respect of which such request is made, if any. Within ten days after receipt of a contribution request, each Shareholder will pay to JVco its proportionate share of the amount requested (based on the Shareholder’s Ownership Interests) except where such request is made in respect of an approved Material Capital Program and Budget to which a Shareholder has elected not to contribute.

The JVco Board may call for contributions from the Shareholders by a simple majority vote, which vote will be controlled by SSRI. See in this Appendix “C”, “*Risk Factors – Structural and Operational Risks*”.

(i) Failure to Contribute Additional Equity

In the event that: (a) a Shareholder fails to contribute to JVco its proportionate share of contributions that both Shareholders are required to contribute or (b) contributions are made by the other Shareholder to JVco in respect of an approved Material Capital Program and Budget to which a Shareholder has elected not to contribute, the Ownership Interest and Equity Accounts of the defaulting Shareholder and the other Shareholder will be recalculated pursuant to a recalculation formula set out in the Shareholder Agreement. Accordingly, New GAR may have its interest in JVco diluted if it is unable to meet the contribution requirements set by the JVco Board, which SSRI will control. See in this Appendix “C”, “*Risk Factors – Structural and Operational Risks*”.

(j) Pre-ability to Water Down

Subject to certain cure provisions, if a Shareholder defaults in making a contribution to an approved

Program and Budget in which it is required to or has elected (or been deemed to have elected) to participate in, the non-defaulting Shareholder has the right but not the obligation to advance to the JVco the defaulted contribution on behalf of the defaulting Shareholder and treat the same, together with any accrued interest, as a demand loan to the defaulting Shareholder (the “**Default Loan**”) bearing interest in accordance with the Shareholder Agreement. Failure to timely repay the Default Loan or interest thereon will entitle the other Shareholder to enforce its security for the Default Loan and exercise its additional rights provided under the Shareholder Agreement. Each Shareholder agrees to grant the other a lien upon its Ownership Interest and a pledge of and security interest in its Ownership Interest to secure any Default Loan including interest thereon and applicable costs related thereto.

Alternatively, subject to certain cure provisions, the non-defaulting Shareholder will have the right but not the obligation to contribute to JVco the amount of the defaulted contribution as an additional contribution and elect that each Shareholder’s Ownership Interest be adjusted accordingly pursuant to the dilution formula set out in the Shareholder Agreement.

(k) Elimination of Minority Interest

In the event that a Shareholder’s Ownership Interest is at any time reduced to 5% or less (a “**Reduced Shareholder**”), the other, majority Shareholder will have the right to purchase, or cause JVco to purchase, all of the remaining Ownership Interest of the Reduced Shareholder for a purchase price equal to an amount obtained by multiplying the fair market value of JVco by the Ownership Interest of the Reduced Shareholder. The fair market value of JVco will be determined by an independent appraiser appointed by JVco.

If New GAR’s Ownership Interest in JVco falls below 5%, New GAR may have its interest in JVco eliminated completely. See in this Appendix “C”, “*Risk Factors – Structural and Operational Risks*”.

(l) Cash Available for Distribution

The declaration and amount of any dividend or distribution made by JVco to the Shareholders will be at the sole discretion of the JVco Board, which will be controlled by SSRI. Any payment of dividends will be based on the audited annual results of JVco and will be reviewed annually. It is the desire and intention of the Shareholders that the Shareholders be provided with a reasonable dividend distribution from the net profits as promptly as possible and in compliance with applicable Law, while still maintaining funds in JVco (and other members of the Group) to provide for operating and capital reserves, contributions to the Closure Fund, and other expected costs, expenses and reserves as are determined pursuant to adopted Programs and Budgets. Any distribution or dividend made by JVco to the Shareholders will be made *pro rata*, on the basis of each Shareholder’s Ownership Interest.

The declaration, form, manner and timing of any distributions by JVco to New GAR will be determined by the JVco Board by a simple majority vote, which vote will be controlled by SSRI. See in this Appendix “C”, “*Risk Factors – Structural and Operational Risks*”.

(m) Amounts Owed by New GAR to SSRI

In the event that a court of competent jurisdiction issues a judgement against New GAR for any amounts owing by New GAR to SSRI pursuant to the Business Combination Agreement, SSRI may elect, on written notice to New GAR and JVco, for some or all of the amounts owing by New GAR to be paid by New GAR from dividends or distributions from JVco, in which case, any dividends or distributions from JVco to New GAR (up to the amount specified by SSRI in its notice) will be paid directly to SSRI.

(n) Non-Compete Covenants

A Shareholder that ceases to hold an Ownership Interest, or an Affiliate thereof, will not directly or indirectly acquire any interest in rights to or interests in minerals or other property or water or the right to explore or mine within the area encompassed by the Properties or the Area of Interest for one year after the effective date of withdrawal. If a former Shareholder, or an Affiliate of a former Shareholder, breaches the non-compete covenants, such former Shareholder or Affiliate will be obligated to offer to convey to the other Shareholder, without cost, any such property or water interest so acquired.

(o) Sale of Products

Unless the JVco Board otherwise determines by a simple majority vote, all Products of, or acquired by, MPSA will be sold by MPSA under agreements with a third party. If any Mining is conducted on any part of the Chinchillas Properties, VDC will be permitted to: (i) sell the Products from the Chinchillas Properties to MPSA who in turn may further process the Products and sell the same under agreements with a third party; (ii) arrange for Products from the Chinchillas Properties to be procured by MPSA (on a tolling basis) and then sold by VDC under agreements with a third party; and (iii) otherwise dispose of the Products from the Chinchillas Properties on terms approved by the JVco Board by a simple majority vote, which vote will be controlled by SSRI.

(p) Public Offering

SSRI and New GAR will from time to time assess market conditions for the purpose of determining value optimization through a Public Offering provided that nothing will require the Shareholders or JVco to complete a Public Offering. SSRI will have the right at any time to (i) reorganize the manner in which JVco and all or any of the Subsidiaries are structured, and/or (ii) recapitalize JVco and the Subsidiaries, to the extent necessary in SSRI's reasonable opinion, to facilitate a Public Offering. The Shareholders will vote their JVco Shares in favour of the foregoing provided that they are satisfied, acting reasonably, that it will not disproportionately affect the value of their Shares and the value of their ownership interest in the Business, in a material way.

(q) Right of First Offer

Except for certain permitted Transfers, if a Shareholder desires to Transfer its Ownership Interest, such other Shareholder will have a right to acquire such Ownership Interest in accordance with the "Right of First Offer" provisions of the Shareholder Agreement, provided such other Shareholder holds at least a 10% Ownership Interest.

(r) Prohibited Transactions

Except as permitted under the Shareholder Agreement, neither New GAR nor SSRI will permit any transaction to proceed, without the prior consent of SSRI or New GAR, respectively, which results in any of the Ownership Interest held by New GAR or SSRI no longer being owned, directly or indirectly, by such Party. The foregoing will not be applicable in any manner in respect of a Transfer by one Shareholder of all of its Ownership Interest to a third party where the other Shareholder holds less than a 10% Ownership Interest.

(s) Area of Interest; Surrender of Property

The "Area of Interest" is defined as an area which is within a 50 kilometre radius of the processing plant located at the Pirquitas Mine. Any acquisition of interest or right to acquire any interest in any property

rights within or partially within the Area of Interest may only be undertaken by any member of the Group and any such rights or interest will be added to and included in the Properties for the purposes of the Shareholder Agreement.

The Group Manager may authorize the surrender or abandonment by MPSA or VDC of part or all of the Properties. If the Group Manager authorizes such surrender or abandonment it will cause MPSA or VDC, as applicable, to offer to assign such property to the Shareholder with the minority Ownership Interest, subject to certain conditions.

Description of ExploreCo

ExploreCo is to be newly incorporated by Golden Arrow under the BCBCA. Pursuant to the Arrangement, all the shares of IMPSA Resources Corporation (“**IMPSA**”), Desarrollo de Recursos S.A. (“**DR**”) and Golden Arrow Chile Limitada (“**GAC**”) owned by Golden Arrow will be transferred by Golden Arrow to ExploreCo in exchange for ExploreCo issuing shares to Golden Arrow. Golden Arrow will then distribute all of the shares of ExploreCo to New GAR such that ExploreCo will become a wholly-owned subsidiary of New GAR.

ExploreCo Assets

DR holds a number of other exploration properties in Argentina, GAC holds a small exploration property whose value is immaterial for financial statement purposes and IMPSA is a Canadian corporation that currently holds no assets. Following the Arrangement, New GAR will have a 100% interest in DR’s assets, a description of which is set out below.

Mogote Property, San Juan

On June 3, 2009, Golden Arrow announced that it had entered into a binding property transfer agreement to acquire from Iron South Mining Corp. four Peruvian property concessions and the remaining 51% interest in the 8,300 hectare Mogote copper-gold-silver property not already held by Golden Arrow. This transaction received shareholder approval on July 22, 2009 and regulatory approval on July 29, 2009. The Mogote project now includes approximately 8,800 hectares in the Vicuna District of northern San Juan Province which includes NGEx Resources Inc.’s Josemaria copper-gold deposit in Argentina and Goldcorp Inc./New Gold’s El Morro gold-copper porphyry in Chile.

On September 9, 2010, Golden Arrow announced that it had entered into an option agreement with Vale Exploracion Argentina, S.A., a wholly-owned subsidiary of Vale S.A. (“**Vale**”), on its Mogote project. On July 24, 2013, Golden Arrow announced that Vale provided notice of its decision to terminate the option agreement on the Mogote project. Golden Arrow is currently seeking new joint venture partners for the project.

Potrerrillos Gold-Silver Project, San Juan

The Potrerillos property is located approximately 8 km due east of Barrick Gold’s Veladero deposit, covering an area of 3,999 ha. The Potrerillos property remains permitted, in good standing, and Golden Arrow is seeking an option or joint venture partner for the project.

Pescado Gold Project, San Juan

Golden Arrow holds 11 mineral claims in the Gualcamayo area of San Juan. These 100% owned claims cover nearly 22,000 ha and form the Pescado Gold Project. In 2008, Golden Arrow negotiated with

Barrick Gold Exploration through its subsidiary Barrick Exploraciones Argentina S.A. (“**BEASA**”) to provide a right of way to access water from Golden Arrow’s Rio de las Taguas property. In exchange for providing access to water for BEASA’s Pascua Lama gold project, Golden Arrow acquired from BEASA 100% of the 1,592 ha Aspero 1 claim which is contiguous to the Pescado Gold Project.

Golden Arrow is now seeking other potential optionors for the property.

Caballos, La Rioja

On September 8, 2011 Golden Arrow announced it had acquired the approximately 22,900 ha Caballos Project through staking. The property is located in a prospective porphyry copper and epithermal gold-silver district along the Chilean border in western La Rioja Province. Golden Arrow is seeking an option or joint venture partner for the property.

Don Bosco, La Rioja

On June 1, 2011, Golden Arrow announced it had acquired by staking a 100% interest in the 32,800 ha Don Bosco Project in western La Rioja Province, Argentina. The project has since been reduced to a core set of properties of approximately 9,300 ha. The project is located in the Pre-Cordillera region and elevations range from 2,500 m to 3,500 m above sea level. Golden Arrow is seeking an option or joint venture partner for the property.

Specialized Skill and Knowledge

All aspects of the New GAR’s business will require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, logistical planning and implementation of exploration programs, mining, metallurgy and accounting. New GAR believes it will be able locate and retain such consultants following the Arrangement.

Components

All of the raw materials New GAR will require to carry on its business will be available through normal supply or business contracting channels. New GAR will rely on SSRI, as Group Manager under the Shareholder Agreement, to secure raw materials for the business of JVco. See in this Appendix “C”, “*Risk Factors – Structural and Operational Risks*”.

Competitive Conditions

Competition in the mineral exploration and production industry is intense. New GAR will compete with a number of large, established mining companies with greater financial resources and technical facilities, for the acquisition and development of mineral concessions, claims, leases and other interests, as well as for the recruitment and retention of qualified consultants and the equipment required to continue New GAR’s exploration activities.

Cycles

The mining business is subject to mineral price cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles. In addition to commodity price cycles and worldwide economic cycles, exploration activity may also be affected by political developments and seasonal and irregular weather conditions in Argentina.

Economic Dependence

The Chinchillas Project and the Pirquitas Mine will be the material property interests of New GAR following the Arrangement and will be held through JVco. New GAR's 25% interest in JVco will be governed by the terms of the Shareholder Agreement with SSRI, which New GAR and SSRI will enter into at Closing. Accordingly, New GAR's business will be substantially dependent on the Shareholder Agreement.

See in this Appendix "C", "*Description of the Business – Description of JVco – Shareholder Agreement*" and "*Risk Factors – Structural and Operational Risks*" for more information.

Environmental Protection

Environmental requirements will be adhered to and monitored on an ongoing basis. It is not expected that the financial and operational effects of environmental protection requirements will have a significant impact on capital expenditures, profit or loss or the competitive position of New GAR in the near future following the Arrangement. However, following completion of the Arrangement, New GAR will be exposed to the reclamation liabilities of the Pirquitas Mine, which may be burdensome. New GAR will also rely on SSRI to manage almost all of the affairs of JVco, including environmental protection requirements. See in this Appendix "C", "*Risk Factors*".

Employees and Management

Upon completion of the Arrangement, New GAR expects to have no employees. New GAR expects to rely on and engage consultants on a contract basis.

Upon completion of the Arrangement, the management team of New GAR is expected to consist of those individuals identified under "*Directors and Executive Officers*" below.

Foreign Operations

Mineral exploration and mining activities in Argentina may be affected in varying degrees by political instability and government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions may adversely affect New GAR's business directly, or indirectly through its interest in JVco. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine safety. See "*Risk Factors – Other Risks Related to Operations*".

Social or Environmental Policies

Following completion of the Arrangement, New GAR expects to adopt a "Foreign Corporate Policy" in substantially the same form as Golden Arrow's current Foreign Corporate Policy. The Foreign Corporate Policy will be fundamental to New GAR's operations, with such policy outlining New GAR's relationship with the environment and with the communities in which New GAR does business.

The Foreign Corporate Policy will outline New GAR's commitment to ethical business practices in every jurisdiction in which it does business. New GAR's directors, officers, employees, management company employees and those who provide services to New GAR, shall be expected to act with integrity, honesty and in good faith, support the communities in which it operates and act in accordance with applicable

laws with the highest standards of ethical and professional behavior in foreign jurisdictions, as set out in detail as follows:

- Accept without reservation the authority of all levels of government in the host country;
- Work with respect for local authorities and the offices they represent;
- Accept the laws and understand how they affect New GAR; obtain accounting and legal professionals conversant with mining matters to ensure compliance on a timely basis with the laws of the country;
- Always use local manpower, professionals and suppliers, importing only whatever is not available in the host country;
- Understand and respect all public, religious and private institutions in the host country;
- Understand the needs of the community: establish and maintain dialogue with existing channels and search for ways to assist them;
- Understand and respect local customs, traditions, heritage and way of life;
- Understand and protect the rights, needs and interests of indigenous peoples and the minority or vulnerable groups within the community;
- Participate through local institutions and their representatives to promote or co-sponsor job training, environmental awareness, recreational and educational programs;
- Respect the environment and use exploration techniques and procedures that avoid, minimize and mitigate impacts to the natural environment and work to meet the higher of host country or best practice standards;
- Welcome structured, community-based monitoring of New GAR's environmental performance;
- Respect the owners, occupiers and users of land where New GAR has exploration interests and work with the local people in the design of exploration programs to minimize or mitigate impacts, reclaim/restore disturbed land, and provide compensation where necessary;
- Comply with all local laws and regulations and conduct exploration activities to the higher of host country regulations, Canadian standards or international best practices;
- Maintain a transparent two-way communication mechanism between the community and government authorities; and
- To reduce the risk of misunderstanding regarding New GAR's presence, its activities and its intentions, where possible, New GAR will formalize relationships with the local community through an agreement that defines the roles and responsibilities of New GAR and the community.

The New GAR Board will have responsibility for implementing the Foreign Corporate Policy. It is anticipated that the New GAR Board will implement the Foreign Corporate Policy through one or more of the following:

- Awareness and training;
- Internal audits, regular self-assessment against performance;
- Relationship and liaison with relevant local environmental government agencies and indigenous peoples;
- Involvement and participation in local professional networks, forums, industry associations and organizations; and
- Support of local and regional business.

NEW GAR PROPERTIES

Following completion of the Arrangement, New GAR's material properties will be the Chinchillas Project and the Pirquitas Mine, located approximately 35 km apart in the Jujuy Province of Argentina, which will be held by JVco. For information relating to the Pirquitas Mine, see "*Appendix "D" – Information Concerning MP LLC – Mineral Properties - Pirquitas Mine*".

Chinchillas Project

General

The following is a summary of the National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") Technical Report for the Chinchillas Project, prepared by Bruce Davis, Ph.D., F.AusIMM, Robert Sim, P.Geo. and Bruce Smith, MSc., (C.P.) MAusIMM (the "**Chinchillas QPs**"), entitled "*Mineral Resource Estimate for the Chinchillas Silver-Lead-Zinc Project, Jujuy Province, Argentina*" (the "**Chinchillas Technical Report**") filed on September 14, 2015, effective July 31, 2015 and revised November 2, 2015. The Chinchillas Project is the flagship project for Golden Arrow.

The Chinchillas QPs were contracted by Golden Arrow to prepare an independent NI 43-101 Technical Report. Each of the Chinchillas QPs is a Qualified Person ("**QP**"). Based on education, work experience relevant to this style of mineralization and deposit type, and membership in a recognized professional organization, both Mr. Sim and Mr. Davis are independent QPs and Mr. Smith is a non-independent QP, within the requirements of NI 43-101 for the purpose of the Chinchillas Technical Report.

Investors should consult the Chinchillas Technical Report to obtain further particulars regarding the Chinchillas Project. The Chinchillas Technical Report is available for review under Golden Arrow's profile on SEDAR at www.sedar.com. Readers are cautioned that the summary of technical information in this Appendix "C" should be read in the context of the qualifying statements, procedures and accompanying discussion within the complete Chinchillas Technical Report and the summary provided herein is qualified in its entirety by the Chinchillas Technical Report. Capitalized and abbreviated terms appearing in this section and not otherwise defined herein have the meaning ascribed to such terms in the Chinchillas Technical Report.

Project Description, Location and Access

Location

The Chinchillas Project is located in the Puna region of northwestern Argentina, in the province of Jujuy, department of Rinconada, approximately 280 kilometres from the provincial capital of San Salvador de Jujuy. The property is centred at approximately at 3,473,150E and 7,512,360N (Gauss Kruger, Argentina, Posgar Zone 3; 22°30'13" S, 66°15'39" W) at elevations ranging from 4,000 to 4,200 masl. The Chinchillas Project is located within the Bolivian tin-silver-lead-zinc belt (Figure 1) which extends into northern Argentina. Similar projects in the district include SSRI's Mina Pirquitas, located approximately 30 kilometres southwest of Chinchillas, and Sumitomo's San Cristobal Mine in Bolivia. The topography of the Chinchillas Project area is large rounded hills surrounding an elliptical depression, with an altitude ranging from 4,000 to 4,200 masl.



Figure 1: Location of the Chinchillas Project and Other Projects and Mines in the District.

Claims

The Chinchillas Project is composed of three contiguous claims, totaling 2,043 hectares. Golden Arrow holds a 100% interest in the claims, with a commitment for a U.S.\$1.2M payment to the vendors of the Chinchilla and Chinchilla I Minas upon the commencement of commercial production.

Exploitation concessions in Argentina are called “Minas”. Minas are defined by the following categories: First Category Minas include substances such as gold, silver, platinum, iron, lead, copper, zinc, aluminium, lithium, potassium, etc. and Second Category Minas comprise substances such as precious stones in river beds, any metal not included in the first category and others.

The Mina is comprised of one or more “pertenencias” which are units of mining properties. Pertenencias must be rectangular in shape. In disseminated deposits such as Chinchillas, the pertenencias can

encompass up to 100 hectares. The mining property fee or “canon” for a Mina is ARS\$3,200 per pertenencia per year.

Individuals are entitled to explore for, exploit and dispose of Minas as owners by means of a legal licence or legal concession granted by the competent authority under the provisions of the Argentine Mining Code. The legal concessions granted for the exploitation of Minas are valid for an undetermined period of time, and are considered “real property” giving the concessionaire the right to recover metals from the subsurface vertically underneath the concession, provided that the title holder complies with the obligations set out in the Argentine Mining Code.

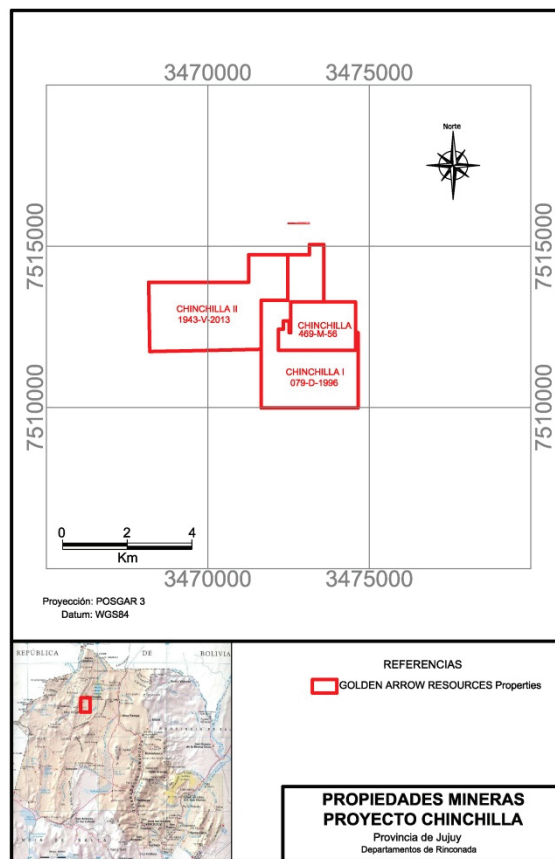
The Chinchillas Project consists of three contiguous First Category Minas that cover an area of approximately 2,042.56 hectares (See Figure 2).

Table 1: Chinchillas Exploitation Concessions

Concession	File No	Area (hectares)	Concession
Chinchilla	469-M-56	329	Chinchilla
Chinchilla I	079-D-96	830.98	Chinchilla I
Chinchilla II	1943-V-2013	882.58	Chinchilla II

The Chinchilla Mina is broken down into four pertenencias, while the Chinchilla I Mina has 9 pertenencias and Chinchilla II has 9 pertenencias. All Minas are valid and in good standing.

Figure 2: Property Map Showing Chinchilla, Chinchilla I and Chinchilla II Concessions



Option Agreement

As of July 2015, Golden Arrow, through its wholly-owned Argentine subsidiary, Valle del Cura S.A., (“VDC”) has completed option payments to earn a 100% interest in the Chinchilla and Chinchilla I properties, to a total of U.S.\$1,866,000 paid. Golden Arrow must make an additional payment of U.S.\$1,200,000 to the vendors upon the commencement of commercial production on these two properties. The Chinchilla II Mina was acquired directly by VDC and is not subject to option payments.

Access

The Chinchillas Project is accessed primarily by National Route No. 9 from the provincial capital of San Salvador de Jujuy, northwards along the Humahuaca River to the town of Abra Pampa. The route continues along Provincial Route No. 7 westward for 66 kilometres, through the village of Santo Domingo. The roads are maintained by the Province and are accessible year round. Several temporary rivers cross the route so four wheel drive vehicles are recommended in the rainy season. Santo Domingo is equipped with electricity, natural gas, and water services. Abra Pampa has a hospital, and, along with San Salvador, provides other supplies necessary for exploration.

A second route to the Chinchillas Project is more appropriate for heavy transport vehicles, and is used by traffic to the Pirquitas mine situated 30 kilometres to the southwest of Chinchillas. This route follows National Route No. 9 northwards from San Salvador de Jujuy to Purmamarca, then turns northwest on paved road No. 52 to the town of Susques. From there, National Route No. 40 heads to Provincial Route No. 70 that leads to the Chinchillas Project at the Fundiciones mountain pass (Figure 3).



Figure 3: Location Map with Access Routes to the Chinchillas Project Area.

Golden Arrow has agreements with the surface owners in the area of the Minas and will renew such agreements as necessary on an ongoing basis, or look to purchase them outright.

Factors and Risks

To the extent known, there are no additional factors or risks that may affect the access, title, right or ability to perform work on the Chinchillas Project.

History

Chinchillas was first prospected and mined in small scale in the eighteenth century by Jesuit missionaries. Relicts of ancient furnaces used to melt lead and silver can still be found at the Chinchillas Project area (Kulemeyer, 2011). In 1956, Mr. Antonio Mercado requested a concession based on the discovery of galena veins in the basement rock. In 1968, the mine was sold to Ing. Pichetti who later formed the Sociedad Pirquihuasi Company together with the Pirquitas Company, and some adits and tunnels were opened for small scale production. In 1982, the mine license expired and the mine was acquired by Shell CAPSA S.A. From December 1982 to 1989, consulting geologist for Shell, Jorge Daroca, carried out some exploration work and after Shell dropped the property, Mr. Daroca requested it for himself, convinced of the good potential of the area (Daroca, undated). Roads, remnants of infrastructure, and minor underground workings remain from this activity but no records of this work are available.

In 1994, Aranlee Resources conducted surface sampling and drilled seven reverse circulation drill holes for a total of 780 metres. Assay results from this work are available, but there are no samples for re-analysis or quality control information, therefore the data have not been incorporated into the resource estimate. Locations of drill holes are shown in Figure 19.

In 2004, Silex Argentina, a subsidiary of Apex Silver, conducted preliminary reconnaissance work including trenching, pitting and surface sampling, with a total of 165 samples taken. Between October 2007 and July 2008, 40 manual pits and nine trenches were sampled. Surface mapping was also completed at different scales across the Chinchillas property. A total of 1,036 surface samples were

collected by Silex before drilling 2,220 metres in seven diamond drill holes (Figure 19). Drill hole samples were taken at one or two metre intervals. Silex had planned to drill 22 holes but cut the program short during the 2008-2009 financial crisis. In early 2009, Apex entered Chapter 11 bankruptcy protection, and with a payment due on the property, opted to drop Chinchillas in favor of its more advanced El Quevar project. The core from the Silex drill program remains at Chinchillas (Silex, 2008 and Caranza and Carlson, 2012).

At the beginning of 2008, Quantec Geoscience Argentina S.A. (“**Quantec**”) performed a 16 kilometre IP resistivity survey, comprising nine sections. The pole-dipole interval was 50 metres with 300 metres depth readings (Figure 4). The objective of the program was to detect and delineate sulphides related to an intermediate to high-sulphidation epithermal system. The data were presented as pseudo-sections and 2D inversions of apparent resistivity and chargeability, with 2D level plan maps from 3,900m to 4,250m (Quantec, 2008). The mineralized zones at Chinchillas do not appear to be related to chargeability, and to date the IP data have been of limited use. However, there is a strong resistivity contrast between volcanic units and basement schists and resistivity data have been an effective tool for imaging the volcanic diatreme shape (Figure 5).

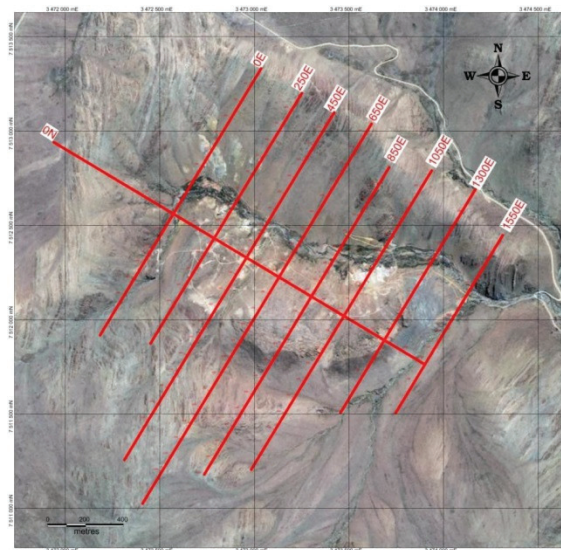


Figure 4: IP Resistivity Geophysics Lines Executed by Quantec.

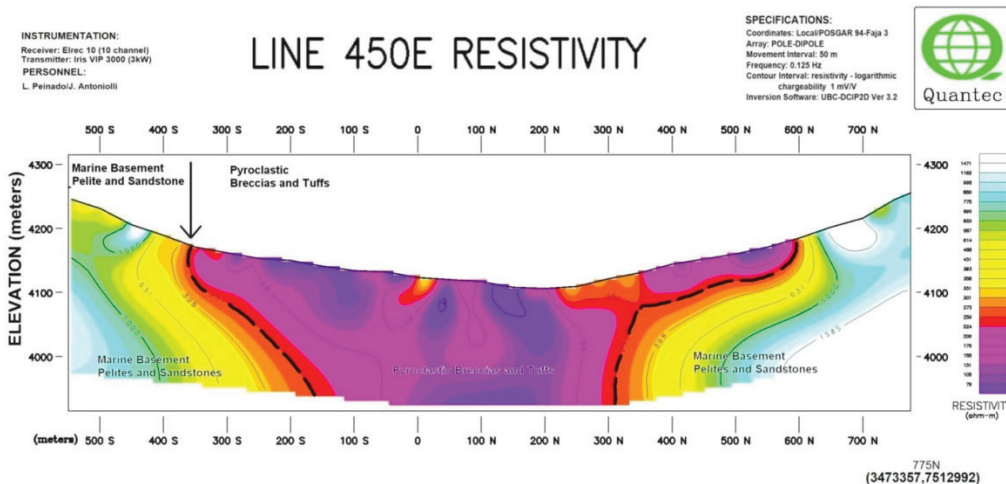


Figure 5: Line 450E Resistivity Pseudo-Section with Interpreted Geology. (Note clear resistivity contrast between the basement and volcanic units.)

In early 2011, Golden Arrow personnel identified the Chinchillas Project as a potential advanced-stage acquisition target. Following a property tour and a review of existing data, Golden Arrow completed an option agreement with the underlying land owners in August of the same year. Golden Arrow subsequently initiated community relations meetings with the local communities at Santo Domingo, Livaria, and Rinconada as well as with the individual land owners, and submitted a new environmental impact statement for exploration drilling. The Government of Jujuy convened meetings of the Provincial Environmental Management Unit, “La Unidad de Gestión Ambiental Provincial” (“UGAMP”) to approve the environmental impact statement and work plans. At the UGAMP meeting, all environmental, community, political and mining representatives agreed to Golden Arrow’s exploration plan. The plan was approved in March 2012 for a period of two years and exploration work commenced. Golden Arrow has since completed four phases of exploration and drilling and published four NI 43-101 Technical Reports detailing resource estimates and preliminary economic assessments, all of which are filed on SEDAR.

Geological Setting and Mineralization

The Chinchillas silver-lead-zinc deposit is located in the Puna geological belt. Stratigraphy in the belt includes metamorphosed Proterozoic sediments in the basement, through Paleozoic marine back-arc sediments, to more recent volcanic sequences and continental sediments. The Puna is the most important terrane in Jujuy Province for mineral deposits, including: mesothermal quartz veins with native gold and base metals; polymetallic quartz-sulphide veins with base and precious metals; gold, tin and copper placer deposits; SEDEX deposits with lead-zinc-silver and; Bolivian-type tin-silver sulphide veins related to intrusive stocks.

The Chinchillas deposit is located in a dacitic volcanic centre. The deposit formed at a dilational fault jog within a regional scale east-west trending fault structure where an explosive volcanic vent has cut through marine meta-sedimentary basement rocks. The resulting topographic depression or diatreme volcanic throat is elliptical in shape, approximately two kilometres long by 1.6 kilometres wide, and infilled with pyroclastic rocks (breccias and tuffs). At the contact between pyroclastic volcanics and basement metasediments, a wide zone of hydraulic fracturing and brecciation of the basement has formed. Dacite dome lavas and subvolcanics intrude on the southern margin of the basin at the contact between metasediments and pyroclastics.

The Chinchillas deposit has significant silver-lead-zinc mineralization in four main areas: the Silver Mantos and Mantos Basement zones in the west part of the project, and the Socavon del Diablo and Socavon Basement zones in the east part.

The Silver Mantos zone is situated in the western third of the basin, covering an area of approximately 30 hectares. Shallow disseminated silver mineralization occurs within clay altered pyroclastic breccias and tuffs. This is concentrated in layers or “mantos” that average greater than 20 metres in thickness and are generally situated between the surface and 100 metres depth. A significant new mantos zone has also been defined between 170 and 230 metres depth, and it remains open to expansion.

Located below the Silver Mantos, the Mantos Basement comprises an area 320 metres wide and up to 120 metres thick, with an average thickness of 80 metres. It is hosted entirely within the basement pelites and sandstones and is comprised predominantly of breccias, crackle breccias with minor small veinlets, fracture filling and mineralized structures. Mineralization within the Mantos Basement is open to expansion down dip in some areas to the east and south.

The Socavon del Diablo zone is situated in the eastern third of the basin and defined by drilling over an area of approximately five hectares. Mineralization is generally lower in silver content and higher in zinc grade, and is dominated by manto-style disseminated sulphides within favorable shallow dipping volcanic tuff horizons.

The Socavon Basement zone is mainly hosted within the Ordovician interbedded pelite and sandstone basement, situated to the northeast of the main Socavon zone. Immediately to the east of the dacite dome that limits the Socavon, biotitic horizontal tuffs are covering the newly discovered south expansion of the Socavon Basement zone. Here, the mineralization is hosted in open space breccias filled with argentiferous galena plus a stockworking of sphalerite-siderite-galena which in places carries low grade silver-zinc mineralization along widths of over 300 metres.

Regional Geology

The Chinchillas silver-lead-zinc deposit is located in the north-northeast to south-southwest trending Puna geological belt in the western half of Jujuy province (Figure 6).

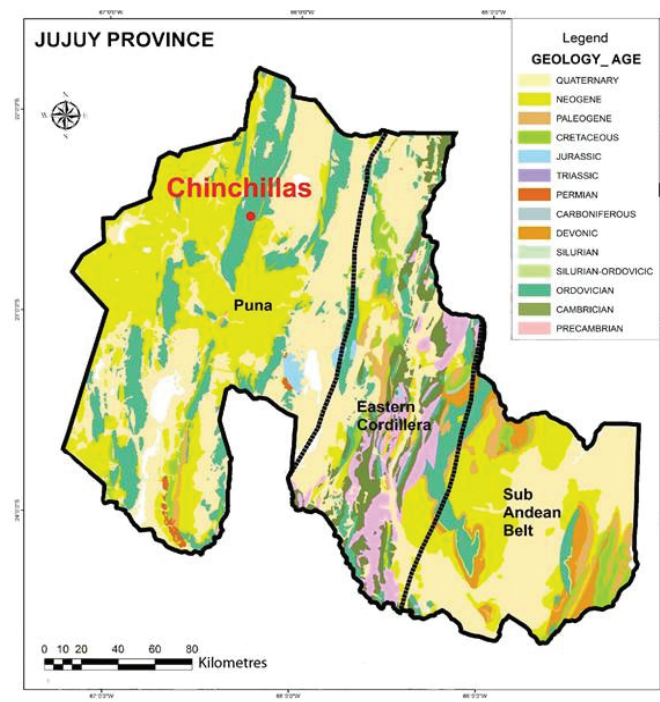


Figure 6: Jujuy Regional Geology Map with Geologic Terranes by Age, and Location of the Chinchillas Project.

The elevation of the Puna ranges from 3,900 to 6,700 masl. Basement rocks include Proterozoic sediments exhibiting medium to low grade metamorphism. A series of units unconformably overly the basement rocks, including Paleozoic (Acoite Formation) marine sediments deposited in an early to middle Ordovician back arc basin that are overlain by Silurian to Devonian sediments (Board et al., 2011). The Puna was subjected to compressive events in the Late Ordovician to Early Devonian and Paleogene. However, by the late Miocene a basin and range geomorphology had developed and this resulted in the development of andesitic to dacitic stratovolcanoes and large caldera structures with associated extensive ignimbrites. (Soler et al., 2007; Board et al., 2011). This volcanic activity, and its associated mineral deposits, was concentrated along certain corridors defined by lineaments such as Coranzuli-Lipez, El Toro-Olacapato and Arizaro (See Figure 7) (Ramos, 1999, Coira et al., 2004, Gorustovich et al., 2011).

In recent times, geological activity in the Puna belt has included basaltic volcanism, continental sedimentation and the creation of salt flats, or salars. The Puna is the most important terrane in Jujuy Province for mineral deposits, including: lithium and borate salar deposits; mesothermal quartz veins with native gold and base metals; polymetallic quartz-sulphide veins with base and precious metals; gold, tin and copper placer deposits; SEDEX deposits with lead-zinc-silver; and, Bolivian-type tin-silver-lead-zinc sulphide vein deposits related to intrusive stocks. (Board et al., 2011).

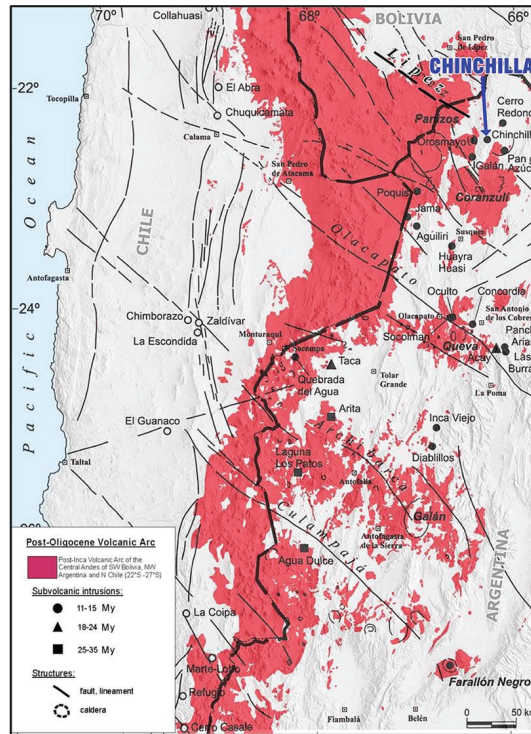


Figure 7: Oligocene-Miocene Volcanic Arc. Subvolcanic intrusions: solid dots 11-15 My. (Modified from Gorustovich S., et al., 2011).

District Geology

The Chinchillas deposit is located in the southern part of the Rinconada Range (Figure 8). The range has a regional north-northeast to south-southwest trend and is delimited by thrust faults to the west and east. Various Miocene age volcanic dome complexes with associated hydrothermal alteration exist in the area, including Cerro Redondo, Pan de Azúcar, Rachaite, and the Chinchillas dome complex. High angle faulting and folding also characterize the area. Chinchillas is located within a structural window at the intersection of northwest fracturing associated with the Lipez-Coranzuli regional lineament and east-west controlling structure and lesser northeast trending structures.

The Chinchillas deposit is hosted by the Ordovician Acoite Formation, described by Board et.al., (2011), as a strongly folded package of low-grade metamorphosed marine sandstone, siltstone and minor shale beds. Deformation and folding of these sediments occurred during the Ocoyic Phase (Coira et al., 2004) of late the Ordovician and they are overlain by Cretaceous marine clastic sediments through a major unconformity. These sediments are then overlain by Oligocene to middle Miocene volcanic, continental sedimentary and volcanoclastic lithologies.

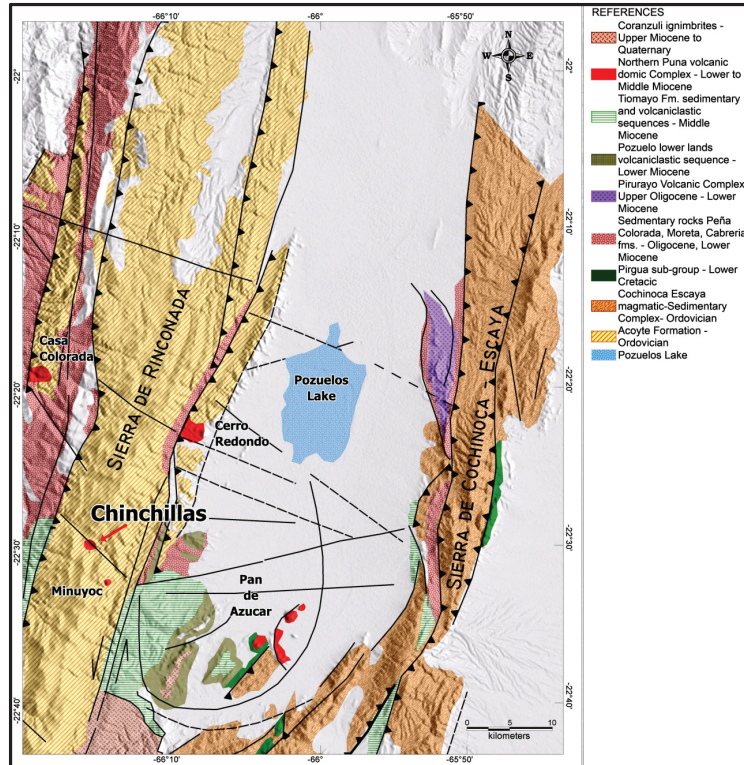


Figure 8: Map Showing Tertiary Volcanism from Mega Caldera Complexes Near the Chinchillas Deposit. (Main structures and trends are also shown.) (Modified from Caffè 2002)

Property Geology

The Chinchillas deposit is located in a dacitic volcanic centre with an age of 13 ± 1 Ma (Caffè and Coira, 2008) as product of a phreatomagmatic diatreme. The deposit was controlled by a dilational fault within a regional scale east-west trending fault structure. At the dilation zone an explosive volcanic vent has cut through marine meta-sedimentary Ordovician basement rocks. The resulting topographic depression or diatreme volcanic throat is elliptical in shape, approximately two kilometres long by 1.6 kilometres wide, and infilled with pyroclastic rocks (breccias and tuffs). At the contact between pyroclastic volcanics and basement metasediments a wide zone of hydraulic fracturing and brecciation of the basement has formed. Dacite dome lavas and subvolcanics intrude on the southern margin of the basin at the contact between metasediments and pyroclastics (Figures 9 and 10).

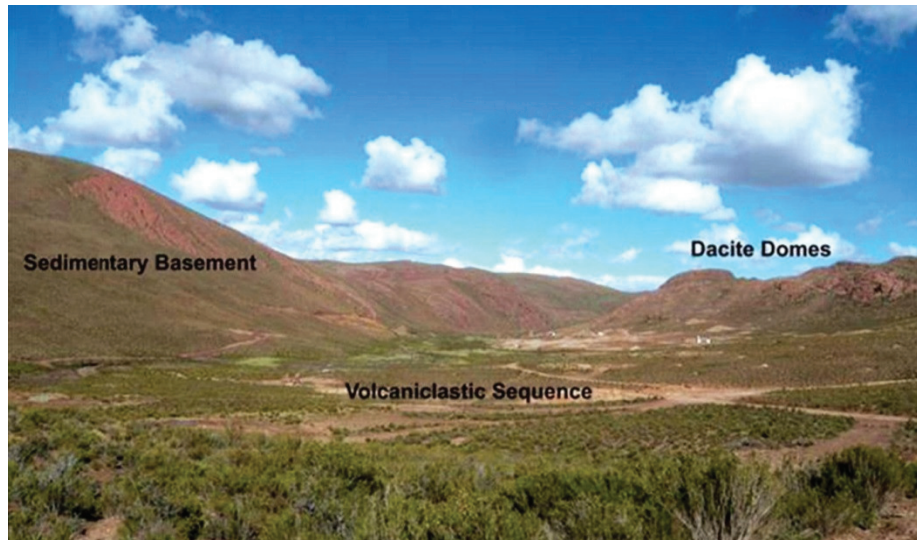


Figure 9: Overall View of the Chinchillas Deposit, Looking East. (Note outcrop of the sedimentary basement rocks, the volcaniclastic sequence infilling the depression, and the dacite domes flanking the southern border of the deposit.)

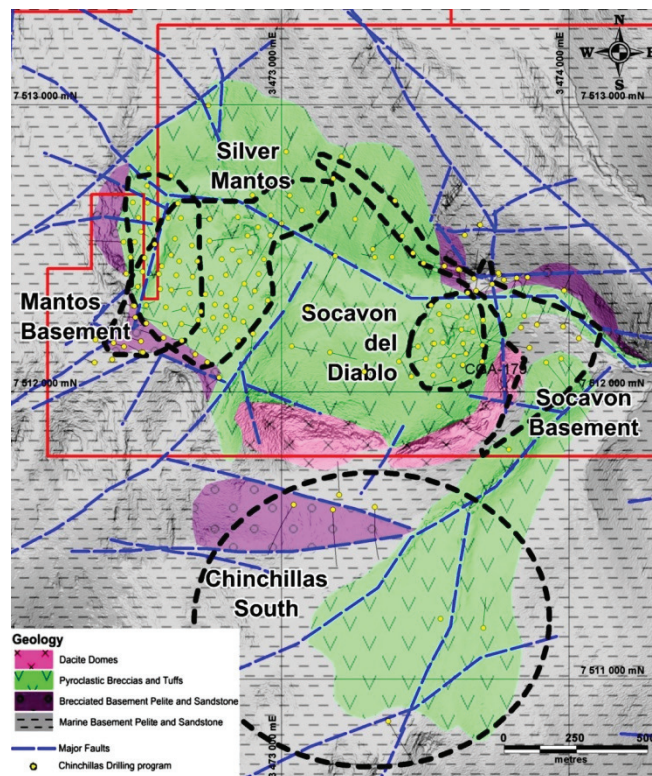


Figure 10: Geological Map of the Chinchillas Project Area with Outline of Mineralized Zones Projected to Surface.

Mineralization

Mineralization at Chinchillas is dominated by silver with lesser amounts of lead and zinc. Mineralization

occurs as disseminated sulphides and matrix infilling within the volcanic tuffs and as matrix and fracture filling in breccias within the basement meta-sediments. There are rarely mineralized shears, veinlets or vein-like structures within the dacites and volcanics. Within the basement lithologies shears and structures are more commonly mineralized. Depth of oxidation is just a few metres within the volcanics and is insignificant within the basement rocks. Silver, lead and zinc bearing minerals include silver sulfosalts, freibergite, boulangerite, tetrahedrite, schalenblende, sphalerite (zinc and iron), and galena (including argentiferous examples). Associated mineral assemblages include chalcopyrite, quartz, pyrite, siderite, limonites, manganese oxides, cerussite, smithsonite, anglesite and malachite (Marshall and Mustard, 2012 and Coira et al., 1993).

(i) Main Mineralized Zones

The resource model for the Chinchillas deposit, as defined to date, includes significant silver-lead-zinc mineralization in four main areas: the Silver Mantos and Mantos Basement zones in the west part of the project, and the Socavon del Diablo and Socavon Basement zones in the east part (Figure 11). The main structural elements controlling the location of mineralization are: the inverted cone shape of the volcanic diatreme forming the contact between basement sediments and overlying volcanic rocks; and the dominant east-west and subordinate north-west, north and north-northeast trending structures that control formation of the Chinchillas volcanic centre (Figure 10). The phreatomagmatic explosion that produced the diatreme generated a symmetrical cylindrical shaped caldera, with mineralized brecciated basement rocks along the contacts and horizontal layers in the tuffs with disseminated mineralization (Figure 11).

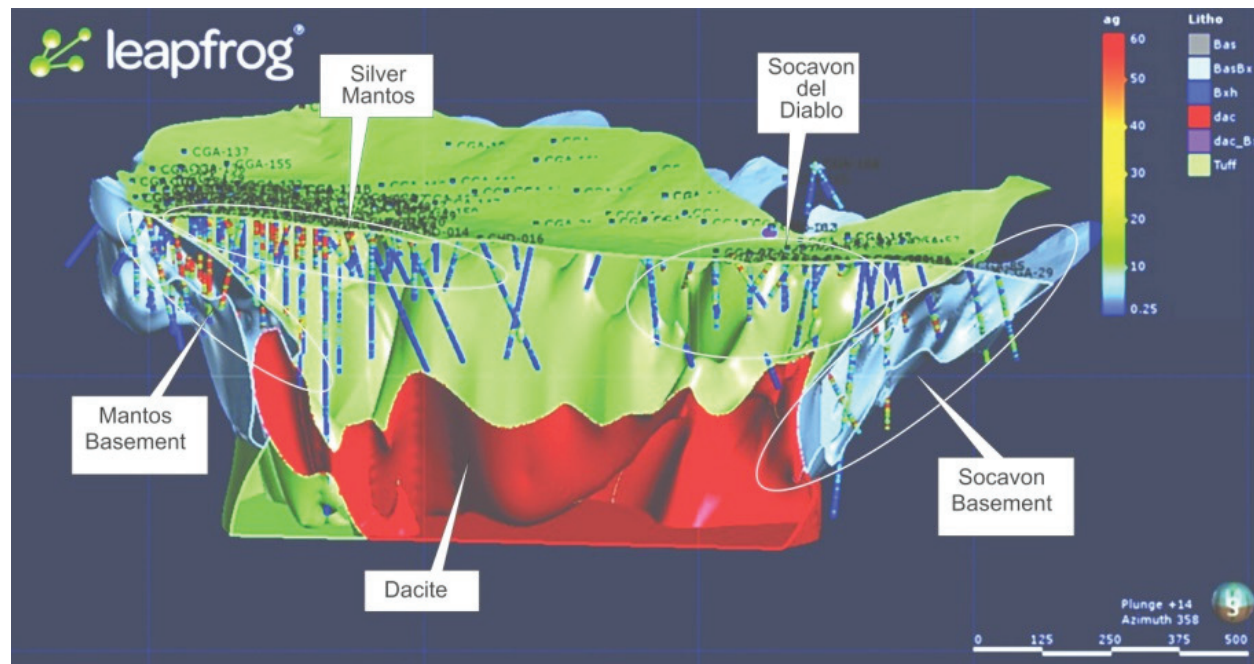


Figure 11: Typical West to East Cross Section of Chinchillas Showing Relations Between Mineralized Zones and Dacite

Deposit Types

Introduction

The Chinchillas deposit is considered to be part of the Bolivian tin-silver-zinc belt that extends from the San Rafael tin-copper deposit in southern Peru into the Puna region of Jujuy. Deposits with similar environments and styles of mineralization include San Cristóbal, Potosí, Pulacayo and Pirquitas.

These deposits are generally characterized by intrusion of dacite dome complexes with mineralization hosted in shears and breccias within the dacite domes and / or within shears and breccias within the host rocks. More rarely, as in the case of Chinchillas and San Cristóbal, the deposits also contain disseminated flat lying manto bodies within sediments and pyroclastic rocks that are cut by the “feeder” shears. All the deposits are known to have large vertical extents.

Deposit Types

The Chinchillas deposit is considered to be part of the Bolivian tin-silver-zinc belt which occupies the back-arc portion of the central Andes and extends from the San Rafael tin-copper deposit in southern Peru to northern Argentina (Figure 12). The Bolivian tin-silver deposits are associated typically with felsic volcanic domes of broadly rhyodacitic composition (Cunningham et al., 1991). The Chinchillas deposit is modeled as a Tertiary aged diatreme volcanic center that has intruded the Paleozoic basement low grade metamorphic sediments. The resulting depression, filled with volcanic breccias and tuffs is approximately 1.5 kilometres in diameter. Mineralization occurs within the basin, hosted in favorable volcanic tuff units, on the margins of the basin within footwall sediments and across the sediments-volcanic contacts as on structural zones. The mineralization occurs mostly as disseminations, veinlets and matrix filling.



Figure 12: Bolivian Tin-Silver-Zinc Belt with Major Deposits

The Chinchillas Project geology has some similarities to the San Cristóbal Mine in Bolivia where silver-zinc-lead is mined from an open pit with a mineralized dacite dome complex and also mineralization disseminated in adjacent basin-filling sediments. The San Cristóbal mine has estimated reserves (June 30th, 2011) of 285 million tonnes, grading 1.41% zinc, 0.48% lead, and 53.0 g/t silver

(www.minerasancristobal.com, Sept 1st 2015). Chinchillas has similarities to many other nearby Bolivian-type tin-silver-zinc deposits, namely: Potosí (Local co-operative miners and UNESCO mining world heritage site in Bolivia) and Pulacayo (27 million ounces of silver in Probable reserve at March 1st, 2013; www.apogeessilver.com, Sept 1st 2015) and Pirquitas (Silver Standard Resources Inc., 38 million ounces of Silver in Probable reserves at Dec 31st 2014, www.silverstandard.com, Sept 1st 2015).

Each of the nearby deposits has some similar characteristics to Chinchillas, and several have mining histories spanning hundreds of years. The study of these nearby deposits has helped in the understanding of Chinchillas and forms the basis for continuing exploration (Figure 13). In particular, all the deposits are known to have large vertical extents, with both Potosí and Pulacayo mined over 1,000 metres of vertical extent, implying that there could be potential for additional mineralization at depth at Chinchillas.

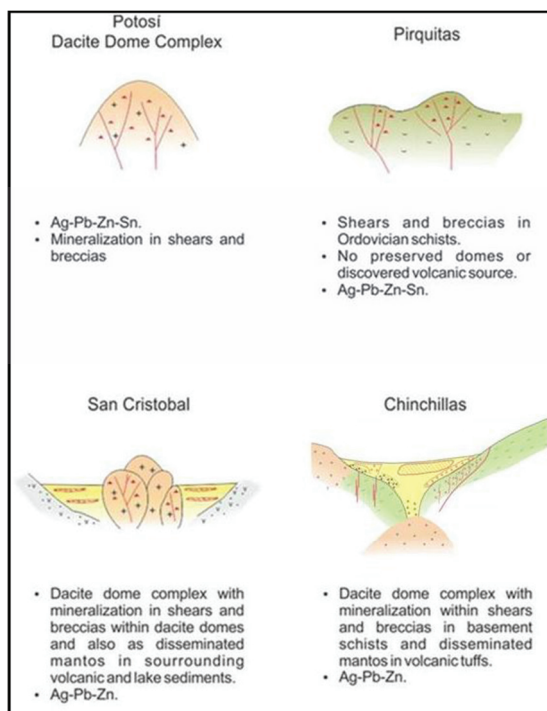


Figure 13: Simplified Model of Important Bolivian-style Sn-Ag-Zn-(Pb) Deposits and the Chinchillas Deposit.

Most of these deposits are characterized by the intrusion of dacite dome complexes with mineralization hosted in shears and breccias within the dacite domes and / or within shears and breccias within the host rocks. At Pulacayo, Potosí and San Cristóbal, where associated domes are present there has been significant mineralization found within the domes. More rarely, as in the case of Chinchillas and San Cristóbal, the deposits include disseminated mineralization in flat lying manto bodies within sediments and pyroclastic rocks. Chinchillas demonstrates phreatomagmatic diatreme morphology associated with a dome structure, as shown in Figure 14.

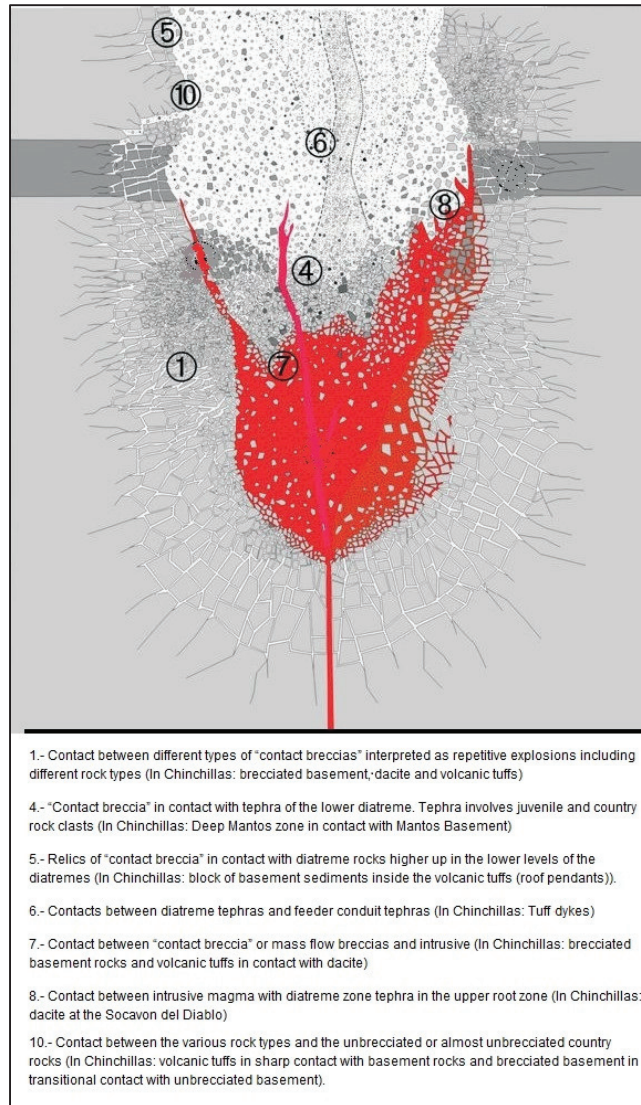


Figure 14 Schematic Diagram of a Root Zone of a Phreatomagmatic Pipe Model (Modified from Lorenz and Kurszlauskis, 2007) showing zones that apply to the Chinchillas model.

The present model for the mineralization in Chinchillas is shown in Figure 15 with the diatreme system and possible source of the mineralized solutions.

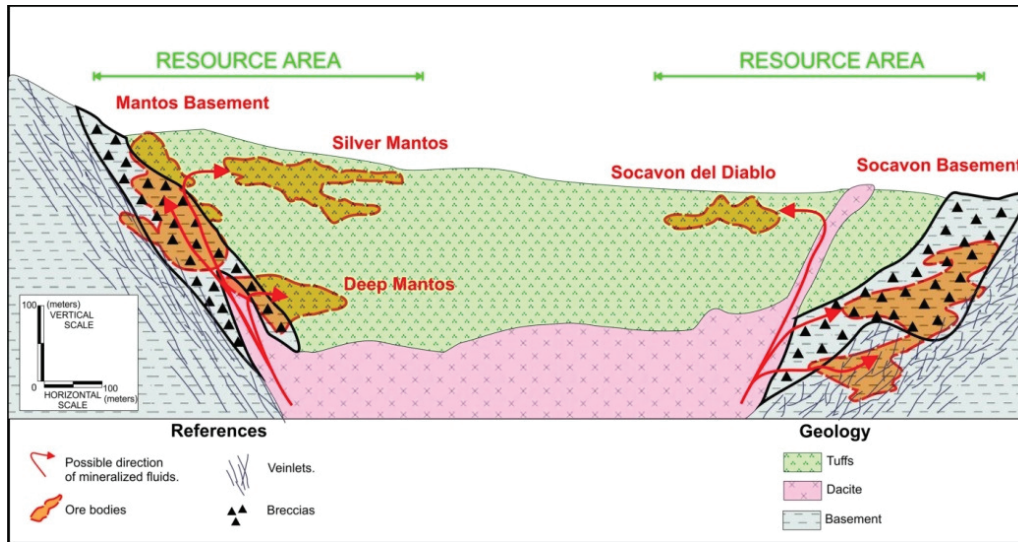


Figure 15: Schematic Geological W-E Cross Section with Mineralized Zones.

Exploration and Drilling

Introduction

Golden Arrow's surface exploration program in 2011 and 2012 included detailed mapping with a special emphasis on structures, rock chip sampling, trenching and talus sampling. These programs identified the major structural zones, the strong east-west control on basin formation, and new mineralized target areas. These interpretations defined drill targets for the Phase I and Phase II drill programs. In 2013, Golden Arrow completed geophysical surveys (IP/Resistivity, CSAMT, Magnetics) and a re-interpretation of the 2008 IP as well as collected 453 soil samples and 174 rock chip samples in a surface exploration program. The work resulted in the identification of new structural zones and areas of mineralization around the existing deposit, and the identification of a new target area to the south, called Chinchillas South.

Golden Arrow has completed four drilling programs. The first drilling phase, conducted in May and June 2012, included 27 drill holes for 3,224 metres of drilling. The second, conducted between November 2012 and February 2013, included 49 drill holes and 7,278 metres of drilling. Between February 24th 2014 and June 17th 2014, Golden Arrow completed a Phase III drill program including 38 drill holes and 8,985 metres. The most recent drilling was the Phase IV program, conducted between November 2014 and April 2015, which included 55 drill holes with 11,175 metres length.

Prior to Golden Arrow's work, Silex Argentina S.A. drilled seven core holes on the property for a total of 2,220 metres. Therefore the drill database supplied by Golden Arrow contains 176 core drill holes representing a total of 32,881 metres.

No other type of drilling or surface sampling was used in the resource estimate.

Exploration and Drilling

Exploration conducted by Golden Arrow since 2011 includes detailed mapping, sampling and geophysics to aid in the targeting of drill holes. Special emphasis was placed on mapping lithologies, alteration and structures to understand the controls of the mineralization. In the basement rocks bedding, foliation and brecciation were recorded.

A handheld X-ray Fluorescence (“XRF”) analyzer is used to measure approximate silver, lead and zinc values in all prospective outcrops. A total of 2,609 points were recorded. Additionally 1,491 rock samples were collected and assayed including chip and channel samples. At Chinchillas South and north of Socavon del Diablo, (Figure 16) 502 soil samples were collected, 151 of them were assayed and the remainder were checked with the handheld XRF analyzer.

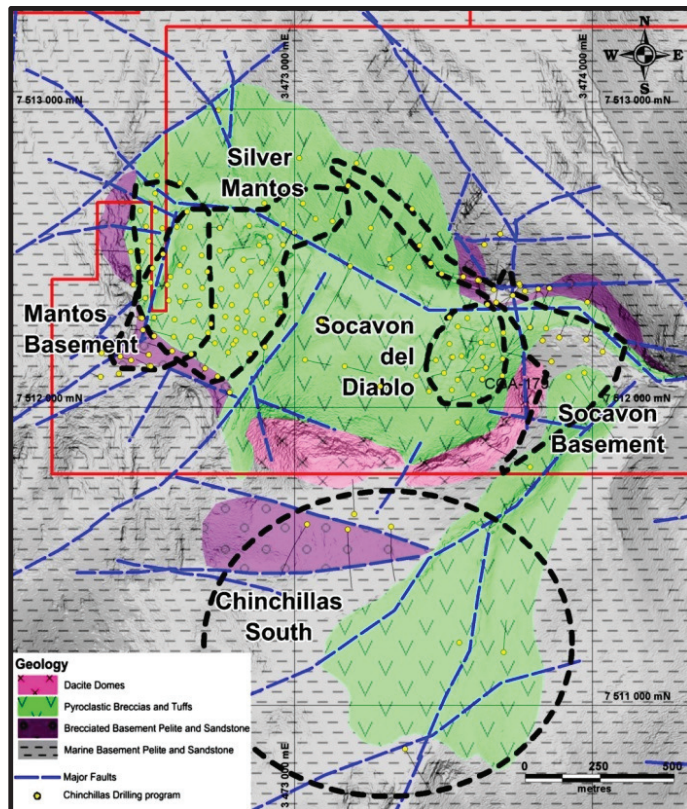


Figure 16: Chinchillas Project Geology and Structure with Outline of Mineralized Zones Projected to Surface

Five trenches were completed at Chinchillas with an excavator. Two were located at the southern contact of Silver Mantos close to holes CGA-81 and CGA-82 (see Figure 17) to sample the tuff unit and the contact with the basement. Another trench was dug 120 metres east of hole CGA-31 (see Figure 18) and north of the creek at a small showing of a breccia with iron oxides. A breccia with a N20E strike assayed 178 g/t silver over 0.9 metres. It was one of the first indications of mineralization on the north side of the creek. Two additional trenches were excavated north and east of hole CGA-158 at the northern contact between the tuffs with the basement.

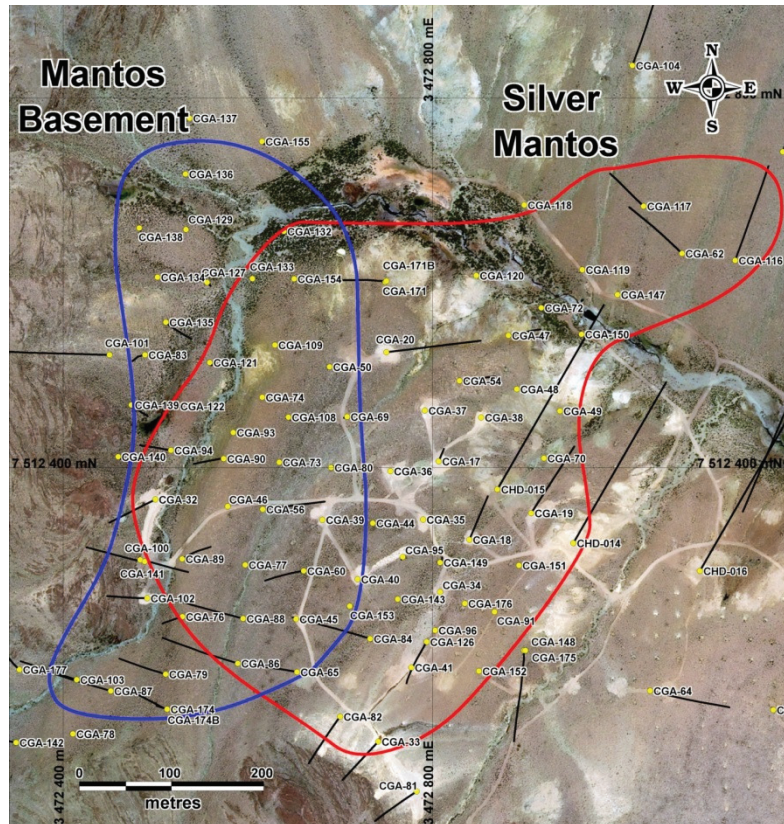


Figure 17: Silver Mantos and Mantos Basement Zones with Drill Hole Locations and Mineralized Zones Projected to Surface.

Talus sampling was carried out on the north of the Socavon del Diablo and west of the Mantos Basement, and on the south margin of the dacitic dome. Results on the north area showed anomalous values of silver, lead and zinc, and later drilling successfully intersected mineralization in holes CGA-59, CGA-75, CGA-107 and CGA-115 (see Figure 18). A grid of soil samples was also completed at Chinchillas South.

The 2013 geophysical surveys (IP/Resistivity, CSAMT, Magnetics) together with the re-interpretation of the 2008 IP survey was useful for targeting the Chinchillas South area, detecting deep structures and define the contact between the tuff unit and basement rocks.

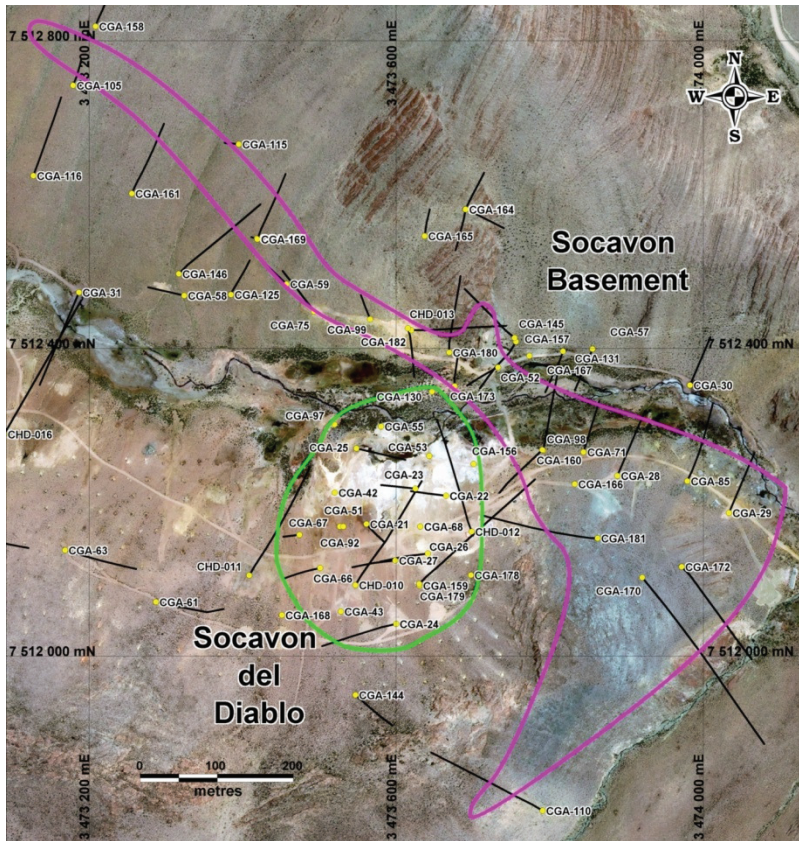


Figure 18: Socavon del Diablo and Socavon Basement Zones with Drill Hole Locations and Mineralized Zones Projected to Surface.

Drilling

(i) Summary

Six drill programs have been completed on the Chinchillas property (Table 2). Aranlee Resources completed the first program in 1994, which included seven RC holes (CH1 to CH7). The results from the Aranlee holes were not used in any resource modeling as there is no quality control data.

Table 2. Drill Programs Completed at the Chinchillas Project

Drill Program	Holes	Holes	Year	Metres drilled
Aranlee Resources (1994)	CH-1 to CH-7	7	1994	782.0
Apex Silver (2007/8)	CHD-10 to CHD-16	7	2007-2008	2220.0
Golden Arrow-Phase I	CGA-17 to CGA-43	27	2012	3224.5
Golden Arrow-	CGA-44 to CGA-	49	2012-2013	7277.5

Drill Program	Holes	Holes	Year	Metres drilled
Phase II	92			
Golden Arrow-Phase III	CGA-93 to CGA-129	38	2014	8984.6
Golden Arrow-Phase IV	CGA-130 to CGA-182	55	2014-2015	11174.5

(ii) Silex Argentina S.A. Drilling

The seven core holes drilled by Silex were HQ3 size (6.11cm diameter). Silex conducted a basic QA/QC program including blank, duplicate and SRM samples. Golden Arrow re-surveyed all the Silex drill collars using a differential GPS (“DGPS”). The remaining half core was re-logged and quarter core re-sampled at intervals for additional quality control checks. The Silex drilling cut two target zones. Holes CHD-10 and CHD-12 cut mineralized Socavon del Diablo breccias. Holes CHD-14, CHD-15 and CHD-16 targeted deep mineralization at the centre of the volcanic throat. The holes averaged 350 metres in length and were unsuccessful at locating significant deep mineralization, however holes CHD-15 and CHD-16 did cut the Silver Mantos target at shallow depths (between five and 55 metres). These Silver Mantos intercepts were interpreted as narrow vertical structures. Subsequent re-logging by Golden Arrow re-interpreted these intercepts as disseminated flat lying mineralization within pyroclastic tuffs and breccias.

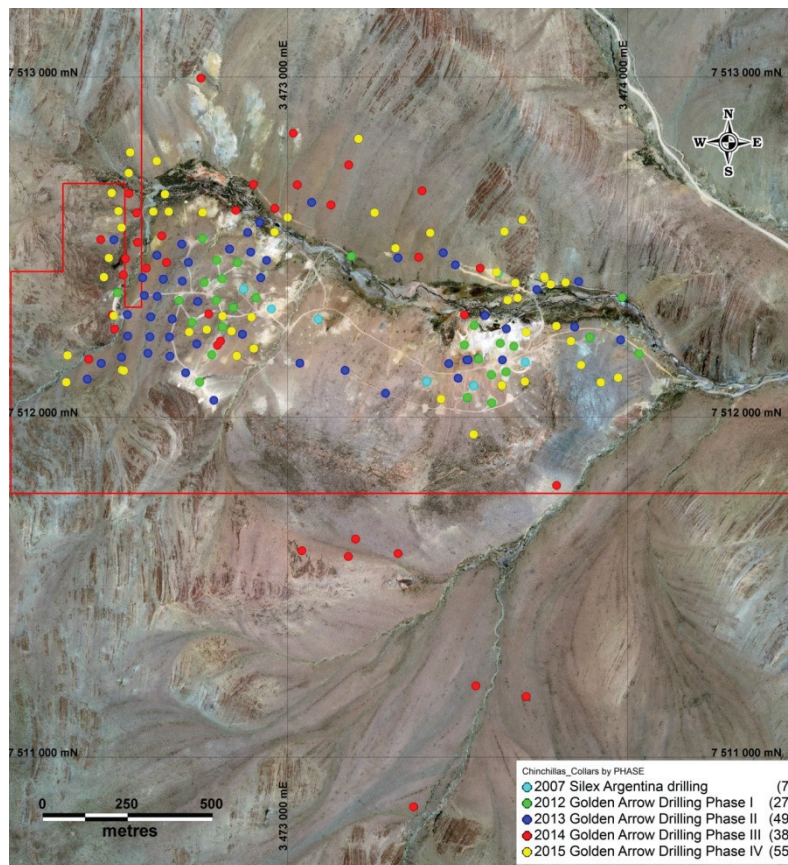


Figure 19: Location of Historical and Recent Drill Hole Collars at the Chinchillas Deposit.

(iii) Golden Arrow Drilling

Energold Argentina S.A. was the contract diamond driller for Golden Arrow throughout Phase I and II drilling. All drill core was HQ diameter (6.35 centimetre) except for 21 holes, (CGA-44, 53, 55, 57, 59, 60, 62, 65, 67, 69, 70, 72, 73, 74, 77, 81, 82, 85, 87, 89 and 91) which were drilled with the S-3 rig with HQ diameter up to 150 metres deep and then reduced to NTW diameter (5.71 centimetre) until the end of the hole. Phase III and IV drilling were performed by Falcon Drilling Argentina using HQ and HQ3 (6.35 and 6.11 centimetre) diameter core except for holes CGA-127, CGA-149, CGA-170 and CGA-181, which were reduced to NQ (4.76 centimetre) to reach deeper depths.

The drill cores were extracted and placed in appropriate boxes marked with drill hole number and the depth in metres. The boxes were transported by trained personnel from Golden Arrow. The contractor performed the measurement of the down hole deviation of the hole using single shot reflex instruments at 50 metre intervals down the hole. Once finished (depth, azimuth, dip), the information was transferred to Golden Arrow geologists in digital format. Following completion, the drill pad was cleaned and a PVC tube was cemented at the drill collar with hole number, depth and azimuth inscribed on a metal ticket.

The Golden Arrow drilling team followed a detailed written drilling and safety protocol for handling drill core. Once the core boxes reached the core shed, they were reviewed and organized. Measurements of recovery of every metre of the core and geotechnical measurements (fracture frequencies and RQD) were recorded. The cores in the boxes were subsequently photographed. Select intervals were temporarily removed for measurement of specific gravity. Golden Arrow staff recorded geological descriptions and marked the samples at one metre intervals in mineralized zones and two metre intervals in areas with no expected mineralization. The core was split using an electric saw and sampled according to marked intervals.

Golden Arrow's first drilling program, conducted between May 2nd and June 26th 2012, included 27 drill holes for 3,224.5 metres of drilling (CGA-17 to CGA-43). The program included one diamond drill core rig with the team working 24 hours in two shifts.

The second drilling program, conducted between November 14th 2012 and February 27th 2013, included 49 drill holes and 7,277.5 metres of drilling (CGA-44 to CGA-92). Hole CGA-51 had low recoveries within mineralized zones. Hole CGA-92 was re-drilled in the same location. The second phase drill program used two diamond drill core rigs with the team working 24 hours in two shifts.

The third drilling program conducted in the first half of 2014 was performed with a track mounted drill rig. On hole CGA-96 the rods were trapped at 194.3 metres, ending in mineralization. The hole was re-drilled as hole CGA-126. A similar situation occurred at hole CGA-112, which was re-drilled as hole CGA-112B.

The fourth drilling program was conducted from November 5th 2014 until April 9th 2015 with the same track mounted drill rig. Due to issues with drilling, holes CGA-171 and CGA-174 were re-drilled as CGA-171B and CGA-174B respectively.

The average recovery from the 30,661.1 metres drilled by Golden Arrow was 94 percent, including the first six metres where recovery was commonly less than 50 percent.

Sampling, Analysis and Security

Introduction

All drilling was completed by professional drilling companies using standard industry methods.

The database from Silex lacks results from several certified reference materials (CRMs or standards), but re-sampling work conducted by Golden Arrow validates the Silex data and the results have been incorporated into the resource database.

Sample and assay procedures applied by Golden Arrow in the drilling program are consistent with generally accepted industry best practices. The statistical analysis of quality control data show good accuracy and precision with no significant contamination. It is the opinion of the authors that the data are suitable for the estimation of resources.

The following details the sample preparation, analysis and security details used by Golden Arrow in the Phase IV drill campaign. For details of methodologies used by Silex Argentina and Golden Arrow in earlier drill campaigns, the reader is referred to Chapter 11 of the previous technical reports (Davis and Howie, 2013; Davis et al., 2014).

(i) Sampling Method and Approach

Subsequent to drilling, the core was placed in wooden boxes and Golden Arrow's technicians measured the recovery and RQD. A handheld XRF analyzer was used to measure approximate silver, lead and zinc values every metre. These results were useful to identify mineralized intervals and check subsequent assay values.

All core in boxes was photographed and the specific gravity was measured every 10 to 20 metres. The core was logged and samples were marked with an interval of one metre in mineralized zones and two metres in areas with no expected mineralization. Intervals deemed to have low or no mineralization had pulps composited by the laboratory prior to analysis, using equal masses, with the resulting composite samples representing two to six metre intervals.

Except for some intervals of holes CGA-166, CGA-168, CGA-169, CGA-170 and CGA-171B where no mineralization was expected, the rest of the holes were sampled and assayed in their entirety. The core was marked and cut in half for sampling using a diamond saw. Half the core was returned to the box while the other half was bagged. Corresponding tags were inserted, one in the plastic sample bag and the second in the wooden box. Quality control samples were inserted in sample bags and allocated in order for the laboratory to have a control sample in every batch.

(ii) Sample Custody and Security

Samples bags were placed in larger sacks (between six and ten samples per sack) and were sealed. Sealing numbers were recorded in the Chain of Custody database. The sacks were shipped by private truck to the Alex Stewart (Assayers) Argentina S.A. laboratory in Mendoza, ("**Alex Stewart**") where the sample preparation and analysis was performed.

Samples were received by the laboratory and the reception was reported to Golden Arrow. No damage or missing samples were ever reported during transportation.

(iii) Sample Preparation

Samples were prepared by method P-5 which includes drying the samples at 90°C, crushing the entire sample up to 80 percent passing 10 mesh, splitting 1,000 grams with a Jones riffle splitter and pulverizing to 95 percent passing 140 mesh. The pulverized material or pulp was then sampled and 200 grams of pulp was sent to the laboratory. In the case of the composites, equal masses of correlative sample pulps were combined to form the composite.

(iv) Sample Analysis

Alex Stewart was the primary laboratory and ALS in Peru (“**ALS**”) was used as the secondary laboratory. All samples were tested for a suite of 39 elements including silver, lead and zinc by a four acid digestion method and analysis by Inductively Coupled Plasma Spectrometry, (“**ICP**”) method ICP-MA-39). Silver greater than 200 ppm was assayed by fire assay using a 50 gram sample with gravimetric finish (method Ag4A-50). Lead and zinc greater than 10,000 ppm were re-assayed by an oxidizing acid digestion for ore grade material and reading by ICP (method ICP-ORE).

Alex Stewart is an international laboratory certified under ISO 9001:2008, ISO 17025:2008 and ISO 14001: 2004.

(v) Specific Gravity

During the Phase IV drill program, Golden Arrow collected 692 samples of core approximately ten centimeters long every 15 metres to determine specific gravity (“**SG**”). Samples were dried for two hours at 90°C in an electric oven. After cooling, the samples were sealed with a plastic film to cover the entire piece of core. The weight of the plastic was ignored in the calculations since the volume was insignificant (less than 1 gram of plastic film compared with the 900 gram average weight of each sample). The samples were weighed in air and then weighed in water while hanging from a frame. The results from 692 samples produced an average specific gravity of 2.37, but as expected, the SG values of the basement rocks and dacites (2.59 and 2.40 respectively) were greater than the volcanic tuffs (2.13). The overall average SG from samples collected on Phases II, III and IV was 2.59 for the basement rocks, 2.40 for the dacites and 2.10 for the tuffs. One outlier SG of 9.6 in a tuff was removed from the calculations due to a likely error in the measurements. The formula applied for the calculation was: $SG = (\text{Weight in air}) / (\text{Weight in water})$

The following graphic shows the specific gravity results of Phases II, III and IV drilling.

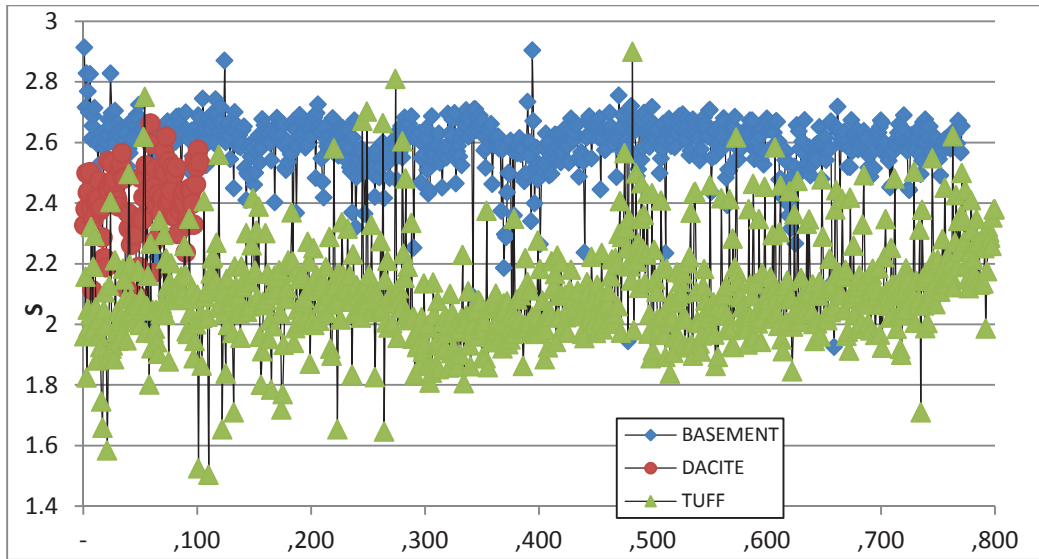


Figure 20: Specific Gravity Results by Golden Arrow Grouped by Rock Types

(vi) Quality Assurance and Quality Control

The same Quality Assurance and Quality Control (“QA/QC”) system established for the previous drilling phases was used in this fourth drilling phase. The system specifies the procedures for handling and sampling of the core, the logging, the QC samples to include in the batches and the procedure for the chain of custody. QC samples, including blanks, duplicates and certified reference materials (“CRM’s”), were inserted in the field in each batch of samples, to check the precision and accuracy of the laboratory. A total of 1431 quality control samples were inserted as shown in Table 3.

Table 3: Summary of QC Samples

Type of Sample	Number of Samples	Percentage of Total (%)
Core samples	6263	81.3
Coarse Blanks	211	2.7
Fine Blanks	214	2.8
Field Duplicates	212	2.8
Coarse Duplicates Lab 1	125	1.6
Fine Duplicates Lab 1	277	3.6
Fine Duplicates Lab 2	184	2.4
Reference Material	221	2.9
	7707	100

Data Verification

No material sample bias was identified by the QPs during the review of the drill data and assays.

Observation of the drill core during the site visits and inspection and validation of the data collected convinced the QP's that the drill data are adequate for the estimation of Inferred and Indicated resources.

Collar Coordinate Validation

Validation of collar elevation data was done by comparing elevations from DGPS field surveys against the satellite photo digital elevation model ("DEM"). Precision of the DGPS is between 15 and 70 centimetres. The GeoEye high resolution stereo ortho-rectified DEM purchased by GRG provided elevation values for comparison. Most elevation differences in the collars were less than one metre. The largest difference occurred in three aligned holes (CGA-143, CGA-149 and CGA-153) where differences between 3.6 and 4.3 metres with the DEM are due to a local depression in the terrain because of a small drainage.

Down-Hole Survey Validation

Before the beginning of Phase III drilling it was noted that the correction of the magnetic declination between true north and magnetic north was correct in angle but had the opposite direction. For this reason, all azimuths of drill holes of Phases I and II were corrected by 13 degrees counterclockwise. No other adjustments were necessary for the other drilling phases.

The down-hole survey data were validated by searching for large discrepancies between the dip and azimuth reading against the previous reading. No significant discrepancies were found.

Assay Verification

All the collars, surveys, geology and assays were exported from Micromine Geobank software into EXCEL® files and then into Minesight® software. The validation process of Geobank confirms that each sample ID is associated with a drillhole, there are no identical sample ID's, all FROM_TO data are zero or positive and no interval can exceed the total depth of the hole. To validate the data, the following checks were confirmed:

- The maximum depth of samples were checked against hole depth;
- The values of less than the detection limit were converted into a positive number one-half the detection limit;
- The highest silver values and at least one random value from each drill hole were checked against the original assay certificate
- The units were converted from parts per million (ppm) into percent (%) for lead and zinc values

Two methods of analysis were used for silver. Initially, samples were analysed using a four acid digestion followed by ICP. Samples with silver values greater than 200 ppm were further analyzed by fire assay on a 50 gram sample charge with a gravimetric finish.

Core recovery averaged just over 95%. The more friable tuff unit had an average recovery of 93.8%. The Dacite average recovery was 97.9% while the basement unit average was 96.6%. There is no indication that grade is related to core recovery.

Following the completion of the mineral resource model, the sample data from 8 randomly selected drill holes completed between 2012 and 2015, representing approximately 5% of the holes in the database, was exported from MineSight® for validation purposes. The silver, lead and zinc grades were manually compared to the values listed in certified assay certificates provided from the lab. Of the 1,232 samples

checked, no errors were identified.

Silex drillhole assay data were validated as reported in a previous Technical Report (Davis et al, 2013).

QA/QC Protocol

A review of the QA/QC protocols was conducted prior to drilling and formalized in a detailed QA/QC manual developed by Golden Arrow. Onsite reviews were conducted during drilling phases (years 2012, 2013, 2014,) by QP Bruce Smith. The procedures for core processing, the insertion of blanks and standards, and for the duplicate sampling regime were examined. The QA/QC program has been conducted in accordance with industry best practice.

Geological Data Verification and Interpretation

While several geology variables were captured during core logging, only lithology was built into the geological model. Therefore, geology data verification was limited to determining that the lithology designation was correct in each sample interval. This included the following:

- From – to intervals for gaps, overlaps and duplicated intervals;
- Collar and sample identification mismatches;
- Correct geology codes.

A geological legend was provided by Golden Arrow and compared to the values logged in the database. Data were loaded into modeling software and examined for discrepancies in logging. Errors were fixed after consultation with field geologists. The geological models were constructed in collaboration between Golden Arrow field geologists, Chief Geologist Hugo Caranza and QP Bruce Smith. Initial geological modelling was exported to DXF for inclusion in MineSight.

The geological model is reasonable and adequate for use in the 2015 resource estimate.

Conclusion

No material sample bias was identified by the QP's during the review of the drill data and assays. Observation of the drill core during the site visits and inspection and validation of the data collected convinced the QP's that the drill data is adequate for the estimation of Inferred and Indicated resources.

Mineral Processing and Metallurgical Testing

A metallurgical test program was initiated in January 2013 and continued in stages, with the most recent work completed in July 2014. The test work is undertaken by Bureau Veritas Commodities Canada Ltd, Inspectorate Metallurgical Division (“**Inspectorate**”) of Richmond, B.C Canada, under the direction of Mr. John R. W. Fox, B.Sc., P.Eng. of Laurion Inc., independent consultant to Golden Arrow and a Qualified Person as defined in NI 43-101. To date all testing has been bench-scale. Results from the early test work stages are summarized in the previous technical report (Kuchling et.al., 2014).

The following is a summary of the most recent testing program, on composite samples from the Silver Mantos zone, (“**MAN-2**”) the Socavon del Diablo Zone (“**SOC-2**”) and the Mantos Basement zone (“**BAS-1**”). This program included locked cycle testing, providing the most representative view of the overall metallurgical performance of the samples to date. The following summary is excerpted from the final report titled “2014 Project Report on Metallurgical Testing on the Chinchillas Project” prepared by

Bureau Veritas Commodities Canada Ltd, Inspectorate Metallurgical Division (Chen and Redfearn, 2014):

[Seven core] samples [received on October 15, 2013 weighing 102 kg] were air dried and separated into three composites. Each composite was individually crushed to 6 mesh, mixed and split into the required samples for testing. Silver contents range from 94.2 to 150.6 g/tonne and base metals include lead and zinc.

In this testing program, it was confirmed that Chinchillas samples are usually amenable to conventional lead and zinc flotation process. For most of the samples, the majority of Ag was recovered in Pb circuit. Overall Ag, Pb, and Zn recoveries are above 95%. Most products cleaned well. Upgrading of composites BAS-1, MAN-2, and SOC-2 generated Pb products with grades ranging from 65% to 79% Pb while Zn products graded 52 to 62%.

Locked cycle tests on three samples (BAS-1, MAN-2, and SOC-2) proved that very high Ag and Pb recoveries in Pb circuit can be achieved along with good Pb grades. For composites BAS-1 and SOC-2, good Zn concentrates grading 51.8% and 60.1% respectively were obtained. The overall metallurgical performance is summarized in the following table:

Table 4: Summary of Overall Metallurgical Performance

Sample ID	Product	Mass (%)	Grade			Recovery (%)		
			Ag (g/t)	Pb(%)	Zn(%)	Ag	Pb	Zn
Comp. BAS-1	Pb Concentrate	2.9	4583.2	69.22	4.31	96.1	96.3	13.3
	Zn Concentrate	1.6	306.8	1.40	51.76	3.4	1.0	84.7
	Final Tails	95.5	0.7	0.06	0.02	0.5	2.7	2.0
	Calculated Head	100.0	140.5	2.12	0.96	100.0	100.0	100.0
Comp. MAN-2	Pb Concentrate	1.0	10460.4	62.26	6.41	94.6	97.5	74.1
	Zn Concentrate	0.6	454.8	0.19	3.15	2.3	0.2	20.3
	Final Tails	98.4	3.5	0.02	0.01	3.1	2.3	5.6
	Calculated Head	100.0	112.0	0.65	0.09	100.0	100.0	100.0
Comp. SOC-2	Pb Concentrate	1.8	4219.2	66.03	13.47	93.4	97.0	11.7
	Zn Concentrate	3.0	133.4	0.13	60.07	4.9	0.3	86.0
	Final Tails	95.1	1.5	0.03	0.05	1.7	2.6	2.3
	Calculated Head	100.0	82.8	1.25	2.11	100.0	100.0	100.0

The metallurgical test work program will continue as the project progresses, and in the future will include samples from the Socavon Basement. For the purposes of this resource estimate the metallurgical parameters and recoveries for the Socavon Basement are assumed to be the same as the Mantos Basement, based on similarities in geology and mineralization.

Mineral Resource and Mineral Reserve Estimates

Summary

The mineral resource has been estimated in conformity with generally accepted CIM Estimation of Mineral Resources and Mineral Reserves Best Practices Guidelines (November, 2003) and reported

according to the CIM Definition Standards for Mineral Resources and Mineral Reserves, (CIM, 2014) in accordance with the NI 43-101 (CSA, 2011).

Estimations were made from 3D block models based on geostatistical applications using commercial mine planning software (MineSight® v10.0-2). The model uses a nominal block size of 10 x 10 x 5 m (LxWxH).

The resource estimate has been generated from drill hole sample assay results and the interpretation of a geologic model which relates to the spatial distribution of silver, lead and zinc. Interpolation characteristics were defined based on the geology, drill hole spacing, and geostatistical analysis of the data. The resources were classified according to their proximity to sample data locations.

Table 5 summarizes the estimate of Mineral Resources for the Chinchillas Project.

Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported Inferred resources are uncertain in nature and there has been insufficient exploration to classify these Inferred resources as Indicated or Measured, and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured category.

Due to the polymetallic nature of the deposit, mineral resources were calculated on a silver-equivalent basis (AgEq) using the formula: $AgEq = Ag \text{ g/t} + (Pb\% * 36.09) + (Zn\% * 36.09)$. Silver equivalents (AgEq) are calculated in model blocks, for use in the floating cone algorithm, using the contributions of silver, lead and zinc and include adjustments for metallurgical recoveries. There are no adjustments for mining losses or dilution. Since this is a resource limiting pit shell, and the fact that mineral resources must show reasonable prospects for eventual economic extraction, an elevated silver price of U.S.\$25 per ounce was used to generate the pit shell.

The following technical and economic parameters were used (all prices are in US dollars):

- Metal prices for Silver Equivalent calculation: silver U.S.\$19/oz, lead U.S.\$1/lb, zinc U.S.\$1/lb
- Metal price used to generate resource limiting pit shell: silver U.S.\$25/oz
- Recoveries: 90% silver equivalent.
- Mining cost: U.S.\$2.45/t
- Process cost: U.S.\$16/t
- General and Administrative (“G&A”): U.S.\$8.30/t
- Pit slope: 45 degrees

Based on a U.S.\$19/oz silver price, the base cut-off grade for the resource is estimated to be 45 g/t silver equivalent.

Table 5: Mineral Resource Statement for the Chinchillas Project. (July 31st, 2015)

Zone	Mtonnes	AgEq (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AgEq (Moz)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)
Indicated									
Silver Mantos	12.9	122.3	79.7	0.56	0.62	51	33	158	177
Mantos Basement	7.7	151.0	107.0	0.94	0.28	38	27	160	49

Zone	Mtonnes	AgEq (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AgEq (Moz)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)
Socavon	5.3	93.6	27.3	0.52	1.32	16	5	60	154
Total	25.9	125.0	77.2	0.66	0.66	104	64	379	379
Inferred									
Silver Mantos	8.0	96.7	49.2	0.57	0.75	25	13	101	132
Mantos Basement	9.8	132.1	92.7	0.87	0.22	41	29	187	48
Socavon	7.8	76.4	32.3	0.36	0.86	19	8	62	148
Socavon Basement	21.6	77.7	37.88	0.41	0.7	54	26	193	333
Total	47.2	92.0	50.2	0.52	0.64	140	76	544	661

Notes to Table 5:

- (i) Totals may not add correctly due to rounding.
- (ii) Mineral resources are contained within a pit shell generated using a silver price of U.S.\$25/oz.
- (iii) Silver equivalent grades, and the base case cut-off grade of 45g/t AgEq, are based on metal prices of U.S.\$19/oz silver and U.S.\$1/lb for Lead and Zinc.
- (iv) Mineral resources, which are not mineral reserves, do not have demonstrated economic viability.
- (v) The quantity and grade of reported Inferred resources are uncertain in nature and there has been insufficient exploration to classify these Inferred resources as Indicated or Measured, and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured category.

Introduction

The following describes an update to the mineral resource model for the Chinchillas deposit located in Jujuy Province, Argentina. The resource estimate is based on a database provided by Golden Arrow Resources Corporation on July 8, 2015 which includes drill hole sample data and a series of 3D (wireframe) objects representing the distribution of various lithologic units and the surface topography.

This mineral resource estimate was prepared under the direction of Robert Sim, P.Geo, SIM Geological Inc., with the assistance of Bruce Davis, FAusIMM, BD Resource Consulting, Inc. Based on education, work experience relevant to this style of mineralization and deposit type, and membership in a recognized professional organization, both Sim and Davis are independent QPs within the requirements of NI 43-101 for the purpose of the mineral resource estimate contained in the Chinchillas Technical Report.

The mineral resource has been estimated in conformity with generally accepted CIM Estimation of Mineral Resources and Mineral Reserves Best Practices Guidelines (CIM, 2003) and is reported in accordance with the Canadian Securities Administrators' ("CSA") NI 43-101 (CSA, 2011). Mineral resources are not mineral reserves and they do not have demonstrated economic viability. Bruce Davis was involved in the generation of two previous resource models for the Chinchillas Project (Davis and Howie, 2013, Davis et. al, 2014).

Estimations are made from 3D block models based on geostatistical applications using commercial mine planning software (MineSight® v10.0-2). The project limits are based on metric UTM coordinates. The nominal block size in the model is 10 x 10 x 5 m (LxWxH). Sample data is derived from diamond drill core holes dating back to 2007. The majority of drilling on the property has been conducted by Golden Arrow since 2012.

The resource estimate has been generated from drill hole sample assay results and the interpretation of a

geologic model which relates to the spatial distribution of silver, lead and zinc. Interpolation characteristics were defined based on the geology, drill hole spacing, and geostatistical analysis of the data. The resources were classified according to their proximity to sample data locations and were reported, as required by NI 43-101, according to the CIM Definition Standards for Mineral Resources and Mineral Reserves (CIM Standing Committee on Reserve Definitions, 2014). All prices are listed in US dollars.

Available Data

On July 8, 2015, Golden Arrow provided the drill hole database in a series of spreadsheet (Excel™) files containing collar and survey data as well as assay results and geologic information. Also provided were 3D interpretations, in DXF format, representing the various lithologic units in the deposit area. These data were formatted and imported into MineSight®. Silver, lead and zinc mineralization occurs in two areas on the property which, for the purposes of grade estimation, are separated into a western area termed “Mantos” and eastern termed “Socavon”. The Mantos area includes the Silver Mantos and Mantos Basement mineralized zones, while the Socavon includes the Socavon del Diablo and Socavon Basement zones. Elevated silver, lead and zinc grades tend to occur together throughout the deposit area and, as a result, equivalent silver grades are utilized in the generation and reporting of mineral resources at Chinchillas.

The database contains a total of 176 diamond drill (core) holes with a cumulative length of 32,881 m. The distribution of drilling relative to the surface topography is shown in Figure 21. A total of 55 new drill holes have been completed since the previous resource estimate was generated in August 2014. The distribution of these new drill holes is shown in Figure 22. The most recent drilling program has expanded the mineralization laterally and at depth in both the Mantos and Socavon areas.

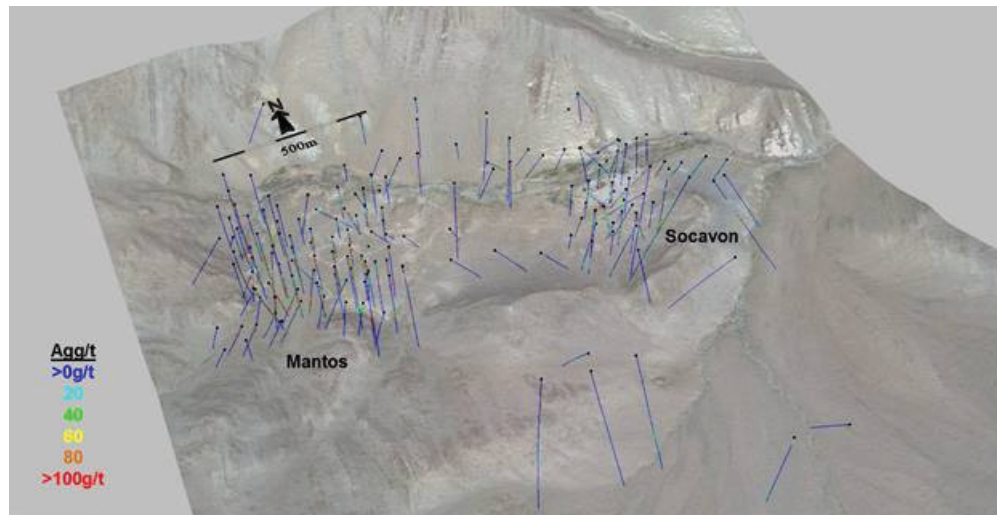


Figure 21: Isometric View Showing the Distribution of Silver Grades in Drilling

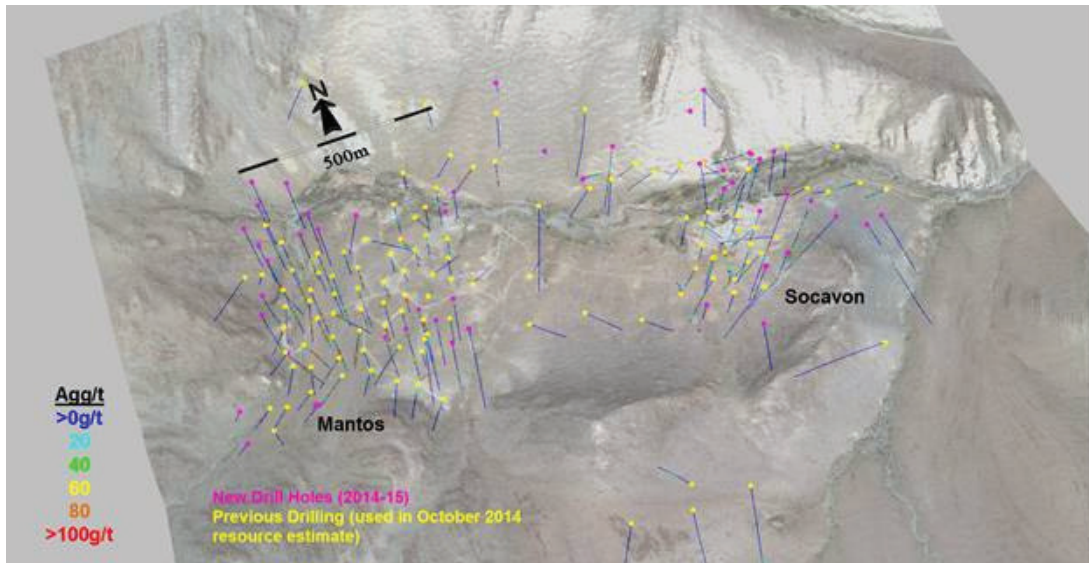


Figure 22: Isometric View Showing the Distribution of New Drilling Completed Since the Previous Resource Estimate Completed in October 2014

There are a total of 24,033 individual samples in the assay database. The majority of these samples have been analyzed by ICP for a suite of 39 elements. The silver, lead and zinc data has been extracted from the main database and imported into MineSight in the development of the resource model. A total of 1,109 metres of drilling (3.4%) has not been sampled and analyzed. The majority of these unsampled intervals occur in overburden and the others represent intervals with no core recovery. There have been no adjustments to the database to account for these missing samples – they are ignored during the development of the resource model.

The database also contains a total of 1,673 samples that have been tested for bulk density. These samples were obtained from core selected at approximately 15 metre intervals down most drill holes giving a relatively consistent distribution of density data throughout the deposit areas.

Individual assay sample intervals range from 0.1 metres to 10 metres, and average 1.32 m in length. 77% of the samples are exactly one metre in length and 19% of the samples are two metres long. Values analyzed below the detection limit (<DL) were assigned values equal to one half of the detection limit ($\frac{1}{2}$ DL). The basic statistical summary of the assay sample data is shown in Table 6.

Table 6: Statistical Summary of Sample Assay Data Proximal to the Chinchillas Deposit

Element	Number of Samples ⁽¹⁾	Total Length (m)	Min	Max	Mean ⁽²⁾	Standard Deviation	Coefficient of Variation
Silver (g/t)	24,033	31,758	0	5,339.33	20.85	93.45	4.48
Lead (%t)	24,033	31,758	0	15.70	0.21	0.62	2.95
Zinc (%)	24,033	31,758	0	13.08	0.27	0.65	2.41
Specific Gravity (t/m3)	1,673	na	1.50	2.91	2.34	0.32	0.14

Notes:

- (1) A few sample intervals were split at geology contacts when the data is loaded into MineSight®. Therefore, the total number of samples listed may be higher than the original data provided by Golden Arrow.
- (2) Statistics for silver, lead and zinc are weighted by sample length.

Core recovery averaged just over 95%. The more friable tuff unit had an average recovery of 93.8%. The dacite average recovery was 97.9% while the basement unit average was 96.6%. There was no indication of a relationship between core recovery and grade.

Geological Model, Domains and Coding

The Chinchillas deposit is interpreted to be formed as a result of a Tertiary aged diatreme intrusion into a host of Paleozoic basement schists. Heat from the intrusion resulted in mineralization in the form of disseminations, veinlets and matrix filling within the volcanic breccias and tuffs as well as within the original schists.

Geologists from Golden Arrow provided a series of 3D wireframe domains representing the various lithologic units present on the property. The general distribution of these units is shown in cross section in Figure 23. Note that higher-grade silver (and lead and zinc) mineralization occurs predominantly in the tuffaceous phase of the intrusive rocks and also within the brecciated zone in the underlying basement schists. However, relatively high grade mineralization can be found in all rock types.

There are no significant zones of oxidation or supergene enrichment and overburden tends to be non-existent or, when present, less than five metres in thickness.

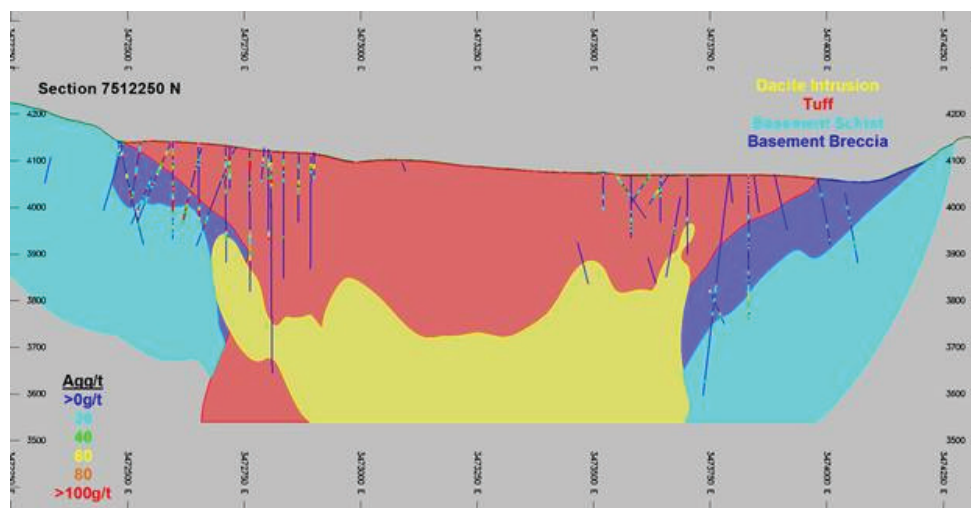


Figure 23: Vertical Cross Section Showing Rock Types and Silver Grades in Drilling

Compositing

Compositing of drill hole samples is carried out in order to standardize the database for further statistical evaluation. This step eliminates any effect related to the sample length that may exist in the data.

To retain the original characteristics of the underlying data, a composite length is selected which reasonably reflects the average original sample length. The generation of longer composites results in some degree of smoothing which could mask certain features of the data. Sample intervals are relatively consistent in the database: 77% of the samples are exactly one metre in length and 19% of the samples are

two metres long. As a result, a standard composite length of one metre has been applied to the sample data.

Drill hole composites are length-weighted and have been generated down-the-hole; this means that composites begin at the top of each hole and are generated at 1-m intervals down the length of the hole. Several holes were randomly selected and the composited values were checked for accuracy. No errors were found.

Exploratory Data Analysis

Exploratory data analysis (EDA) involves the statistical summarization of the database in order to better understand the characteristics of the data that may control grade. One of the main purposes of this exercise is to determine if there is evidence of spatial distinctions in grade which may require the separation and isolation of domains during interpolation. The application of separate domains prevents unwanted mixing of data during grade interpolation so that the resulting grade model will better reflect the unique properties of the deposit. However, applying domain boundaries in areas where the data are not statistically unique may impose a bias in the distribution of grades in the model.

A domain boundary, which segregates the data during interpolation, is typically applied if the average grade in one domain is significantly different from that of another domain. A boundary may also be applied where there is evidence that a significant change in the grade distribution exists across a geologic contact.

Ultimately, the distributions of silver, lead and zinc in the resource model are controlled using the silver equivalent probability shell as a hard boundary domain, meaning sample data inside and outside of the domain is not mixed during block grade interpolation.

Bulk Density Data

Specific gravity (SG) measurements were conducted on a total of 1,673 drill core samples from the various drill programs using the methodology described in section 11.5. These SG measurements are utilized as bulk densities to generate resource tonnages from the block model. Individual density (SG) measurements range from 1.5 t/m³ to 2.91 t/m³ and average 2.34t/m³. Note that one anomalous (or incorrect) value of 9.50t/m³ was removed from the database.

The available density data was loaded into MineSight® and reviewed. It is quite evident that variations in rock density occur in the various lithologic units. The density of the Tuff averages 2.09 t/m³ and the Dacite is 2.38 t/m³. The underlying Basement Breccia and Basement rocks are similar with averages of 2.58 t/m³ and 2.61t/m³ respectively. Density measurements have been taken at approximately 15 metre intervals down the majority of the drill holes. The volume and distribution of density data is considered to be sufficient to allow for direct interpolation of density values into model blocks. The lithologic domains are used to control the distribution of density data during this process.

Evaluation of Outlier Grades

Histograms and probability plots of the distribution of all elements were reviewed in order to identify the existence of anomalous outlier grades in the composite database. Potential outlier samples were visually reviewed to determine their location in relation to the surrounding data. It was decided that anomalous samples would be controlled, in most cases, using a combination of traditional top-cutting and outlier limitations. Samples above the outlier limit threshold grades are restricted to a maximum distance of influence during interpolation of 75 metres when interpolating silver grades and 50 metres for lead and

zinc. This difference in the range of influence is a reflection of the somewhat lower degree of continuity in the distribution of lead and zinc compared to silver in the deposit.

The various controls applied to potentially anomalous sample data are summarized in Table 7. In the main Mantos area, these measures have resulted in a reduction in contained metal of four percent for silver, two percent for lead and one percent for zinc. In the Socavon area, contained silver is reduced by five percent, lead by four percent and zinc by 0.5 percent. The proportion of metal lost in the model due to these controls is considered appropriate for all elements.

Table 7: Outlier Grade Controls

Element	Area	In/Out Probability Shell	Maximum	Top-cut Limit	Outlier Limitation
Silver	Mantos	In	5,339.3 g/t	2000 g/t	1000 g/t
		Out	1,294.3 g/t	1000 g/t	400 g/t
	Socavon	In	1,934.8 g/t	1000 g/t	400 g/t
		Out	393.6 g/t	300 g/t	150 g/t
Lead	Mantos	In	15.70 %	-	8 %
		Out	9.63 %	-	4 %
	Socavon	In	11.05 %	-	4%
		Out	4.69 %	-	2%
Zinc	Mantos	In	13.08 %	-	7 %
		Out	5.44 %	-	2 %
	Socavon	In	12.55 %	-	8 %
		Out	8.99 %	-	4 %

(Outlier controls applied to data composited to 1 m intervals)

Variography

The degree of spatial variability in a mineral deposit depends on both the distance and direction between points of comparison. Typically, the variability between samples increases as the distance between those samples increases. If the degree of variability is related to the direction of comparison, then the deposit is said to exhibit anisotropic tendencies which can be summarized with the search ellipse. The semi-variogram is a common function used to measure the spatial variability within a deposit.

The components of the variogram include the nugget, the sill, and the range. Often samples compared over very short distances, even samples compared from the same location, show some degree of variability. As a result, the curve of the variogram often begins at some point on the y-axis above the origin: this point is called the nugget. The nugget is a measure of not only the natural variability of the data over very short distances, but also a measure of the variability which can be introduced due to errors during sample collection, preparation, and the assay process.

The amount of variability between samples typically increases as the distance between the samples increases. Eventually, the degree of variability between samples reaches a constant, maximum value; this is called the sill, and the distance between samples at which this occurs is called the range.

The spatial evaluation of the data in the Chinchillas Technical Report was conducted using a correlogram rather than the traditional variogram. The correlogram is normalized to the variance of the data and is less sensitive to outlier values, generally giving better results.

Correlograms were generated using the commercial software package SAGE 2001© (Isaaks & Co.). Multidirectional correlograms were generated for the three metals in each of the Mantos and Socavon areas. Correlograms were generated using data inside of the probability shell domain and these were used when interpolating grades both inside and outside of the shell domain. The results are summarized in Table 8.

Table 8: Correlogram Parameters

				1st Structure			2nd Structure		
Element/Area	Nugget	S1	S2	Range (m)	AZ	Dip	Range (m)	AZ	Dip
Silver Mantos	0.352	0.566	0.082	127	181	-20	293	228	30
	Spherical			14	240	54	72	317	-2
				12	102	28	46	44	60
Silver Socavon	0.600	0.307	0.093	87	6	4	220	331	24
	Spherical			21	109	73	194	76	31
				10	274	17	40	31	-49
Lead Mantos	0.450	0.460	0.090	32	251	9	527	353	-3
	Spherical			20	9	72	435	84	-27
				7	159	15	81	77	63
Lead Socavon	0.600	0.262	0.138	35	33	68	316	18	44
	Spherical			11	215	22	86	111	3
				7	125	1	70	25	-46
Zinc Mantos	0.350	0.567	0.083	34	146	-33	3091	190	47
	Spherical			22	138	56	3005	334	37
				11	54	-3	397	79	19
Zinc Socavon	0.350	0.483	0.167	33	156	72	263	110	32
	Spherical			14	131	-17	170	224	33
				7	43	7	118	348	40
Note: Correlograms conducted on 1-m drill hole composite data.									

Model Setup and Limits

A block model was initialized in MineSight® and the dimensions are shown in Table 9. The extents of the block model are represented by the purple rectangle shown in Figure 24. The selection of a nominal block size measuring 10 x 10 x 5 m is considered appropriate with respect to the current drill hole spacing and the application of open pit mining methods.

Table 9: Block Model Limits

Direction	Minimum	Maximum	Block Size (m)	Number of Blocks
East	3472000	3474500	10	250
North	7511500	7513100	10	160
Elevation	3750	4350	5	120

Blocks in the model were coded on a majority basis with the various lithologic and probability shell

domains. During this stage, blocks along a domain boundary are coded if >50% of the block occurs within the boundaries of that domain.

The proportion of blocks which occur below the topographic surfaces are also calculated and stored in the model as individual percentage items. These values are used as weighting factors to determining the in-situ resources for the deposit.

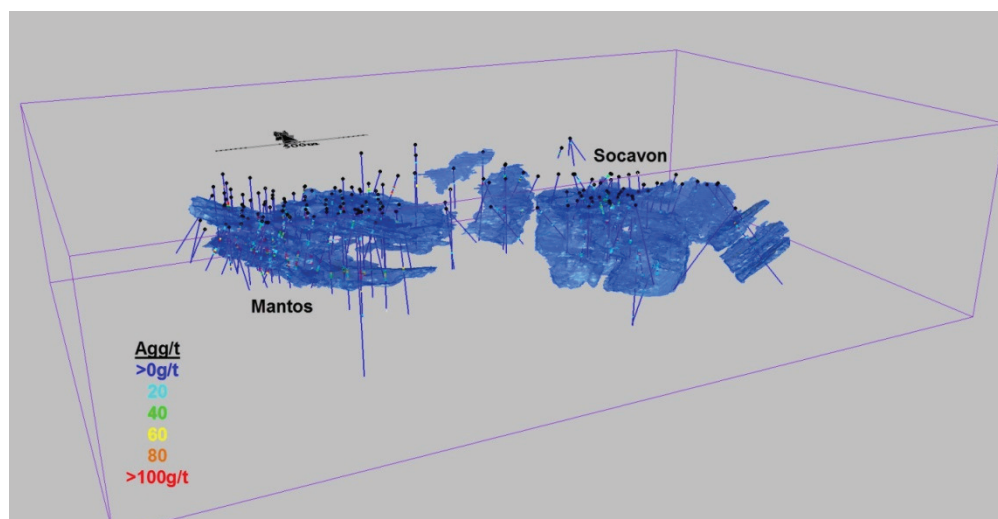


Figure 24: Isometric View of 20 g/t Silver Equivalent Probability Shell Domain

Interpolation Parameters

The block model grades for all elements are estimated using ordinary kriging (“OK”). The results of the OK estimation are compared with the Hermitian Polynomial Change of Support method, also referred to as the Discrete Gaussian Correction.

The Chinchillas OK models were generated with a relatively limited number of samples in order to match the change of support or Herco (HERmitian CORrection) grade distribution. This approach reduces the amount of smoothing or averaging in the model and, while there may be some uncertainty on a localized scale, this approach produces reliable estimations of the recoverable grade and tonnage for the overall deposit.

All grade estimations use length-weighted composite drill hole sample data. The interpolation parameters are summarized in Tables 10, 11 and 12.

Table 10: Interpolation Parameters – Silver

Interpolation Domain	Search Ellipse Range (m)			Number of Composites		
	X	Y	Z	Min/block	Max/block	Max/hole
Mantos Inside Shell	300	300	300	5	30	10
Mantos Outside Shell	300	300	300	5	30	10
Socavon Inside	300	300	300	5	40	10

Interpolation Domain	Search Ellipse Range (m)			Number of Composites		
	X	Y	Z	Min/block	Max/block	Max/hole
Shell						
Socavon Outside Shell	300	300	300	5	30	10

Table 11: Interpolation Parameters - Lead

Interpolation Domain	Search Ellipse Range (m)			Number of Composites		
	X	Y	Z	Min/block	Max/block	Max/hole
Mantos Inside Shell	300	300	300	5	36	12
Mantos Outside Shell	300	300	300	5	30	10
Socavon Inside Shell	300	300	300	5	60	15
Socavon Outside Shell	300	300	300	5	30	10

Table 12: Interpolation Parameters - Zinc

Interpolation Domain	Search Ellipse Range (m)			Number of Composites		
	X	Y	Z	Min/block	Max/block	Max/hole
Mantos Inside Shell	300	300	300	5	48	12
Mantos Outside Shell	300	300	300	5	30	10
Socavon Inside Shell	300	300	300	5	40	10
Socavon Outside Shell	300	300	300	5	30	10

Specific gravity estimates were made in model blocks using the inverse distance weighting to the power of two (“**ID2**”) interpolation method. Densities are estimated with a maximum of two composites per drill hole and a maximum of six composites in total. The lithology domains provide hard boundary conditions during estimation and samples below 1.75t/m³ excluded as these are considered to be anomalous.

Validation

The results of the modeling process were validated using several methods. These include a thorough visual review of the model grades in relation to the underlying drill hole sample grades, comparisons with the change of support model, comparisons with other estimation methods, and grade distribution comparisons using swath plots.

Resource Classification

The mineral resources for the Chinchillas deposit were classified in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (CIM Standing Committee on Reserve Definitions, 2014). The classification parameters are defined in relation to the distance to sample data and are intended to encompass zones of reasonably continuous mineralization.

Measured resources are defined as material in which the continuity of mineralization is demonstrated by the drilling. Similarly, Indicated resources are defined as material in which the continuity of mineralization can be reasonably assumed by the drilling. At this stage of project evaluation, the current distribution of drilling information is insufficient to define resources in the Measured category. Based on statistical analysis of drilling information and the level of understanding of the geologic environment, continuity of mineralization can be reasonably assumed by drilling spaced at 50 metre intervals. Areas of the deposit that consistently meet the criteria were manually outlined with interpreted wireframe domains that are used to classify blocks in the model. This approach ensures that the consistency and continuity is retained in the distribution of these higher-level resources. There has been a reduction in the amount of Indicated resources in the main Mantos area; the previous approach to classification had several patches of resources in the Indicated category that were restricted around individual drill holes. This type of distribution does not exhibit the desired level of continuity of mineralization required for higher-level resources.

Indicator variograms generated from silver equivalent sample data shows continuity of mineralization at the projected base cut-off grade of 40g/t AgEq of over 100 metres in some directions. Based on these results, resources are included in the Inferred category if they are within a maximum distance of 75 metres from a drill hole.

Indicated Resources – Model blocks that are delineated by drilling with holes spaced on a nominal 50 metre grid pattern.

Inferred Resources – Model blocks which do not meet the criteria for Indicated resources but are within a maximum distance of 75 metre from a drill hole.

The distribution of resources in the Indicated and Inferred categories is shown in Figure 25.

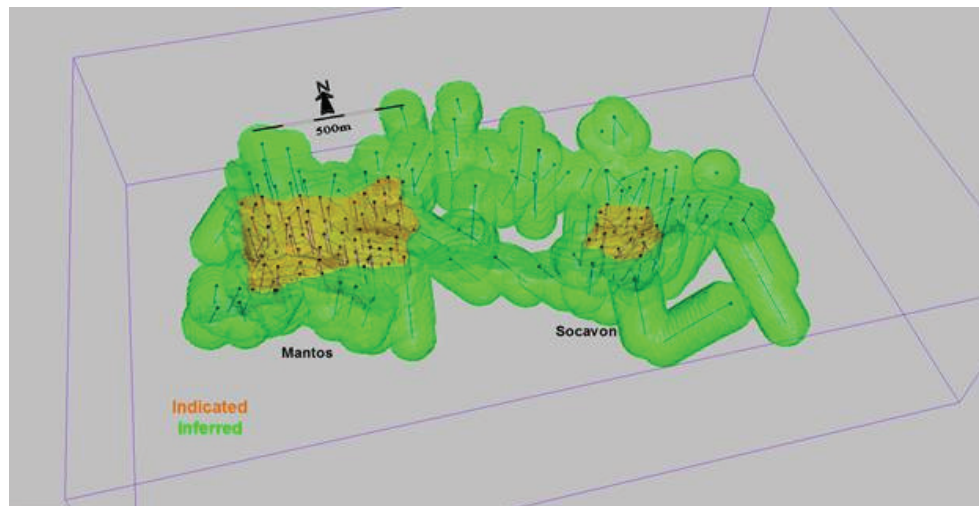


Figure 25: Isometric View of the Extent of Zones included in the Indicated and Inferred Categories

Mineral Resources

The estimate of mineral resources is restricted within a pit shell that has been generated using technical and economic factors that are felt to be appropriate for an operation of this type and location. Many of these factors are derived from Silver Standard's nearby Pirquitas Mine.

Due to the polymetallic nature of the deposit, mineral resources are calculated on a silver-equivalent basis using the same parameters as described in the Chinchillas Technical Report. Silver equivalents (AgEq) are calculated in model blocks, for use in the floating cone algorithm, using the contributions of silver, lead and zinc and include adjustments for metallurgical recoveries. There are no adjustments for mining losses or dilution. Since this is a resource limiting pit shell, and the fact that mineral resources must show reasonable prospects for eventual economic extraction, an elevated silver price of U.S.\$25 per ounce is used to generate the pit shell. This approach, and the prices used, is similar to that used by Silver Standard.

The following technical and economic parameters were used:

- Metal prices for Silver Equivalent calculation: silver U.S.\$19/oz, lead U.S.\$1/lb, zinc U.S.\$1/lb
- Metal price used to generate resource limiting pit shell: silver U.S.\$25/oz
- Recoveries: 90% silver equivalent.
- Mining cost: U.S.\$2.45/t
- Process cost: U.S.\$16/t
- G&A: U.S.\$8.30/t
- Pit slope: 45 degrees

Based on a U.S.\$19/oz silver price, the base cut-off grade for the resource is estimated to be 45 g/t silver equivalent. Mineral resources are listed in Table 13. The distribution of mineral resources is shown in Figure 26.

There are no known factors related to environmental, permitting, legal, title, taxation, socio-economic, marketing, or political issues which could materially affect the mineral resource.

Table 13: Mineral Resource Estimate

Area	ktonnes	AgEq (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AgEq (Moz)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)
Indicated									
Mantos	20,632	133.08	89.94	0.70	0.50	88	60	318	225
Socavon	5,280	93.55	27.32	0.52	1.32	16	5	60	154
All	25,912	125.02	77.18	0.66	0.66	104	64	379	379
Inferred									
Mantos	17,791	116.14	73.10	0.73	0.46	66	42	288	180
Socavon	29,365	77.38	36.32	0.40	0.74	73	34	256	481
All	47,156	92.00	50.20	0.52	0.64	140	76	544	661

Mineral Resources do not have demonstrated economic viability. Mineral resources are contained within

a pit shell generated using a silver price of U.S.\$25/oz. Silver equivalent grades, and the base case cut-off grade of 45g/t AgEq, are based on metal prices of U.S.\$19/oz silver and U.S.\$1/lb for lead and zinc.

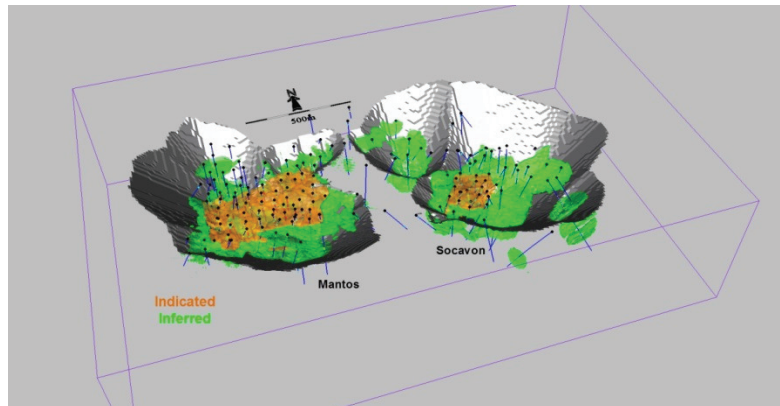


Figure 26: Isometric View of Mineral Resource within Limiting Pit Shell

The sensitivity of mineral resources to cut-off grade is presented in Table 14.

Table 14: Sensitivity of Mineral Resources to Cut-off Grade

Cut-off AgEq (g/t)	ktonnes	AgEq (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AgEq (Moz)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)
Indicated									
20	30,501	110.63	67.98	0.59	0.59	108	67	395	399
30	27,769	119.20	73.38	0.63	0.64	106	66	388	390
40	26,612	122.86	75.71	0.65	0.66	105	65	383	384
45	25,912	125.02	77.18	0.66	0.66	104	64	379	379
50	25,045	127.71	79.06	0.68	0.67	103	64	373	371
60	22,985	134.21	83.78	0.71	0.69	99	62	359	349
70	20,800	141.48	89.34	0.75	0.70	95	60	342	321
80	18,519	149.66	95.92	0.79	0.70	89	57	320	287
90	16,164	159.07	103.85	0.83	0.70	83	54	295	250
100	14,144	168.23	111.74	0.87	0.70	77	51	271	217
Inferred									
20	63,352	75.81	41.12	0.43	0.53	154	84	602	740
30	52,957	86.08	46.73	0.49	0.60	147	80	570	703
40	49,455	89.71	48.73	0.51	0.63	143	77	555	682
45	47,156	92.00	50.20	0.52	0.64	140	76	544	661
50	44,137	95.04	52.25	0.54	0.65	135	74	526	628
60	37,041	102.71	57.67	0.59	0.66	122	69	480	539
70	29,731	111.97	64.59	0.65	0.67	107	62	423	438

Cut-off AgEq (g/t)	ktonnes	AgEq (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AgEq (Moz)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)
80	22,001	124.94	74.71	0.72	0.67	88	53	351	324
90	16,314	139.02	86.16	0.81	0.66	73	45	291	236
100	12,533	152.40	97.44	0.89	0.63	61	39	247	174

Mineral Resources do not have demonstrated economic viability. Mineral resources are contained within a pit shell generated using a silver price of U.S.\$25/oz. Silver equivalent grades, and the base case cut-off grade of 45g/t AgEq, are based on metal prices of U.S.\$19/oz silver and U.S.\$1/lb for lead and zinc.

In order to be consistent with previous resource estimates, these are segregated, using the lithologic domains, into various types corresponding to the main mineralized zones described in Chapter 7.5.1 of the Chinchillas Technical Report, as shown in Table 15.

Table 15: Mineral Resources by Zone

Zone	Mtonnes	AgEq (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AgEq (Moz)	Ag (Moz)	Pb (Mlbs)	Zn (Mlbs)
Indicated									
Silver Mantos	12.9	122.3	79.7	0.56	0.62	51	33	158	177
Silver Mantos Basement	7.7	151.0	107.0	0.94	0.28	38	27	160	49
Socavon	5.3	93.6	27.3	0.52	1.32	16	5	60	154
Total	25.9	125.0	77.2	0.66	0.66	104	64	379	379
Inferred									
Silver Mantos	8.0	96.7	49.2	0.57	0.75	25	13	101	132
Silver Mantos Basement	9.8	132.1	92.7	0.87	0.22	41	29	187	48
Socavon	7.8	76.4	32.3	0.36	0.86	19	8	62	148
Socavon Basement	21.6	77.7	37.88	0.41	0.7	54	26	193	333
Total	47.2	92.0	50.2	0.52	0.64	140	76	544	661

Mineral Resources do not have demonstrated economic viability. Mineral resources are contained within a pit shell generated using a silver price of U.S.\$25/oz. Silver equivalent grades, and the base case cut-off grade of 45g/t AgEq, are based on metal prices of U.S.\$19/oz silver and U.S.\$1/lb for lead and zinc.

Mineral Reserve Estimates

No mineral reserve estimate has been completed on the Chinchillas Project.

Infrastructure, Permitting and Compliance Activities

Local Resources and Infrastructure

Chinchillas is located in the rural zone of Rinconada department. Rinconada has an approximate population of 2,500 people. It covers an area of 6,407 square kilometres and has basic public services including a police department and health center. The main communities in the department are: Pan de Azúcar, Nuevo Pirquitas, Antiguyo, Carahuasi, Casa Colorada, Casti, Ciénaga Grande, Cincel, Rosario de Coyaguayma, Esquina Blanca, Laguna Larga, Lagunillas de Pozuelos, Lagunita, Loma Blanca, Orosmayo, Liviana, Tiomayo, Ojo de Agua, Pozuelos, Ramadas, Santo Domingo, Uquillayoc and Vizcachayoc (Blasco, 2011).

Golden Arrow's exploration camp is located in the village of Santo Domingo, at an elevation of 4,000 masl. Santo Domingo is a small community with a school, church, bus transportation, electricity, natural gas and water services. Most people in the village are ranchers (sheep and llamas) while others work in larger towns like Abra Pampa or Rinconada. During exploration work periods supplies are obtained from Abra Pampa and San Salvador de Jujuy.

Golden Arrow has invested in building enhancements, and has installed two gas tanks to supply natural gas in the village. Health care services are available in Orosmayo or Rinconada, both 30 kilometers away. The nearest hospital is located in Abra Pampa, 66 kilometres away.

Field infrastructure at the Chinchillas Project includes two office containers, a core logging facility, a core cutting machine, three storage tents, two cisterns for diesel fuel (7,000 and 10,000 litres) and four warehouses of 144 square metres each, for the storage of the core boxes, including a bathroom for personnel. Electricity is provided by a 46kva diesel generator. Water supply for domestic and human consumption comes from public service and mineral water purchases.

Permitting

Government permits required to conduct exploration and drilling on the Chinchillas Project have been obtained.

Environmental Liabilities

Prior to initiating work on the Chinchilla Mina, an inspection was performed by the mining and environmental authorities regarding potential pre-existing environmental liabilities. There are remnants of historic mining activities in the Chinchillas Project area, such as small buildings, small areas of workings excavated in the 1960's, historic drilling platforms, trenches and holes. All of these liabilities were declared as pre-existing in Golden Arrow's Environmental Impact Assessment report ("EIA") for the Chinchilla Mina, there were no findings and/or requests by the environmental authorities, and the Chinchilla EIA report was approved.

Drilling Permit Process

In Jujuy province drill permits are issued following the completion and acceptance of an Environmental Impact Assessment report. The EIA is submitted for review to the Provincial Environmental Management Unit, or UGAMP. The UGAMP is a multi-stakeholder group chaired by a technical appointee from the Mining Department who recommends approval or rejection of the EIA and related work application to the provincial mining authorities. Meetings are held to allow UGAMP members to review the proposed materials with members of Golden Arrow. UGAMP representatives reviewing the work applications for

the Chinchillas Project have included:

- Local Communities of Santo Domingo, Orosmayo, Liviara
- Municipal Commissioners of Rinconada and Mina Pirquitas
- Mining Workers Unions
- Provincial Department of Water Resources
- Provincial Department of Mines – Mining Police
- Provincial Secretary of Environmental Management Provincial College of Geologists
- Provincial Department of Natural Resources and Environmental Policies
- Provincial Department of Human Rights
- National University of Jujuy
- Chamber Mining Jujuy
- National Parks Administration
- Corporation for the Development of Laguna de Pozuelos
- Provincial Secretary of Public Health
- Provincial Department of Agriculture and Livestock Control
- Provincial Department of Industry and Commerce
- Representatives from Golden Arrow.

Once the UGAMP process is successfully completed the EIA is accepted and an Environmental Impact Declaration (“**DIA**” for Declaración de Impacto Ambiental in Spanish) is awarded. These are valid for a two-year period, after which they must be renewed in order for drilling to continue.

The Chinchillas Project consists of three contiguous properties (minas) as described in the subsection titled “Claims”. Golden Arrow completed the UGAMP process for the Chinchilla mina and received its first DIA in March 2012. Following a second UGAMP, this permit was renewed in March 2014 for a further two years. Golden Arrow received the first DIA for the Chinchilla I property in July 2013 following a successful UGAMP process. Following a second UGAMP, the Chinchilla I permit was renewed in June 2015. Chinchilla II property received its first DIA in December 2014.

Surface Monitoring

In accordance with Argentinean national and provincial legislation, Golden Arrow maintains environmental programs that include: Fauna and Flora Monitoring; Archeological, Cultural and Historical Patrimony Monitoring; Meteorological Monitoring, and; Surface Water Quality Monitoring Programs. Field surveys have been undertaken in which local residents from Santo Domingo participated and assisted with data collection.

The goal of the Fauna and Flora Monitoring Program is to develop baseline data and to be able to evaluate any changes to protected fauna and flora species over time.

The Archeological, Cultural and Historical Patrimony Monitoring Program is undertaken to identify objects and/or areas that have to be protected and preserved from exploration activities due to cultural and historical value, in coordination with the Secretary of Culture.

Weather data are collected via a meteorological station installed by Golden Arrow at the Chinchillas Project as part of the Meteorological Monitoring Program.

The goal of the Surface Water Quality Monitoring Program is to develop baseline data and evaluate the quality of hydrological resources. Samples of surface water are collected and analyzed for baseline reference.

Laguna de los Pozuelos

Situated approximately 25 kilometres northeast of Chinchillas is the “Laguna de los Pozuelos”, a National Natural Monument protected by the “Administración de Parques Nacionales” (National Parks Administration) as well as a RAMSAR Wetland of International Importance and the core zone of a Biosphere Reserve. It covers a surface of approximately 16,000 hectares and in this area all economic activities, including mining, are prohibited.

Argentina has established 13 Biosphere reserves recognized under UNESCO’s Man and Biosphere Programme. “Biosphere reserves are sites established by countries and recognized under UNESCO's Man and the Biosphere (“**MAB**”) Programme to promote sustainable development based on local community efforts and sound science.” (www.unesco.org) The Pozuelos Biosphere Reserve core zone is surrounded by a buffer zone of approximately 380,000 hectares that is administered by the Jujuy multi-sector organization Corporation for the Development of the Pozuelos Basin (CODEPO, for Corporación para el Desarrollo de la Cuenca de Pozuelos in Spanish). As shown in Figure 27, the Secretaría de Minería GIS data indicate that the Chinchillas Project is partially located inside the buffer zone, while boundaries provided by the Universidad Nacional de Jujuy (UNJU) follow the UNESCO model and divide the buffer zone into an outer transition zone and internal buffer zone, with the Chinchillas property located outside of both zones. Although neither are definitive, the Ministry data of the buffer outline is the most recent and has been adopted for the Chinchillas Technical Report. In either case, economic activities, including mining and exploration, are allowed in these areas, following the UGAMP process described above and the mine permitting process described in the Chinchillas Technical Report. Furthermore, consultants Knight Piésold advised Golden Arrow that in their opinion proper and conscientious development of the Chinchillas deposit can be done in accordance with the UNESCO objectives in a manner that will not impact the conservation values of the Laguna de Pozuelos. Knight Piésold does not believe the Reserve buffer zone designation represents an impediment to the continued development of the Chinchillas deposit (Kuchling et. al, 2014).

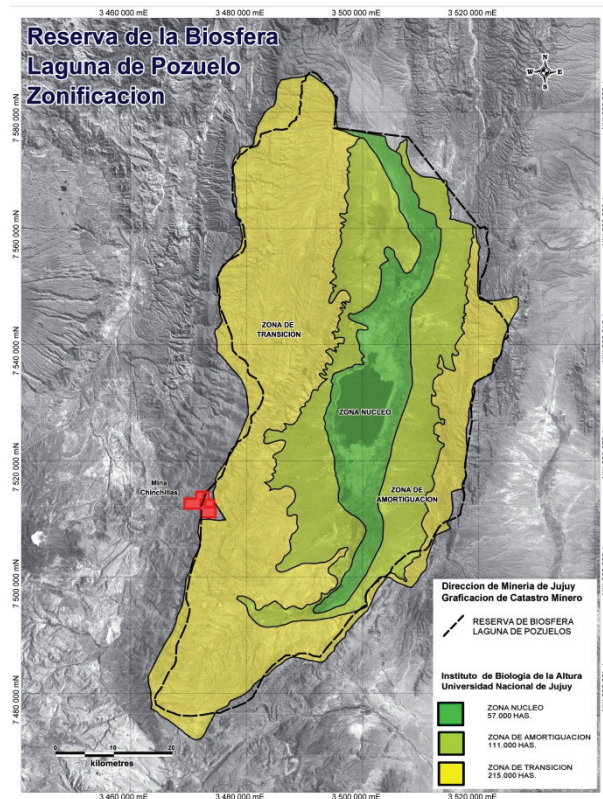


Figure 27: Laguna de los Pozuelos Buffer Zones

Historic Liabilities

Some remnants of historic mining activities in the Chinchillas Project area, such as small buildings and historic drilling platforms, trenches, tunnels and holes, still exists in the area. All of these liabilities were declared as pre-existing in Golden Arrow's EIA report for the Chinchillas Project.

Social & Community Aspects

In accordance with Argentinean national and provincial legislation, Golden Arrow maintains Information and Consulting Programs, and Social Sustainability Programs.

The aim of the Information and Consulting Program is to establish clear and direct lines of communication with local inhabitants and stakeholders such as Aboriginal Communities leaders and Municipal Commissioners.

The goals of the Social Sustainability Program are to contribute to local development of infrastructure and to help local inhabitants to develop new skills and potential commercial activities that can support mining activities development in the area.

Golden Arrow has been working closely with local authorities and communities since 2011. The area of influence of the Chinchillas Project includes the communities of Santo Domingo, Liviara, and Orosmayo. In general, the communities are engaged in rural activities and their settlement patterns and spatial dispersion is associated with pastoral activity. Golden Arrow has designed and implemented a Community Relations Plan for long-term cooperation with the local communities. At this early stage of

work the communities of Liviara and Orosmayo have been consulted and informed about Golden Arrow's works and plans, but the immediate area of the Chinchillas Project is part of the Santo Domingo community and this community has participated most actively in the Chinchillas Project plans and works.

Golden Arrow regularly participates in community assemblies to discuss hiring personnel, benefits and other improvements to the community.

In addition, Golden Arrow has established access agreements with local landowners in the Chinchillas Project area.

Mine Permitting

Golden Arrow has reviewed the process for mine permitting in order to facilitate the timely completion of the process once a positive feasibility study for the project is completed.

The legal framework for mine permitting is derived mainly from the second section of the Mining Code of Argentina and its supporting National Law No. 24.585. The institutional framework for the permitting process is driven by stipulations in Law No. 24.585, with technical Support of UGAMP and the National Mining Secretariat who is advised in turn by the National Unit of Environmental Management (UGAN for La Unidad de Gestión Ambiental Nacional in Spanish).

The main focus of permitting is the detailed EIA, which must be submitted prior to commencement of operations. Upon successful review of the EIA and a UGAMP process similar to that described in section 20.1, authorities issue the DIA. Annex III of Law 24.585 establishes the minimum contents of the EIA, which must include:

- Description of the Environment (physical, biological, and socio-economic)
- Project Description
- Description of Environmental Impacts
- Environmental Management Plan (which includes measures and actions to prevent and mitigate environmental impact)
- Plan of Action on Environmental Contingencies, and
- Methodology Used.

Exploration, Development and Production

In October 2015, Golden Arrow commenced a Phase V drill program at the Chinchillas Project. The priority drilling is infill to upgrade mineral resources and geotechnical holes to define high wall angles in the pit and is expected to be complete by the end of November 2015. The program will also include drilling holes for hydrogeology, metallurgy, condemnation and exploration which is expected to be complete by Q1 2016. The drilling will bring the project to a pre-feasibility level in order to complete the proper engineering studies for optimal potential development. The estimated budget for the pre-development activities is U.S.\$12.6 million.

Pirquitas Mine

For further information on the Pirquitas Mine, please see “Appendix “D” – Information Concerning MP LLC – Material Properties – Pirquitas Mine”.

RISK FACTORS

Ownership of New GAR Shares will be highly speculative due to the high-risk nature of its business and the stage of its development following the Arrangement. Shareholders of New GAR may lose their entire investment. The risks described below are not the only ones facing New GAR. Additional risks not currently known to New GAR, or that New GAR currently deems immaterial, may also impair New GAR's operations. If any of the following risks actually occur, New GAR's business, financial condition and operating results could be adversely affected. Golden Arrow Shareholders should consult with their professional advisors to assess the Arrangement and their resulting investment in New GAR. In evaluating New GAR and its business and whether to vote in favour of the Arrangement, Golden Arrow Shareholders should carefully consider, in addition to the other information contained in the Circular and this Appendix "C", the risk factors which follow, as well as the risks associated with the Arrangement (see in the Circular "Risks Associated with the Arrangement") and the risks associated with the business of MP LLC (see in the Circular "Appendix "D" – Information Concerning MP LLC – Risk Factors"). These risk factors may not be a definitive list of all risk factors associated with the Arrangement, an investment in New GAR or in connection with New GAR's business and operations.

The risk factors described below are provided as of the date of the Circular. Pursuant to the Business Combination Agreement, SSRI may elect to exercise its Election to Proceed at any time on or before March 30, 2017. The Arrangement will not proceed unless SSRI exercises its Election to Proceed and all conditions precedent to the Arrangement, as more particularly described in the Business Combination Agreement, are satisfied or waived by the appropriate Party. Accordingly, risk factors described below are subject to change prior to the Closing Date. See "Cautionary Note Regarding Forward-Looking Statements and Risks" in the Circular.

Structural and Operational Risks

New GAR will be a minority shareholder of JVco and therefore will be dependent on, and subject to, the decisions of SSRI, the majority shareholder.

The terms of the Shareholder Agreement which will govern the operation of JVco provide effective control to SSRI over many of the activities of JVco since it will hold a majority (75%) of the JVco Shares. While a limited number of decisions of the directors of JVco require unanimous approval, giving New GAR an effective veto over any such decisions, New GAR will be a minority shareholder of JVco and will be dependent on SSRI to manage almost all of the affairs of JVco. SSRI, as majority shareholder of JVco will have control over matters including, but not limited to, cash call requirements, Programs and Budgets, the Closure Fund, the appointment of officers of JVco and the declaration, form, manner and timing of any distributions by JVco to SSRI and New GAR. See in this Appendix "C", "Description of the Business – Description of JVco – Shareholder Agreement" for further information on the Shareholder Agreement.

SSRI will be appointed the Group Manager pursuant to the Shareholder Agreement and therefore will have considerable discretion over the rate of development of the Pirquitas Mine and Chinchillas Project.

Under the Shareholder Agreement, SSRI will be appointed as Group Manager. The Group Manager has considerable discretion under the Shareholder Agreement to determine the rate of development at the Chinchillas Project and Pirquitas Mine through the preparation of Programs and Budgets for JVco. Under the Shareholder Agreement, operations will be conducted, expenses shall be incurred and assets shall be acquired by JVco substantially in accordance with Programs and Budgets that have been prepared by the Group Manager and adopted by the JVco Board by a simple majority vote, which vote will be controlled

by SSRI. Although the Shareholder Agreement contains a limitation on New GAR's contributions to the Budget for the first 12 months after the Effective Date, New GAR will have no ability to control Programs and Budgets after such time. Accordingly, New GAR will be subject to SSRI's discretion regarding future cash call requirements for the Pirquitas Mine and Chinchillas Project.

Under the Shareholder Agreement, New GAR may be diluted of its interest in JVco if it is unable to meet future cash calls.

The Shareholder Agreement provides for adjustments to the interests of the shareholders of JVco if a shareholder fails to fund a cash call. If New GAR fails to fund cash calls, it risks having its interest in JVco reduced. The Shareholder Agreement provides that if a minority shareholder's interest in JVco is reduced to 5% or less, the majority shareholder of JVco may buy-out, or cause JVco to buy-out the minority shareholder. Accordingly, New GAR may ultimately be diluted out of JVco altogether. SSRI is a much larger entity with far greater access to financial resources than New GAR. Even if New GAR is able to meet future cash calls, New GAR may be required to sell additional securities in order to raise the capital required to fund such cash calls, the effect of which could result in a substantial dilution of the equity interest of New GAR's shareholders. See "Risk Factors – Risks Relating to Financing New GAR's Business Operations and New GAR Shares" below.

There is no guarantee that New GAR will receive dividends from JVco.

Under the Shareholder Agreement, it is the desire and intention of the shareholders of JVco that the shareholders be provided with a reasonable dividend from the net profits of JVco, while still maintaining funds in JVco to provide for operating and capital reserves, contributions to the Closure Fund, and other expected costs, expenses and reserves as are determined pursuant to adopted Programs and Budgets. The declaration and amount of any dividend or distribution made by JVco to New GAR and SSRI, as the shareholders of JVco, will be at the sole discretion of the JVco Board and will be determined by a simple majority vote, which vote will be controlled by SSRI. Accordingly, even if JVco is profitable, SSRI will control whether New GAR receives a return on its investment in JVco.

Upon completion of the Arrangement, New GAR will be exposed to the reclamation liabilities of the Pirquitas Mine.

Land reclamation and mine closure requirements for the Pirquitas Mine may be burdensome. MP LLC's current proposed reclamation work focuses on diverting water around the waste dumps and pit areas as well as capturing and passively treating impacted waters. See "Appendix "D" – Information Concerning MP LLC – Business of MP LLC – Environmental Protection" and "Appendix "D" – Information Concerning MP LLC – Risk Factors" for further information and risks relating to the reclamation liabilities of the Pirquitas Mine.

New GAR will be exposed to MP LLC's reclamation liability upon completion of the Arrangement and pursuant to the terms of the Shareholder Agreement, will be required to contribute funds to JVco in order to fund its proportionate share of the closure and reclamation costs of the Pirquitas Mine and Chinchillas Project.

New GAR may be adversely impacted by disputes with its joint venture partner, SSRI.

New GAR's future interest in JVco, the Pirquitas Mine and the Chinchillas Project is subject to the risks normally associated with the conduct of joint ventures. The existence or occurrence of one or more of the following circumstances and events, for example, could have a material adverse impact on New GAR's operations and financial condition or the viability of its interests held through JVco: disagreement with

SSRI on how to conduct business efficiently; inability of New GAR and/or SSRI to meet its obligations to JVco or third parties; or litigation arising between New GAR and SSRI.

New GAR has agreed under the Business Combination Agreement to indemnify SSRI in certain circumstances and will assume certain Liabilities of Golden Arrow following the Closing Time.

Pursuant to the Business Combination Agreement, New GAR has covenanted and agreed that it will indemnify SSRI from all losses suffered or incurred by SSRI as a result of or arising directly or indirectly out of or in connection with (a) any inaccuracy or breach by Golden Arrow or New GAR of any representation or warranty of Golden Arrow or New GAR contained in the Business Combination Agreement or in any agreement, certificate or other document delivered pursuant thereto; (b) any breach or non-performance by Golden Arrow, New GAR or VDC of any covenant contained in the Business Combination Agreement or in any agreement, certificate or other document delivered pursuant thereto; and (c) any shares of Golden Arrow or any options, warrants or similar rights exercisable or exchangeable for or convertible into securities of Golden Arrow (including for greater certainty any Golden Arrow Securities) not having been exchanged for securities of New GAR or cancelled upon the Closing in accordance with the Business Combination Arrangement, subject to certain limitations. A successful indemnification claim made by SSRI or its subsidiaries against New GAR pursuant to the Business Combination Agreement could have a material adverse effect on New GAR.

See “*The Business Combination Agreement – Indemnification*” in the Circular.

In addition, under the Business Combination Agreement, Golden Arrow will deliver to SSRI at Closing an assumption agreement executed by Golden Arrow and New GAR, pursuant to which New GAR will assume all of the Liabilities of Golden Arrow (other than Liabilities of Golden Arrow in connection with, or in respect of, the exercise by Registered Golden Arrow Shareholders of Dissent Rights) arising from or relating to any actions or omissions of Golden Arrow on or prior to the Closing Date. As a result, New GAR will be exposed to certain Liabilities of Golden Arrow following completion of the Arrangement.

Other Risks Related to Operations

JVco’s mining operations will be inherently dangerous and subject to conditions or events that will be beyond JVco’s control, the occurrence of which could have a material adverse effect on New GAR’s business, financial condition, results of operations and prospects.

JVco’s operations will be subject to all the hazards and risks normally encountered in the exploration, development and production of silver, zinc, lead and other metals, including, without limitation, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and other geotechnical instabilities, equipment failure or structural failure, metallurgical and other processing problems and other conditions involved in the mining of minerals, any of which could result in damage to, or destruction of, JVco’s mines, plants and equipment, personal injury or loss of life, environmental damage, delays in mining, increased production costs, asset write-downs, monetary losses and legal liability. The occurrence of any of these events could result in a prolonged interruption in JVco’s operations that would have a material adverse effect on New GAR’s business, financial condition, results of operations and prospects.

In addition, JVco’s mining operations will be subject to the risks inherent in mining, including adverse fluctuations in fuel prices, waste-to-ore ratios, the encountering of unusual or unexpected geological formations, metallurgical and other processing problems, including the availability and costs of processing and refining facilities, variations in grade, deposit size, density and other geological problems, commodity prices, exchange rates and metal prices, availability of energy and water supplies, access and transportation costs, delays and repair costs resulting from equipment failure, changes in the regulatory

environment, and industrial accidents and labour actions or unrest. The occurrence of any of these risks could materially and adversely affect the development of a project or the operations of a facility, which could have a material adverse impact upon JVco and New GAR.

See “Appendix “D” – Information Concerning MP LLC – Risk Factors” for additional risk factors relating to operations of MP LLC.

New GAR will have no history of mineral production or mining operations.

Upon completion of the Arrangement, the Pirquitas Mine will be the only producing property in which New GAR will hold an interest. However, the Pirquitas Mine will be held by JVco, which will be controlled by SSRI. New GAR will rely in part on SSRI’s operational management team, which possesses in-country mine construction and operational expertise, to operate JVco. Other than the Pirquitas Mine, there is no assurance that commercial quantities of silver, zinc, lead or any other minerals will be discovered nor is there any assurance that JVco and/or New GAR’s exploration programs will yield positive results. Even if commercial quantities of silver, zinc, lead or other minerals are discovered, there can be no assurance that any property, other than the Pirquitas Mine, will ever be brought to a stage where silver, zinc, lead or other mineral resources can profitably be produced therefrom. Factors which may limit the ability to produce silver, zinc, lead or other minerals include, but are not limited to, the spot price of silver, zinc, lead, or other minerals availability of additional capital and financing and the nature of any mineral deposits. Other than with respect to its interest in the Pirquitas Mine, New GAR will not have a history of mining operations that would guarantee it will produce revenue, operate profitably or provide a return in the future.

There is uncertainty in mineral resource estimates.

Mineral resource figures are only estimates. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. While New GAR believes that the mineral resource estimates included in this Appendix are established and reflect management’s best estimates, the estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from New GAR’s estimates. Estimated mineral resources may have to be re-estimated based on changes in silver, zinc and lead prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any mineral resource estimate will ultimately be reclassified as proven or probable mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

See “Appendix “D” – Information Concerning MP LLC – Risk Factors” for additional risks of MP LLC relating to mineral resource and mineral reserve estimates.

There is no assurance of title to property.

There may be challenges to title to the mineral properties in which New GAR and/or JVco will hold a material interest. If there are title defects with respect to any properties, New GAR and/or JVco might be required to compensate other persons or perhaps reduce its interest in the affected property. Also, in any

such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and development programs.

See "Appendix "D" – Information Concerning MP LLC – Risk Factors" for further discussion on risks relating to MP LLC's title to mineral properties.

New GAR will be exposed to risks related to the influence of third party stakeholders.

The lands in which New GAR and/or JVco will hold an interest, or the exploration equipment and roads or other means of access which New GAR and/or JVco intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, New GAR and/or JVco's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity directly for New GAR or indirectly through JVco.

New GAR and JVco's operations will be subject to regulatory requirements.

The future operations of New GAR and JVco, including development activities and possible commencement of production at the Chinchillas Project or New GAR's other non-material properties will require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which New GAR and JVco may require for the development and construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which New GAR or JVco might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments or changes to current laws, regulations government policies and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on New GAR or JVco and cause increases in costs or require abandonment or delays in the development of new mining properties.

The development of mines and related facilities is contingent upon governmental approvals that are complex and time consuming to obtain and which, depending upon the location of the project, involve multiple governmental agencies. The duration and success of such approvals are subject to many variables that will be outside New GAR and JVco's control. Any significant delays in obtaining or renewing such permits or licenses in the future could have a material adverse effect directly on New GAR or indirectly through JVco.

See "Appendix "D" – Information Concerning MP LLC – Risk Factors" for further discussion regarding regulatory risks associated with MP LLC.

New GAR will be exposed to foreign operation risk.

Following the Closing Date, JVco will conduct operations in Argentina through foreign subsidiaries. Accordingly, any limitations placed by Argentinian or other laws on the transfer of cash or other assets between JVco and such entities could restrict JVco and/or New GAR's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on New GAR's valuation and stock price.

See "Appendix "D" – Information Concerning MP LLC – Risk Factors" for further discussion on foreign operation risks.

The properties in which New GAR will have an interest are in Argentina.

New GAR operations will be conducted in a foreign jurisdiction, Argentina, and the property interests that New GAR will acquire through JVco pursuant to the Arrangement are also located in Argentina, and, as such, New GAR and JVco's operations will be exposed to various levels of political, economic and other such risks and uncertainties as extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licences, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

In the past, Argentina has been subject to political instability, changes and uncertainties, which may cause changes to existing governmental regulations affecting mineral exploration and mining activities. Argentina's status as a developing country may make it more difficult for New GAR and JVco to obtain any required financing for its projects. Any changes in governmental laws, regulations, economic conditions or shifts in political attitudes or stability in Argentina will be beyond the control New GAR and JVco and may adversely affect their business.

See "Appendix "D" – Information Concerning MP LLC – Risk Factors" for further discussion regarding operational risks in Argentina.

Economic and political instability may affect New GAR's business.

The volatile global economic environment has created market uncertainty and volatility in recent years. From mid-calendar 2008 until early 2009 there was a negative trend with regard to the market for metal commodities and related products as a result of global economic uncertainty, reduced confidence in financial markets, bank failures and credit availability concerns. Similar instability in the market for metal commodities has been experienced since April 2013. These macro-economic events negatively affected the mining and minerals sectors in general, and Golden Arrow's market capitalization was significantly reduced during that period. Many industries, including the mining industry, are impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to economic shocks. A slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect New GAR's growth and profitability. Future economic shocks may be precipitated by a number of causes, including the ongoing European debt situation, a continued rise in the price of oil and other commodities, the volatility of metal prices, geopolitical instability, terrorism, the devaluation and volatility of global stock markets and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact New GAR's ability to obtain equity or debt

financing in the future on terms favorable to New GAR or at all. In such an event, New GAR's operations and financial condition could be adversely impacted.

The properties in which New GAR will have a 100% interest are in the exploration stage, and most exploration projects do not result in commercially mineable deposits.

Although following completion of the Arrangement New GAR will have a 25% interest in JVco, all of New GAR's other property interests, to be held by ExploreCo, are at the exploration stage. None of New GAR's properties following completion of the Arrangement, other than through its interest in JVco, have known commercial quantities of minerals. Development of mineral properties involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The commercial viability of a mineral deposit is dependent upon a number of factors which will be beyond New GAR's control, including the attributes of the deposit, commodity prices, government policies and regulation and environmental protection. Fluctuations in the market prices of minerals may render resources and deposits containing relatively lower grades of mineralization uneconomic. Further exploration or delineation will be required before a final evaluation as to the economic and legal feasibility of any of New GAR's properties is determined. Even if New GAR completes its exploration programs and is successful in identifying mineral deposits, it will have to spend substantial funds on further drilling and engineering studies before it will know if it has a commercially viable mineral deposit or reserve. Most exploration projects do not result in the discovery of commercially mineable deposits of ores.

Developing mineral properties is speculative and involves a high degree of risk.

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. There is no assurance that New GAR's exploration interests, other than its interest in the Pirquitas Mine held through JVco, will be commercially mineable.

Should any mineral resources and reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) silver, zinc, lead and other mineral prices, which are historically cyclical; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell, and profit from the sale of any eventual mineral production from any property will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of a mining company

and therefore represent a market risk which could impact the long term viability of New GAR and its operations.

Risks Associated with Environmental Liabilities

New GAR will be exposed to costs related to land reclamation.

It is difficult to determine the exact amounts which will be required to complete all land reclamation activities in connection with the properties in which New GAR will hold an interest. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a mine. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the financial condition and results of operations of New GAR. In addition to the foregoing, New GAR will be exposed to the reclamation risk associated with the Pirquitas Mine following completion of the Arrangement. See “Appendix “C” – Information Concerning New GAR Post-Arrangement – Risk Factors – Structural and Operational Risks”. See also “Appendix “D” – Information Concerning MP LLC – Business of MP LLC – Environmental Protection” and “Appendix “D” – Information Concerning MP LLC – Risk Factors” for further information and risks relating to the reclamation liabilities of MP LLC with respect to the Pirquitas Mine.

New GAR’s operations will be exposed to environmental risks and hazards.

All phases of New GAR’s operations will be subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the general, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect New GAR’s operations. Environmental hazards may exist on the properties which are unknown to New GAR at present and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures estimated by management may differ from the actual expenditures required.

New GAR will not be insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution and other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. New GAR will periodically evaluate the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance.

Without such insurance, and if New GAR becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds New GAR has to pay such liabilities and result in bankruptcy. Should New GAR be unable to fund fully the remedial cost of an environmental problem, New GAR might be required to enter into interim compliance measures pending completion of the required remedy.

New GAR will be subject to unknown environmental risks for past activities.

Exploration and mining operations incur risks of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those

risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at New GAR's mineral interests (including its indirect interest in the Pirquitas Mine) do not exist.

See "Appendix "D" – Risk Factors" for further discussion on risks associated with past activities at MP LLC's mineral properties.

Risks Relating to Financing New GAR's Business Operations and New GAR Shares

Funding and property commitments will result in dilution to New GAR's shareholders.

New GAR may issue additional equity securities (including through the issuance of securities convertible into equity securities) to finance cash call requirements for JVco, operations, exploration, development, acquisitions or other projects. New GAR cannot predict the size of future issuances of equity securities or the size and terms of future issuances of debt instruments or other securities convertible into equity securities or the effect, if any, that future issuances and sales of New GAR's securities will have on the market price of the New GAR Shares. Furthermore, cash call requirements for JVco will be at the discretion of SSRI, subject to a maximum contribution amount in the first year following the Effective Date of the Shareholder Agreement (see "Risk Factors - Structural and Operational Risks" in this Appendix "C"). Any transaction involving the issuance of previously authorized but unissued New GAR Shares, or securities convertible into New GAR Shares, would result in dilution, possibly substantial, to security holders. Exercises of outstanding share options or warrants following the Arrangement may also result in dilution to security holders.

The New GAR Board will have the authority to authorize certain offers and sales of additional securities without the vote of, or prior notice to, shareholders. Based on the need for additional capital to fund expected expenditures and growth, it is likely that New GAR will issue additional securities to provide such capital. Such additional issuances may involve the issuance of a significant number of New GAR Shares at prices less than the current market price for the New GAR Shares.

Sales of substantial amounts of New GAR's securities, or the availability of such securities for sale, could adversely affect the prevailing market prices for New GAR's securities and dilute investors' earnings per share. A decline in the market prices of New GAR's securities could impair New GAR's ability to raise additional capital through the sale of securities should New GAR desire to do so.

New GAR's predecessor entity, Golden Arrow, has a history of losses.

Golden Arrow, New GAR's predecessor entity, has a history of losses and has no revenues from operations. New GAR expects to continue to incur losses unless and until such time as it receives a dividend distribution from JVco pursuant to the Shareholder Agreement or it places any of its other properties held through ExploreCo into production. None of properties that New GAR will hold an interest in following the Arrangement, other than the Pirquitas Mine, are currently in production, and there is no certainty that JVco will succeed in placing the Chinchillas Project into production, or that New GAR will succeed in placing any of its properties held through ExploreCo into production in the near future, if at all. There can be no assurance that New GAR will ever be profitable.

New GAR Shares are not currently listed on any stock exchange.

The New GAR Shares are not currently listed on any stock exchange. The TSX-V has provided conditional approval for the Transaction. Pursuant to the Transaction, the New GAR Shares will be listed on the TSX-V under the existing Golden Arrow symbol “GRG” upon the delisting of the Golden Arrow Shares. Final approval of the Transaction will be subject to meeting the requirements of the TSX-V.

If New GAR Shares are not listed on a designated stock exchange, New GAR Shares will not be qualified under the Tax Act for a Registered Plan.

If the New GAR Shares are not listed on a designated stock exchange in Canada before the due date for New GAR’s first income tax return or if New GAR does not otherwise satisfy the conditions in the Tax Act to be a “public corporation”, the New GAR Shares will not be considered to be a qualified investment for a Registered Plan from their date of issue. Where a Registered Plan acquires a New GAR Share in circumstances where the New GAR Share is not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant under the Registered Plan, including that the Registered Plan may become subject to penalty taxes, the annuitant of such Registered Plan may be subject to a penalty tax or, in the case of a registered education savings plan, such plan may have its tax exempt status revoked.

New GAR Shares may be subject to fluctuation in market value.

Assuming the New GAR Shares are listed on the TSX-V, the market price of the New GAR Shares, as a publicly traded stock, can be affected by many variables not directly related to the corporate performance of New GAR, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of New GAR Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of New GAR Shares.

New GAR does not intend to pay dividends.

Golden Arrow has not paid out any cash dividends to date and New GAR has no plans to do so following the Arrangement. As a result, an investor’s return on investment will be solely determined by his or her ability to sell common shares in the secondary market.

There are a substantial number of authorized but unissued New GAR Shares.

New GAR has an unlimited number of common shares which may be issued by the New GAR Board without further action or approval of New GAR’s shareholders. While the New GAR Board is required to fulfill its fiduciary obligations in connection with the issuance of such shares, New GAR Shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of New GAR’s shareholders.

Other Business Risks

Certain factors will be beyond the control of New GAR.

The potential profitability of mineral properties is dependent upon many factors beyond New GAR’s control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic,

international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore (assuming that such mineral deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways New GAR cannot predict and are beyond New GAR's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of New GAR.

New GAR's potential future revenues will be directly related to the prices of silver, zinc and lead as their potential revenues are expected to be derived from silver, zinc and lead mining. Silver, zinc and lead prices will be affected by numerous factors beyond New GAR's control. The effect of these factors, individually or in the aggregate, is impossible to predict with accuracy. A decline in silver, zinc and lead prices may also require New GAR to write down their mineral resources, which would have a material adverse effect on their potential earnings and potential profitability. New GAR's potential future revenues are also subject to the distribution of dividends by JVco, which will be at the discretion of SSRI (see "*Structural and Operational Risks*" above).

New GAR will face mining industry competition.

The mining industry is competitive in all of its phases. New GAR will face strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, base and precious metals. Many of these companies will have greater financial resources, operational experience and technical capabilities than New GAR. As a result of this competition, New GAR may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, New GAR's revenues, operations and financial condition could be materially adversely affected.

New GAR may be subject to risks associated with future acquisitions and joint ventures.

New GAR will evaluate from time to time opportunities to acquire and joint venture mining assets and businesses. These acquisitions and joint ventures may be significant in size, may change the scale of New GAR's business and may expose it to new geographic, political, operating, financial and geological risks. New GAR's success in its acquisition and joint venture activities will depend on its ability to identify suitable acquisition and joint venture candidates and partners, acquire or joint venture them on acceptable terms and integrate their operations successfully with those of New GAR. Any acquisitions or joint ventures would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of New GAR's ongoing business; the inability of management to maximize the financial and strategic position of New GAR through the successful incorporation of acquired assets and businesses or joint ventures; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; dilution of New GAR's present shareholders or of its interests in its subsidiaries or assets as a result of the issuance of shares to pay for acquisitions or the decision to grant earning or other interests to a joint venture partner; and the potential unknown liabilities associated with acquired assets and businesses. There can be no assurance that New GAR would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or joint ventures. There may be no right for shareholders to evaluate the merits or

risks of any future acquisition or joint venture undertaken except as required by applicable laws and regulations.

New GAR may be subject insurance related risks.

New GAR's business, including through its interest in JVco, will be capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Many of the foregoing risks and hazards could result in damage to, or destruction of, New GAR or JVco's mineral properties or future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of their exploration or development activities, delay in or inability to receive regulatory approvals to transport their silver, zinc and lead concentrates, or costs, monetary losses and potential legal liability and adverse governmental action. New GAR and/or JVco may be subject to liability or sustain loss for certain risks and hazards against which they do not or cannot insure or which it may reasonably elect not to insure because of the cost. This lack of insurance coverage could result in material economic harm directly to New GAR or indirectly through JVco.

New GAR may be subject to future litigation.

All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of litigation process, the resolution of any particular legal proceeding could have a material adverse effect on New GAR's financial position and results of operations.

New GAR will be subject to political risk.

New GAR's future prospects may be affected by political decisions about the silver, zinc and lead market. There can be no assurance that the Canadian or other governments will not enact legislation restricting to whom New GAR can sell silver, zinc and lead.

New GAR will be dependent on a relatively small number of key personnel.

New GAR will be dependent on a relatively small number of key personnel, particularly Joseph Grosso, its anticipated Executive Chairman, President and Chief Executive Officer and Nikolaos Cacos, the anticipated Vice President Corporate Development and director of New GAR, the loss of either of whom could have an adverse effect on New GAR. At this time, New GAR does not maintain key-person insurance on the lives of any of its key personnel. In addition, while certain of New GAR's anticipated officers and directors have experience in the exploration of mineral producing properties, New GAR will remain highly dependent upon contractors and third parties in the performance of its exploration and development activities. In particular, New GAR will rely on SSRI to manage almost all of the affairs of JVco. There can be no guarantee that such contractors and third parties, including SSRI, will be available to carry out such activities on behalf of New GAR or be available upon commercially acceptable terms.

New GAR will be subject to risks associated with amendments to laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on New GAR and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

New GAR will be subject to risks associated with conflicts of interest.

Some of the directors and officers of New GAR following completion of the Arrangement are directors and officers of other companies, some of which are in the same business as New GAR will be. Some of New GAR's directors and officers following completion of the Arrangement will continue to pursue the acquisition, exploration and, if warranted, the development of mineral resource properties on their own behalf and on behalf of other companies, and situations may arise where they will be in direct competition with New GAR. New GAR's directors and officers are required by law to act in the best interests of New GAR. They may have the same obligations to the other companies in respect of which they act as directors and officers. Discharge of their obligations to New GAR may result in a breach of their obligations to the other companies and, in certain circumstances, this could expose New GAR to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of New GAR. Such conflicting legal obligations may expose New GAR to liability to others and impair its ability to achieve its business objectives.

See also in the Circular, "*Risks Associated with the Arrangement*" and "*Appendix "D" – Information Concerning MP LLC – Risk Factors*".

SELECTED FINANCIAL INFORMATION

Financial Statements

Upon completion of the Arrangement, the Chinchillas Project and the Pirquitas Mine will form the primary business of New GAR through New GAR's 25% interest in JVco. As a result, included as Appendix "T" to this Circular are the audited carve-out financial statements of the Pirquitas Mine for the financial years ended December 31, 2014 and 2013. Also included as Appendix "J" to this Circular are the combined carve-out interim financial statements for the Pirquitas Mine for the three and nine months ended September 30, 2015 and 2014. See Schedule "A" and Schedule "B" to Appendix "D" to the Circular for management's discussion and analysis for the Pirquitas Mine for the years ended December 31, 2014 and for the three and nine months ended September 30, 2015, respectively. For the purposes of such combined carve-out financial statements and related management discussion and analysis the "Pirquitas Mine" constitutes MP LLC, MPSA and the revenues, expenses, assets and liabilities from a related sales and marketing entity, a British Columbia limited partnership, directly related to the sales of concentrate from the Pirquitas Mine.

Furthermore, included as Appendices "K" and "L" to this Circular are the audited historical financial statements of Golden Arrow for the years ended December 31, 2014 and 2013 and management's discussion and analysis of Golden Arrow for the years ended December 31, 2014 and 2013, respectively. Also included as Appendices "M" and "N" to this Circular are the unaudited interim financial statements of Golden Arrow for the nine months ended September 30, 2015 and 2014 and management's discussion and analysis of Golden Arrow for the nine months ended September 30, 2015 and 2014, respectively.

Included as Appendix "H" to this Circular are audited condensed interim financial statements of New GAR for the period from incorporation on September 22, 2015 to September 30, 2015. The financial statements of New GAR were prepared in accordance with IFRS.

Included as Appendix "G" to this Circular are the unaudited *pro forma* financial statements of New GAR in respect of New GAR after giving effect to the Arrangement and which are comprised of: a *pro forma* statement of financial position as at September 30, 2015 that gives effect to the Arrangement as if it had taken place on September 30, 2015; a *pro forma* statement of loss and comprehensive loss for the year

ended December 31, 2014 that gives effect to the Arrangement as if it had taken place on January 1, 2014; a pro forma statement of loss and comprehensive loss for the nine months ended September 30, 2015 that gives effect to the Arrangement as if it had taken place on January 1, 2014; and notes to the pro forma financial statements.

Selected *Pro Forma* Financial Statement Information

The following tables set out selected *pro forma* financial information for New GAR that give effect to the Arrangement as at September 30, 2015 in the statement of financial position and as of January 1, 2014 in the statement of loss and comprehensive loss, all of which is qualified by the more detailed information contained in the unaudited *pro forma* financial statements of New GAR included as Appendix “G” to this Circular.

	As at and for the Nine Months Ended September 30,	For the Year Ended December 31,
	2015 (Unaudited Pro Forma) \$	2014 (Unaudited Pro Forma) \$
Net (loss) income for the period	(1,949,072)	20,603,028
(Loss) earnings per share – basic and diluted	(0.04)	0.50
Total Assets	28,709,167	N/A

MANAGEMENT’S DISCUSSION AND ANALYSIS

See Schedule “B” to this Appendix “C” for New GAR’s management discussion and analysis from incorporation to September 30, 2015.

DESCRIPTION OF CAPITAL STRUCTURE

Authorized Capital

New GAR’s authorized share capital consists of an unlimited number of common shares without par value, of which one New GAR Share (held by Golden Arrow) is issued and outstanding as fully paid and non-assessable as of the date of the Circular. Assuming completion of the Arrangement pursuant to its terms, approximately 55,836,767 New GAR Shares (assuming no exercise of Golden Arrow Options or Golden Arrow Warrants from the date of this Circular until the Closing Date) or approximately 70,091,367 New GAR Shares (assuming all Golden Arrow Options and Golden Arrow Warrants are exercised prior to the Closing Date) will be issued and outstanding as fully paid and non-assessable on completion of the Arrangement, all of which will be distributed to the Golden Arrow Shareholders.

New GAR Shares

New GAR Shares are not subject to any future call or assessment and do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the New GAR Shares, all of which rank equally as to all benefits which might accrue to the holders of the New GAR Shares. All holders of New GAR Shares are entitled to receive a notice of any general meeting to be convened by New GAR. At any general meeting of New GAR, subject to the restrictions on joint registered owners of New GAR Shares, every shareholder has one vote for each New GAR Share of which he or she is the registered owner. Voting rights may be exercised in person or by proxy.

The holders of New GAR Shares are entitled to share *pro rata* in any: (i) dividends if, as and when declared by the New GAR Board, and (ii) such assets of New GAR as are distributable to shareholders upon liquidation of New GAR. The aggregate New GAR Shares outstanding upon completion of the Arrangement will be fully paid and non-assessable.

New GAR Warrants

As of the date of this Circular, New GAR does not have any warrants other than the approximately 7,954,600 Golden Arrow Warrants for which the Golden Arrow Warrantholders will receive, upon exercise of the Golden Arrow Warrants, the number of New GAR Shares which the Golden Arrow Warrantholders would have been entitled to receive as a result of the Arrangement, if immediately prior to the Closing Date, the Golden Arrow Warrantholders had exercised their Golden Arrow Warrants.

New GAR Stock Options

As of the date of this Circular, there are no options outstanding to purchase New GAR Shares. It is anticipated that New GAR will adopt the Golden Arrow Option Plan upon completion of the Arrangement (see in this Appendix “C”, “*Options to Purchase Securities*”). In addition, pursuant to the Arrangement, and in accordance with the Golden Arrow Option Plan, with respect to each Golden Arrow Option outstanding immediately prior to the Closing Time, a Golden Arrow Optionholder shall receive (and such holder shall accept), upon the exercise of such Golden Arrow Optionholder’s Golden Arrow Option, in lieu of each Golden Arrow Share to which such holder was theretofore entitled, upon such exercise and for the same aggregate consideration payable therefor, a New GAR Share. After the Closing Time, each Converted New GAR Option shall, except as set forth in the Plan of Arrangement, continue to be governed by and subject to the terms of the Golden Arrow Option Plan. As of the date of this Circular, there are 6,300,000 Golden Arrow Options outstanding.

Listing of New GAR Shares

The TSX-V has provided conditional approval for the Transaction. Pursuant to the Transaction, the New GAR Shares will be listed on the TSX-V under the existing Golden Arrow symbol “GRG” upon the delisting of the Golden Arrow Shares. Final approval for the Transaction will be subject to meeting the requirements of the TSX-V.

As at the date of the Circular, New GAR does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the TSX, a U.S. marketplace, or a marketplace outside Canada and the United States of America.

See in this Appendix “C”, “*Risk Factors*”.

DIVIDENDS

New GAR has not paid dividends since its incorporation. While there are no restrictions precluding New GAR from paying dividends, it is currently anticipated that New GAR’s policy will be to retain earnings, if any, to finance its business operations. Following the Arrangement, the New GAR Board will determine if and when dividends should be declared and paid in the future based on New GAR’s financial position at the relevant time.

CONSOLIDATED CAPITALIZATION

The following table sets out the share and loan capital of New GAR. The table should be read in conjunction with the unaudited *pro forma* financial statements attached as Appendix “G” to the Circular as well as with the other disclosure contained in this Appendix “C” and in the Circular. See also in this Appendix “C” and “*Prior Sales*”.

Capital	Authorized	Amount outstanding as of September 30, 2015 ⁽¹⁾	Amount outstanding as of the date of the Circular ⁽¹⁾	Amount outstanding assuming completion of the Arrangement ⁽²⁾⁽³⁾
New GAR Shares	Unlimited	1 share	1 share	55,836,767 New GAR Shares
Long term debt	N/A	Nil	Nil	Nil

Notes:

(1) See in this Appendix “C”, “*Prior Sales*”.

(2) Represents the number of Golden Arrow Shares outstanding as of the date hereof.

(3) Assumes no Golden Arrow Options or Golden Arrow Warrants are exercised prior to the Closing Date. This number would increase to 70,091,367 if all the Golden Arrow Options and Golden Arrow Warrants were exercised prior to the Closing Date.

OPTIONS TO PURCHASE SECURITIES

Options

Following completion of the Arrangement, in accordance with the Golden Arrow Option Plan, with respect to each Golden Arrow Option outstanding immediately prior to the Closing Time, a Golden Arrow Optionholder will receive, upon the exercise of such Golden Arrow Optionholder’s Golden Arrow Option, in lieu of each Golden Arrow Share to which such holder was entitled, upon such exercise and for the same aggregate consideration payable therefor, a New GAR Share. After the Closing Time, a Converted New GAR Option will continue to be governed by and subject to the terms of the Golden Arrow Option Plan and any applicable agreements thereunder and New GAR shall be deemed a successor for the purposes of the Golden Arrow Option Plan and will have assumed and be bound by all of the covenants and obligations of Golden Arrow under the Golden Arrow Option Plan and any applicable agreements thereunder. Upon due exercise of a Converted New GAR Option by a Golden Arrow Optionholder in accordance with its terms as amended pursuant to the Plan of Arrangement, New GAR shall, upon receipt of the applicable exercise price, issue to such Golden Arrow Optionholder the number of New GAR Shares necessary to settle such exercise. See “*The Golden Arrow Meeting – Treatment of Golden Arrow Options*” in the Circular.

As of the date of the Circular, pursuant to the Golden Arrow Option Plan, 6,300,000 Golden Arrow Options are held by directors, executive officers, consultants, management company employees and investor relations consultants of Golden Arrow. The table below summarizes the 6,300,000 Golden Arrow Options outstanding as of the Record Date. See also “*Executive Compensation — Incentive Plan Awards*”.

Class of Optionee (Number)	Number of Golden Arrow Options Held	Exercise Price⁽²⁾ (\$)	Expiry Date	Market Value at Date of Grant⁽³⁾
Executive officers and past executive officers as a group (3)	200,000	\$0.32/ Golden Arrow Share	November 25, 2017	\$0.315
	100,000	\$0.35/ Golden Arrow Share	April 16, 2019	\$0.21
	300,000	\$0.35/ Golden Arrow Share	June 11, 2020	\$0.33
	100,000	\$0.35/ Golden Arrow Share	May 28, 2018	\$0.275
Directors and past directors as a group (6)	100,000	\$0.35/ Golden Arrow Share	May 28, 2018	\$0.275
	1,025,000	\$0.35/ Golden Arrow Share	March 25, 2019	\$0.23
	1,600,000	\$0.35/ Golden Arrow Share	June 11, 2020	\$0.33
Consultants (13)	50,000	\$0.30/ Golden Arrow Share	June 24, 2017	\$0.30
	150,000	\$0.32/ Golden Arrow Share	November 25, 2015	\$0.315
	200,000	\$0.32/ Golden Arrow Share	November 29, 2017	\$0.305
	975,000	\$0.35/ Golden Arrow Share	March 25, 2019	\$0.23
	100,000	\$0.35/ Golden Arrow Share	April 16, 2019	\$0.21
	400,000	\$0.35/ Golden Arrow Share	June 11, 2020	\$0.33
Any other person or company ⁽¹⁾ (10)	505,000	\$0.35/ Golden Arrow Share	March 25, 2019	\$0.23
	180,000	\$0.35/ Golden Arrow Share	April 16, 2019	\$0.21
	20,000	\$0.35/ Golden Arrow Share	April 30, 2019	\$0.235
	295,000	\$0.35/ Golden Arrow Share	June 11, 2019	\$0.33
Total	6,300,000			

Notes:

- (1) Includes Employees, Management Company Employees and persons retained to provide Investor Relations Activities as such terms are defined in the TSX-V Policy Manual.
- (2) On November 10, 2015, the closing price of the Golden Arrow Shares on the TSX-V was \$0.20.
- (3) The market value represents the closing price of the Golden Arrow Shares on the TSX-V on the trading day immediately preceding the date of grant.

Summary of the Golden Arrow Option Plan

Upon completion of the Arrangement, it is expected that New GAR will adopt the Golden Arrow Option Plan. The following disclosure is based on the present expectation of New GAR that the Golden Arrow Option Plan will be adopted following completion of the Arrangement. However, such disclosure remains subject to revision prior or subsequent to the Closing Time.

The Golden Arrow Option Plan for eligible insiders, employees and other service providers to New GAR, will reserve up to 8,364,371 New GAR Shares (being 20% of the issued and outstanding shares of Golden Arrow at the time of approval) available for incentive stock option grants, as a “fixed stock option plan”. Incentive stock options under the Golden Arrow Option may be granted by the New GAR Board to eligible persons who are directors, officers or consultants of New GAR or its subsidiaries (if any), or who are employees of a company providing management services to New GAR, or who are eligible charitable organizations. Stock options may be granted under the Golden Arrow Option Plan with a maximum exercise period of up to five (5) years, as determined by the New GAR Board.

The Golden Arrow Option Plan will limit the number of stock options which may be granted to any one

individual to not more than 5% of the total issued shares of New GAR in any 12 month period (unless otherwise approved by the disinterested shareholders of New GAR), and not more than 10% of the total issued shares to all insiders at any time or granted over any 12 month period. The number of options granted to any one consultant or person employed to provide investor relations activities in any 12 month period must not exceed 2% of the total issued shares of New GAR. Any stock options granted under the Golden Arrow Option Plan will not be subject to any vesting schedule, unless otherwise determined by the New GAR Board or required by the policies of the TSX-V.

Options under the Golden Arrow Option Plan must be granted at an exercise price which is at or above the current discounted market price (as defined under the policies of the TSX-V) on the date of the grant. In the event of the death or permanent disability of an optionee, any option granted to such optionee will be exercisable upon the earlier of 365 days from the date of death or permanent disability, or the expiry date of the option. In the event of the resignation, or the termination or removal of an optionee without just cause, any option granted to such optionee will be exercisable for a period of 90 days thereafter. In the event of termination for cause, any option granted to such optionee will be cancelled as at the date of termination.

Warrants

In accordance with the Warrant Certificates, each Golden Arrow Warrantholder will be entitled to receive, upon the exercise of such holder's Golden Arrow Warrant, the number of New GAR 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 Closing Date, such Golden Arrow Warrantholder had been the registered holder of Golden Arrow Shares to which such holder would have been entitled if such holder had exercised such holder's Golden Arrow Warrants immediately prior to the Closing Time. See *"The Golden Arrow Meeting – Treatment of Golden Arrow Warrants"* in the Circular. The table below summarizes the 7,954,600 Golden Arrow Warrants outstanding as of the Record Date.

Class of Warrantholder (Number)	Number of Golden Arrow Warrants Held	Exercise Price⁽¹⁾ (\$)	Expiry Date	Market Value at Date of Distribution⁽²⁾
Executive officers and past executive officers as a group (2)	75,000	\$0.25/ Golden Arrow Share	December 18, 2016	\$0.235
	125,000	\$0.25/ Golden Arrow Share	January 15, 2017	\$0.255
Directors and past directors as a group (NIL)	Nil	N/A	N/A	N/A
Consultants (2)	25,000	\$0.25/ Golden Arrow Share	January 15, 2017	\$0.255
	100,000	\$0.25/ Golden Arrow Share	December 18, 2016	\$0.235
Any other person or company (35)	2,491,400	\$0.25/ Golden Arrow Share	January 15, 2017	\$0.255
	5,038,200	\$0.25/ Golden Arrow Share	December 18, 2016	\$0.235
	100,000	\$0.26/ Golden Arrow Share	February 22, 2017	\$0.265
Total	7,954,600			

Notes:

(1) On November 10, 2015, the closing price of the Golden Arrow Shares on the TSX-V was \$0.20.

(2) The market value represents the closing price of the Golden Arrow Shares on the TSX-V on the trading day immediately preceding the date of distribution.

PRIOR SALES

As of the date of this Circular, New GAR has not issued any shares, other than the one share held by Golden Arrow. On the Closing Date, it is expected that 55,836,767 New GAR Shares will be outstanding pursuant to the Arrangement (assuming no Golden Arrow Options or Golden Arrow Warrants are exercised between the date of this Circular and the Closing Date) or 70,091,367 New GAR Shares (assuming all Golden Arrow Options and Golden Arrow Warrants are exercised prior to the Closing Date).

MARKET FOR SECURITIES

Currently, there is no market for the New GAR Shares. The TSX-V has provided conditional approval for the Transaction. Pursuant to the Transaction the New GAR Shares will be listed on the TSX-V under the existing Golden Arrow symbol “GRG” upon the delisting of the Golden Arrow Shares. Final approval for the Transaction will be subject to meeting the requirements of the TSX-V.

ESCROWED SHARES

New GAR does not have any of its securities subject to escrow or contractual restrictions on transfer, nor will it upon completion of the Arrangement.

PRINCIPAL SECURITYHOLDERS

As of the date of the Circular, Golden Arrow holds 100% of the issued New GAR Shares. Based on security holdings as of the date of Record Date, assuming completion of the Arrangement and to the knowledge of New GAR’s director and officer, no person will beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the then issued New GAR Shares.

DIRECTORS AND EXECUTIVE OFFICERS

As at the date of the Circular, Nikolaos Cacos is the sole director and executive officer of New GAR on an interim basis. Following completion of the Arrangement, all of the Directors of Golden Arrow will become the directors of New GAR and all of the executive officers of Golden Arrow will become the executive officers of New GAR. The directors of New GAR will be elected annually at each annual general meeting of the New GAR shareholders and will hold office until the next annual general meeting unless a director’s office is earlier vacated in accordance with the Articles of New GAR or he becomes disqualified to serve as a director. As at the date of the Circular, the directors and executive officers of Golden Arrow hold no New GAR Shares. On the Closing Date, each of the directors and executive officers of New GAR will beneficially own, directly or indirectly, or control or direct one New GAR Share for each one Golden Arrow Share held. Based on the security holdings as of the Record Date, it is expected that 3,903,240 New GAR Shares, or approximately 6.99% of the New GAR Shares outstanding on a non-diluted basis will be beneficially owned, directly or indirectly, or control or direction will be exercised over those shares, by the directors and executive officers of New GAR as a group.

The table below sets out the name, province or state and country of residence, positions and offices, principal occupation, and anticipated holdings of New GAR Shares, of each individual that is to be a director or executive officer of New GAR assuming completion of the Arrangement. The term of office for each of the directors will expire at the end of New GAR’s next annual meeting of shareholders. Each of the following executive officers is expected to be an independent contractor of New GAR. It is expected that each director and officer listed below will be required to either sign a standard confidentiality and non-disclosure agreement with New GAR or such confidentiality provisions will be

provided for in the management services agreement between the individual's management services company and New GAR.

Name, place of residence and office to be held with New GAR⁽⁵⁾⁽⁶⁾	Principal occupation during the last five years⁽⁴⁾	Number of New GAR Shares beneficially owned, or controlled or directed, assuming completion of the Arrangement⁽¹⁾	Period as director or officer of Golden Arrow
Joseph Grosso British Columbia, Canada <i>Director, Executive Chairman, President and CEO</i>	Chairman, President and director of Grosso Group Management Ltd., and Executive Chairman, President, CEO and director of Golden Arrow.	2,273,500 (directly) 72,000 (indirectly)	Director since 2004
Nikolaos Cacos ⁽²⁾⁽³⁾ BSc and MIM British Columbia, Canada <i>Director, Vice President Corporate Development</i>	President of Cacos Consulting Ltd.; director of Grosso Group Management Ltd.; director of several mining exploration companies.	18,040 (directly) 584,500 (indirectly)	Director since 2004
Dr. David Terry ⁽²⁾ Ph.D., P.Geo British Columbia, Canada <i>Director</i>	Professional Geologist and businessman; director of several mineral exploration companies.	20,200 (directly) 695,000 (indirectly)	Director since 2004
Dr. John Gammon ⁽²⁾⁽³⁾ BSc (Geo-Honours), Ph.D., P.Geo Ontario, Canada <i>Director</i>	President, John Gammon Associates Inc. since August 2005. Former Assistant Deputy Minister of the Ontario Ministry of Mines. Serves as a director on the board of several mining companies.	140,000 (directly)	Director since 2007
Louis P. Salley ⁽³⁾ BA, LLB British Columbia, Canada <i>Director</i>	Partner of Salley Bowes Harwardt Law Corporation.	Nil	Director since 2013

Name, place of residence and office to be held with New GAR⁽⁵⁾⁽⁶⁾	Principal occupation during the last five years⁽⁴⁾	Number of New GAR Shares beneficially owned, or controlled or directed, assuming completion of the Arrangement⁽¹⁾	Period as director or officer of Golden Arrow
Darren C. Urquhart C.A. British Columbia, Canada <i>Chief Financial Officer and Corporate Secretary</i>	President - Darren Urquhart Chartered Accountant Inc.	Nil	Officer since 2014
Brian McEwen P.Geol. British Columbia, Canada <i>VP Exploration & Development</i>	President of Brian R. McEwen Consulting Inc., Vice-President Exploration and Development for Golden Arrow Resources Corporation.	100,000 (directly)	Officer since 2012

Notes:

- (1) New GAR Shares to be beneficially owned, controlled or directed, directly or indirectly, assuming completion of the Arrangement, based upon information furnished to Golden Arrow by the director or officer as of the Record Date.
- (2) Proposed Member of the Audit Committee.
- (3) Proposed Member of the Compensation and Governance Committee.
- (4) The information as to principal occupation has been furnished by each director and/or officer individually.
- (5) Assumes the Arrangement has become effective.
- (6) The proposed offices of New GAR and/or the offices held by such individuals may change prior to the Closing Time.

See in this Appendix “C”, “*Audit Committee*” and “*Corporate Governance - Board Committees*”.

Biographies

The information provided below has been provided to New GAR by the individuals themselves and has not been independently verified by New GAR.

Joseph Grosso, British Columbia, Canada, Director, Executive Chairman, President and CEO

Mr. Grosso, 77, became one of the early pioneers of the mining sector in Argentina in 1993 when mining was opened to foreign investment, and was named Argentina's 'Mining Man of The Year' in 2005. His knowledge of Argentina was instrumental in attracting a premier team which led to the acquisition of key properties in Golden Arrow's portfolio. He has successfully formed strategic alliances and negotiated with mining industry majors such as Barrick, Teck, Newmont, Viceroy (now Yamana Gold) and Vale S.A., and government officials at all levels. Mr. Grosso's specialty is financing, negotiations, corporate and marketing strategy, and he was an early and passionate adopter of best practices in environmental protection and socio-economic development through mineral exploration. He is the founder and president of the Grosso Group. Mr. Grosso intends to devote approximately 80% of his time to the affairs of New GAR.

Nikolaos Cacos, BSc and MIM, British Columbia, Canada, Director, Vice President Corporate Development

Mr. Cacos, 49, has more than 20 years of management expertise in the mineral exploration industry. He has extensive experience in providing strategic planning to and administration of public companies. Mr. Cacos serves as a director and officer of several publicly traded companies. He holds a Master of International Management degree from Heidelberg, Germany and a Bachelor of Science degree from the University of British Columbia. Mr. Cacos intends to devote approximately 80% of his time to the affairs of New GAR.

Dr. David Terry, Ph.D., P.Geo British Columbia, Canada, Director

Dr. Terry, 50, is a professional economic geologist, consultant, senior executive, director and entrepreneur with more than 25 years of experience in the natural resources sector. He has broad experience exploring for and advancing a wide spectrum of precious and base metal deposits in numerous jurisdictions throughout North and South America, with additional experience in industrial commodities, coal, uranium and oil and gas. He has held numerous senior positions with both junior and major mining companies, including Boliden Limited, Westmin Resources Limited, Hemlo Gold Mines Inc., Cominco Limited and Gold Fields Mining Corporation. He holds a B.Sc and Ph.D from the University of Western Ontario. Dr. Terry intends to devote approximately 10% of his time to the affairs of New GAR.

Dr. John Gammon, BSc (Geo-Honours), Ph.D., P.Geo, Ontario, Canada, Director

Dr. Gammon, 75, was born and educated in the UK where he obtained his B.Sc and Ph.D degrees in geology. He has over 50 years of experience in the mineral sector, including post-Doctoral research on ore deposit genesis, exploration management positions with Falconbridge in Europe, Asia and the Americas, served as Assistant Deputy Minister Mines and Minerals with the Government of Ontario and, since his retirement, at ADM as a consultant working with industry, governments and universities. He is a Director of the Cyanide Code organization and sits on several corporate boards of directors. In addition to Dr. Gammon's mineral exploration experience he has also spent a significant amount of time on aboriginal community and environmental issues. His knowledge of the Spanish language and South American culture and societies brings a depth, in addition to his industry experience, that can assist New GAR with the advancement of its South American projects in Peru and Argentina. Dr. Gammon intends to devote approximately 10% of his time to the affairs of New GAR.

Louis P. Salley, BA, LLB, British Columbia, Canada, Director

Mr. Salley, 77, has over 30 years of Canadian and international experience as a mining and securities lawyer specializing in corporate finance matters for small cap companies, and has served as a director of a number of publicly listed companies. Mr. Salley is a founding partner of Salley Bowes Harwardt Law Corp., a Vancouver law firm, focusing on resource companies and has extensive experience with all aspects of prospectus financings, private placements, mergers and acquisitions in the public markets. Mr. Salley holds a Bachelor of Arts degree and a Bachelor of Laws degree from the University of Alberta.

Darren C. Urquhart, C.A., British Columbia, Canada, Chief Financial Officer and Corporate Secretary

Mr. Urquhart, 43, is a Chartered Accountant with more than 15 years of experience working in both public practice and industry. Mr. Urquhart is presently engaged in public practice accounting through his own firm offering CFO and accounting services to TSX-V listed exploration companies in the Vancouver area. Mr. Urquhart began his career working as an audit accountant with Grant Thornton LLP, then later

worked as a senior tax accountant with Lohn Caulder Chartered Accountants and more recently served as a consultant to an international private equity company. Mr. Urquhart obtained his Chartered Accountant designation in 2001 and is a member of the Chartered Professional Accountants of British Columbia. In 1995, Mr. Urquhart obtained his B.A.Sc. (Electrical Engineering) from the University of British Columbia. Mr. Urquhart intends to devote approximately 30% of his time to the affairs of New GAR.

Brian McEwen, P.Geol., British Columbia, Canada, VP Exploration & Development

Mr. McEwen, 57, is a professional geologist with more than 30 years of exploration and production experience in open-pit and underground mining projects and operations. The extent of his experience is global in managing numerous projects in Canada, US, Europe, Asia, Africa and throughout Latin America. Mr. McEwen's previous roles include more than a decade with MRDI (AMEC Peru) where he was responsible for project management, economic resource and reserve calculations for various precious and base metal companies worldwide, including BHP Billiton, CM Antamina, Teck, Hochschild and Phelps Dodge among others. Mr. McEwen graduated from the University of British Columbia in 1981 with a B.Sc in Geological Sciences. Mr. McEwen intends to devote approximately 75% of his time to the affairs of New GAR.

Cease Trade Orders, Penalties, Sanctions or Bankruptcies

To the knowledge of New GAR, except as mentioned herein below, none of the directors or executive officers of New GAR:

- (a) is as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer, or chief financial officer of any company that while that person was acting in that capacity:
 - (i) was the subject 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**”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer, or chief financial officer of such company; or
 - (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer, or chief financial officer of such company; or
- (b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director 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 last ten years, 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 his assets; or
- (d) had a receiver, receiver manager or trustee appointed to hold his assets

While John Gammon was serving as a director of Copper Mesa Mining Corporation, it was suspended from trading on April 9, 2009 for failing to file its audited financial statements on time. The financial statements were subsequently filed and the company resumed trading on June 16, 2009.

Darren Urquhart is currently the Chief Financial Officer of Cliffmont Resources Ltd. (“**Cliffmont**”). Effective July 30, 2015, the TSX-V cease traded Cliffmont’s shares for failure to maintain the services of a transfer agent. As of October 30, 2015, Cliffmont’s listing was transferred from the TSX-V to the NEX. As of the date hereof, trading of Cliffmont’s securities remains suspended by the TSX-V until further notice.

To the knowledge of the New GAR, none of the directors or executive officers of the New GAR has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

The foregoing, not being within the knowledge of New GAR, has been furnished by the respective directors, executive officers and shareholders holding a sufficient number of securities of New GAR to affect materially control of New GAR.

Conflicts of Interest

Following completion of the Arrangement, certain individuals that will be directors and officers of New GAR will also be directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations to other public companies in the resource sector may give rise to conflicts of interest from time to time. As a result, opportunities provided to a director of New GAR may not be made available to New GAR, but rather may be offered to a company with competing interests. Directors and senior officers of New GAR are required by law to act honestly and in good faith with a view to the best interests of New GAR and to disclose any personal interest which they may have in any project or opportunity of New GAR, and to abstain from voting on such matters.

The expected directors and officers of New GAR are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interests and New GAR will rely upon such laws in respect of any directors’ and officers’ conflicts of interest or in respect of any breaches of duty by any of its directors and officers.

EXECUTIVE COMPENSATION

Compensation of Executive Officers

New GAR was incorporated on September 22, 2015 and, accordingly, has not yet completed a financial year. No compensation has been paid by New GAR to its proposed directors and officers and none will be paid until the Arrangement is completed.

Upon completion of the Arrangement, New GAR will adopt substantially the same compensation

program of Golden Arrow, which is expected to be formally ratified and adopted by the New GAR Board subsequent to the Arrangement. The following disclosure is based on the present expectation of New GAR that the compensation program will be formally established (without any material modifications) following completion of the Arrangement. However, such disclosure remains subject to revision prior or subsequent to the Closing Date. See “Information in this Appendix “C”” in this Appendix “C”.

New GAR expects that following the Arrangement, four individuals will be NEOs of New GAR, namely, Joseph Grosso, Executive Chairman, President and CEO; Darren Urquhart, Chief Financial Officer and Corporate Secretary; Brian McEwen, Vice President Exploration and Development; and Nikolaos Cacos, Vice President, Corporate Development and director. Information on New GAR’s NEO is provided as of the date hereof and remains subject to change prior or subsequent to the Closing Date. It is currently expected that none of New GAR’s NEOs will be employees of New GAR. See “*Executive Compensation – Named Executive Officer Agreements*”.

Compensation Objectives and Principles

The primary goal of New GAR’s executive compensation package will be to attract and retain the key executives necessary for New GAR’s long term success, to encourage executives to further the development of New GAR and its operations, and to motivate top quality and experienced executives.

Compensation Process

The process for determining executive compensation will rely on the New GAR Board’s discussions with the input from and upon the recommendation of the Compensation and Governance Committee. The members of the Compensation and Governance Committee are expected to be John Gammon, Nikolaos Cacos and Louis Salley. Mr. Gammon and Mr. Salley are expected to be independent, while Mr. Cacos is expected to not be independent under NI 52-110, as a private company, Cacos Consulting, controlled by Mr. Cacos, will be paid a fee for its services. Mr. Salley is managing partner at Salley Bowes Harwardt Law Corp., a securities law firm that focuses on corporate finance, business and corporate law, with emphasis on the mining and oil & gas sectors. He has 40 years of Canadian and international practice as a barrister and solicitor. Mr. Salley has served as a member of the board of directors of both for-profit and not-for-profit national organizations and is currently a director of several publicly listed issuers. Dr. John Gammon has extensive experience with mining exploration companies, and presently sits of the boards of several publicly traded companies. Mr. Cacos has over 20 years of management expertise in the mineral exploration industry, and has extensive experience in administration and providing strategic planning for public companies. For further details on the educational backgrounds and relevant experience of Mr. Cacos and Dr. Gammon see, “*Audit Committee – Relevant Education and Experience*” below.

The Compensation and Governance Committee will monitor compensation of the directors and executive officers of New GAR. The Compensation and Governance Committee will periodically review the compensation paid to directors and management based on such factors as (i) recruiting and retaining executives critical to the success of New GAR and the enhancement of shareholder value, (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of New GAR; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. To determine compensation payable, the Compensation and Governance Committee will review compensation paid for directors and CEOs of companies of similar size and stage of development in the mineral exploration/mining industry and determine 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 New GAR. These comparable companies are expected to include: Almaden Minerals Ltd., Geologix Exploration Inc., Miranda Gold

Corp. and TriMetals Mining Inc.

Components of Compensation

New GAR's key components of executive compensation will be base salary, variable annual cash incentives and option-based awards. New GAR will offer other perquisites but such will not be material on an annual basis.

Annual base salary

The objectives of the base salary will be to recognize market pay and acknowledge the competencies and skill of individuals. Base salary for the Named Executive Officers will be determined by the New GAR Board upon the recommendation of the Compensation and Governance Committee. The base salary is expected to be based upon engagement of employment or engagement agreements with the Named Executive Officers.

Annual cash incentives

The objectives of annual incentives in the form of cash payments will be designed to add a variable component of compensation. The objectives will not be necessarily based on corporation performance factors such as stock prices and earnings per share and can be subjective to a certain degree. The objectives will be based more on the general improvement of New GAR in terms of successful financings, property acquisitions, property option agreements, and other factors as determined by the Compensation and Governance Committee. These factors will be assessed against the objectives of New GAR in light of the external environment and current business situations.

Option-based awards

Long-term incentives in the form of options to purchase New GAR Shares will be intended to align the interest of New GAR's directors and its executive officers with those of the shareholders of New GAR, to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation New GAR would otherwise have to pay. Upon completion of the Arrangement, it is anticipated that New GAR will adopt the Golden Arrow Option Plan. The Golden Arrow Option Plan will be administered by the directors. In establishing the number of options to be granted to the Named Executive Officers, reference will be made to the number of stock options granted to officers of other publicly traded companies that, similar to New GAR, are involved in the mining industry, as well as those of other publicly traded Canadian companies of a comparable size to that of New GAR in respect of assets (see "*Compensation Process*" above). The directors will also consider previous grants of options and the overall number of options that are outstanding relative to the number of outstanding shares in determining whether to make any new grants of options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the director or executive officer in determining the level of incentive stock option compensation. See "*Incentive Plan Awards*" below.

Link to Overall Compensation Objectives

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary and/or compensation of each NEO, combined with the granting of stock options, will be designed to provide total compensation which the New GAR Board believes is competitive with

that paid by other companies of comparable size engaged in similar business in appropriate regions.

Compensation Risk

New GAR believes it will have effective risk management and regulatory compliance relating to its compensation policies used in determining executive compensation.

New GAR's Compensation and Governance Committee will assist the New GAR Board in discharging its duties relating to compensation of New GAR's directors and executive officers, together with the general responsibility for developing and reviewing the approach to governance issues and matters of New GAR.

Risks related to compensation will be taken into consideration as part of the general review and determination of executive compensation by the Compensation and Governance Committee and the New GAR Board, including: review of salaries of comparable companies; engagement of compensation report; and review and approval by the Compensation and Governance Committee and recommendation to the New GAR Board for approval.

Inappropriate and excessive risks by executives will be mitigated by regular meetings of the New GAR Board, at which, activity by the executives must be approved by the New GAR Board if such activity is outside or beyond previous New GAR Board-approved actions and, or, as set out in a New GAR Board-approved budget.

Due to the small size of New GAR following the Arrangement, and the expected level of New GAR's activity, the New GAR Board and the Compensation and Governance Committee will be able to closely monitor and consider any risks which may be associated with New GAR's compensation policies and practices. Risks, if any, may be identified and mitigated through regular New GAR Board meetings during which, financial and other information of New GAR will be reviewed, and which information includes executive compensation. It is not anticipated that any risks will be identified arising from New GAR's compensation policies and practices that are expected to be reasonably likely to have a material adverse effect on New GAR.

It is anticipated that there will be no policy of New GAR prohibiting an NEO or director from purchasing financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation of held, directly or indirectly, by the NEO or director.

Grosso Group Management Ltd.

Golden Arrow has engaged the Grosso Group to provide services and facilities to Golden Arrow since January 2005. On April 1, 2010, Golden Arrow entered into a management services agreement with the Grosso Group (the "**Grosso Services Agreement**").

Pursuant to the Business Combination Agreement, the Grosso Services Agreement will be terminated by Golden Arrow prior to the Closing Time. It is anticipated that New GAR will enter into an agreement with the Grosso Group on substantially the same terms as the existing Grosso Services Agreement following completion of the Arrangement. No termination fee will be paid by Golden Arrow to the Grosso Agreement in connection with such termination. The following disclosure is based on the expectation of New GAR that the arrangement with the Grosso Group will be on substantially the same terms as the existing Grosso Services Agreement. However, such disclosure remains subject to revision prior or subsequent to the Closing Date. The summary of the Grosso Services Agreement set out below

does not purport to be complete and is qualified in its entirety by reference to the Grosso Services Agreement, which has been filed by Golden Arrow under its profile on SEDAR at www.sedar.com.

The Grosso Group is located at Suite 411-837 West Hastings Street, Vancouver, BC and provides its member companies with administrative and management services. The Grosso Group staff is available to the member companies on a cost recovery basis without the expense of full time personnel. The member companies pay monthly fees to the Grosso Group. The fee is based upon a reasonable pro-rating of the Grosso Group's costs including its staff and overhead costs among each member company with regard to the mutually agreed average annual level of services provided to each member company.

Under the Grosso Services Agreement, the Grosso Group has agreed to supply Golden Arrow with certain services, staff and expertise as determined necessary to properly and efficiently manage the administrative affairs of Golden Arrow. Such services include, among other things, accounting and financial services, cash management and investment services, the preparation and filing of all required tax returns, reporting services to Golden Arrow's directors and officers, resource property management and permit assistance, assistance with compliance, corporate governance and corporate secretarial services, environmental and community matters, basic corporate communications and such other executive functions in connection with the management of the business and affairs of Golden Arrow as determined necessary or advisable by the Grosso Group. The Grosso Group has also granted to Golden Arrow access to, and use of the assets contained in, the Grosso Group's office facilities.

The fee payable by Golden Arrow to the Grosso Group under the Grosso Services Agreement is currently expected to be \$84,500 per month. This fee is reviewed and adjusted quarterly based on the level of services required. The Grosso Services Agreement expired on December 31, 2014 and was automatically renewed for a period of two years.

The Grosso Services Agreement may be terminated by the Grosso Group upon 30 days written notice to Golden Arrow, and terminated by Golden Arrow upon 90 days' written notice to the Grosso Group. The Grosso Services Agreement may be terminated on 30 days' written notice to the Grosso Group in the event of the persistent failure of the Grosso Group to perform its duties and discharge its obligations under the Grosso Group Agreement, or the continuing malfeasance or misfeasance of the Grosso Group in the performance of its duties, subject to certain conditions. The Grosso Services Agreement shall also terminate immediately where a winding-up, liquidation, dissolution, bankruptcy, sale of substantially all of the assets, sale of business or insolvency proceedings have been commenced or are being contemplated by the Grosso Group, and terminated upon the completion of any such proceeding by Golden Arrow.

In case of termination of the Grosso Services Agreement, Golden Arrow will pay to the Grosso Group a termination fee (the "**Termination Fee**") and, if the Grosso Services Agreement is terminated by Golden Arrow upon 90 days' written notice, an early termination fee (the "**Early Termination Fee**"). The Termination Fee includes three months of compensation and certain contractual obligations that the Grosso Group undertook for Golden Arrow, calculated in accordance with the Grosso Services Agreement, up to a maximum of \$750,000. The Early Termination Fee is the aggregate of the Termination Fee and the lesser of: (i) the monthly fees calculated to the end of the term of the Grosso Group Agreement; and (ii) the monthly fees calculated for eighteen months, up to a maximum of \$1,000,000.

Mr. Grosso is director and officer of the Grosso Group, and is expected to be a director and officer of New GAR. Mr. Nikolaos Cacos is a director of the Grosso Group, and is expected to be a director and officer of New GAR. Mr. Urquhart is an officer of the Grosso Group and is also expected to be an officer of New GAR. See below for details of agreements with Messrs. Grosso, Urquhart and Cacos.

Named Executive Officers Agreements

Pursuant to the Business Combination Agreement, each of the Engagement Agreements will be terminated by Golden Arrow prior to the Closing Time and termination payments made to each of the Consulting Companies. It is anticipated that following the completion of the Arrangement, New GAR will enter into agreements with each of the Consulting Companies on substantially the same terms as the existing Engagement Agreements. Information regarding the current Engagement Agreements with the anticipated NEOs of New GAR is described below.

The disclosure provided below is based on the present expectations of New GAR that the arrangements with each of its NEOs will be on substantially the same terms as the existing Engagement Agreements. However, such disclosure remains subject to revision prior or subsequent to the Closing Date. See “*Information in this Appendix “C”*”.

For additional information on the termination payments that will occur upon termination of the Engagement Agreements pursuant to the Business Combination Agreement, see “*Regulatory Law Matters and Securities Law Matters – Canadian Securities Law Matters – Termination Payments*” in the Circular.

Mr. Joseph Grosso and Oxbow

Golden Arrow and Oxbow, a company controlled by Mr. Grosso, are parties to the Oxbow Engagement Agreement, whereby Oxbow shall cause performance of all duties customarily performed by a Chairman and Chief Executive Officer of a publicly-traded company engaged in mineral exploration including formulating strategy, overseeing the affairs of Golden Arrow and executing its business plan. Joseph Grosso, who is a principal of Oxbow, is the designated personnel to perform the duties set out in the Oxbow Engagement Agreement. The fees payable by Golden Arrow under the Oxbow Engagement Agreement are \$125,000 per year.

Under the Oxbow Engagement Agreement, Oxbow’s designated personnel, Mr. Joseph Grosso, shall be eligible for grants of share options as may be approved by the Golden Arrow Board.

Mr. Darren Urquhart and DUCAI

Pursuant to the DUCAI Engagement Agreement between Golden Arrow and DUCAI, DUCAI shall cause performance of all duties customarily performed by a Chief Financial Officer of a publicly-traded company engaged in a business similar to Golden Arrow’s business including formulating strategy, assisting in the affairs of Golden Arrow, the financial, compliance and regulatory requirements, and executing Golden Arrow’s business plan. Darren Urquhart, who is a principal of DUCAI, is the designated personnel to perform the duties set out in the DUCAI Engagement Agreement. The fees payable by Golden Arrow under the DUCAI Engagement Agreement are \$60,000 per year.

Under the DUCAI Engagement Agreement, DUCAI’s designated personnel shall be eligible for grants of share options as may be approved by the Golden Arrow Board.

Brian McEwen and Brian R. McEwen Consulting Inc.

Pursuant to the McEwen Consulting Agreement between Golden Arrow and McEwen Consulting, McEwen Consulting shall provide its designated personnel to serve as Vice President, Exploration and Development of Golden Arrow, having certain duties and responsibilities, including the responsibility of planning, directing, interpreting and reporting on all exploration and development activities of Golden Arrow, and supervising the staff and field operations of Golden Arrow in Argentina and elsewhere. Brian

McEwen, who is a principal of McEwen Consulting, is the designated personnel to perform the duties and responsibilities set out in the McEwen Consulting Agreement. The fees payable by Golden Arrow under the McEwen Consulting Agreement are \$190,000 per year.

Under the McEwen Consulting Agreement, McEwen Consulting's designated personnel, Mr. Brian McEwen, shall be eligible for grants of share options as may be approved by the Golden Arrow Board, under the terms of Golden Arrow's stock option plan. In addition, Golden Arrow agreed to grant McEwen Consulting's designated personnel options to purchase 250,000 Golden Arrow Shares, in accordance with Golden Arrow's stock option plan.

Nikolaos Cacos and Cacos Consulting Ltd.

Pursuant to the Cacos Engagement Agreement between Golden Arrow and Cacos Consulting, Cacos Consulting shall cause its designated personnel to perform all duties customarily performed by a Vice President Corporate Development of a publicly-traded company engaged in a business similar to Golden Arrow's business, including formulating strategy, assisting in the affairs of Golden Arrow and executing its business plans. Nikolaos Cacos, who is a principal of Cacos Consulting, is the designated personnel to perform the duties set out in the Cacos Engagement Agreement. The fees payable by Golden Arrow under the Cacos Engagement Agreement are \$120,000 per year. Mr. Cacos is also expected to receive \$75,000 in salary per year from the Grosso Group which is allocated to Golden Arrow as part of the Grosso Group fees for the year.

Under the Cacos Engagement Agreement, Cacos Consulting's designated personnel, Mr. Nikolaos Cacos, shall be eligible for grants of share options as may be approved by the Golden Arrow Board.

Incentive Plan Awards

The following table sets out for each expected NEO of New GAR the Golden Arrow Options to purchase common shares of Golden Arrow (option-based awards) outstanding as of the Record Date. Following completion of the Arrangement, the following Golden Arrow Options will be exercisable for New GAR Shares and will continue to be governed by the Golden Arrow Option Plan. See "*The Golden Arrow Meeting – Treatment of Golden Arrow Options*" in the Circular.

Name	Option-based Awards ⁽¹⁾		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date
Joseph Grosso	700,000	0.35	June 11, 2020
	500,000	0.35	Mar 25, 2019
Darren Urquhart	100,000	0.35	Apr 16, 2019
Brian McEwen	200,000	0.32	Nov 25, 2017
	300,000	0.35	Mar 28, 2018
Nikolaos Cacos	200,000	0.35	March 19, 2019
	400,000	0.35	June 11, 2020

Notes:

- (1) Golden Arrow has not granted any share-based awards as of the date of the Circular.

Termination and Change of Control Benefits

As discussed above under “*Executive Compensation – Named Executive Officers Agreements*”, pursuant to the Business Combination Agreement, each of the Engagement Agreements will be terminated by Golden Arrow prior to the Closing Time and termination payments made. It is anticipated that following the completion of the Arrangement, New GAR will enter into agreements with each of the Consulting Companies on substantially the same terms as the existing Engagement Agreements. Information on the termination and change of control benefits contained in the existing Engagement Agreements with the anticipated NEOs of New GAR is described below. The disclosure provided below is based on the present expectations of New GAR that the arrangements with each of its NEOs will be on substantially the same terms as the existing Engagement Agreements. However, such disclosure remains subject to revision prior or subsequent to the Closing Date. See “*Information in this Appendix “C”*”.

For additional information on the termination payments that will occur upon termination of the Engagement Agreements pursuant to the Business Combination Agreement, see “*Regulatory Law Matters and Securities Law Matters – Canadian Securities Law Matters – Change of Control Payments*” in the Circular.

Joseph Grosso and Oxbow

The termination provisions of the Oxbow Engagement Agreement provide that a payment equal to two times the annual fee be paid to Oxbow in the event of termination without cause, estimated as of the date hereof to be \$250,000. In the event of a “Change of Control Event”, Oxbow shall be paid an amount equal to two times the annual fee to be paid to Oxbow, estimated as of the date hereof to be \$250,000.

For the purposes of the Oxbow Engagement Agreement, a “Change of Control Event” is deemed to have occurred when (i) a person becomes a “control person” (as that term is defined in the *Securities Act* (British Columbia) of Golden Arrow; (ii) a majority of the directors elected at any annual or special general meeting of shareholders of Golden Arrow are not individuals nominated by Golden Arrow’s then-incumbent board of directors; (iii) all or substantially all of the assets of Golden Arrow are transferred to a bona fide third party purchaser (which results in a significant adverse change in the conditions and status of Oxbow’s engagement under the Oxbow Engagement Agreement, in which event Oxbow shall have the right to terminate the Oxbow Engagement Agreement, within 60 days of such sale or transfer); or (iv) any person or group of persons acquires the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of Golden Arrow through the legal or beneficial ownership of securities, the right to appoint managers, directors or corporate management, contract, operating agreement, voting trust or otherwise.

For twelve (12) months following the termination or expiration of the Oxbow Engagement Agreement, Oxbow shall not: own or have any interest directly in; nor permit any of its personnel to act as an officer, director, agent, employee or consultant of any person, firm, association, partnership, corporation or other entity engaged in mineral exploration within two kilometres of mineral claims owned by Golden Arrow, excluding any claims abandoned by Golden Arrow. The restriction shall not apply where Oxbow holds less than ten percent (10%) of the publicly traded securities of any such entity. Except as provided above, Oxbow shall be free to engage in, and receive the full benefit of, any activity that it sees fit to engage, whether or not competitive with the business of Golden Arrow.

Confidentiality provisions shall survive the termination of the Oxbow Engagement Agreement for a period of one year after termination.

Mr. Darren Urquhart and DUCAI

The termination provisions of the DUCAI Engagement Agreement provide that a fee of 12 months' salary be paid in the event of termination without cause, estimated as of the date hereof to be \$60,000. In the event of a "Change of Control Event", DUCAI would receive an amount equal to 12 months' salary, estimated as of the date hereof to be \$60,000.

For the purposes of the DUCAI Engagement Agreement, a "Change of Control Event" is deemed to have occurred when (i) a person becomes a "control person" (as that term is defined in the *Securities Act* (British Columbia) of Golden Arrow; (ii) a majority of the directors elected at any annual or special general meeting of shareholders of Golden Arrow are not individuals nominated by Golden Arrow's then-incumbent board of directors; (iii) all or substantially all of the assets of Golden Arrow are transferred to a bona fide third party purchaser (which results in a significant adverse change in the conditions and status of DUCAI's engagement under the DUCAI Engagement Agreement, in which event DUCAI shall have the right to terminate the DUCAI Engagement Agreement, within 60 days of such sale or transfer); or (iv) any person or group of persons acquires the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of Golden Arrow through the legal or beneficial ownership of securities, the right to appoint managers, directors or corporate management, contract, operating agreement, voting trust or otherwise.

For twelve (12) months following the termination or expiration of the DUCAI Engagement Agreement, DUCAI shall not: own or have any interest directly in; nor permit any of its personnel to act as an officer, director, agent, employee or consultant of any person, firm, association, partnership, corporation or other entity engaged in mineral exploration within ten kilometres of mineral claims owned by Golden Arrow, but excluding any claims abandoned by Golden Arrow. The restriction shall not apply where DUCAI holds less than five percent (5%) of the publicly traded securities of any such entity. Except as provided above, DUCAI shall be free to engage in, and receive the full benefit of, any activity that it sees fit to engage, whether or not competitive with the business of Golden Arrow.

Confidentiality provisions shall survive the termination of the DUCAI Engagement Agreement for a period of one year after termination.

Brian R. McEwen Consulting Inc.

Pursuant to the McEwen Consulting Agreement, in the event of termination without cause, the termination provisions provide that Golden Arrow may elect to pay a lump sum payment in lieu of four weeks' notice, equivalent to the fees over the said four weeks. In the event of a "Change of Control Event", McEwen Consulting shall receive an amount equal to 12 months' fees, estimated as of the date hereof to be \$190,000.

For the purposes of the McEwen Consulting Agreement, a "Change of Control Event" is deemed to have occurred when (i) a person who was not previously a "control person" becomes a "control person" (as that term is defined in the *Securities Act* (British Columbia) of Golden Arrow; (ii) a majority of the directors elected at any annual or special general meeting of shareholders of Golden Arrow are not individuals nominated by Golden Arrow's then-incumbent board of directors; (iii) all or substantially all of the assets of Golden Arrow are transferred to a bona fide third party purchaser (which results in a significant adverse change in the conditions and status of McEwen Consulting's engagement under the McEwen Consulting Agreement, in which event McEwen Consulting shall have the right to terminate the McEwen Consulting Agreement, within 60 days of such sale or transfer); or (iv) any person or group of persons acquires the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of Golden Arrow through the legal or beneficial ownership

of voting securities, the right to appoint managers, directors or corporate management, contract, operating agreement, voting trust or otherwise.

Following the termination or expiration of the McEwen Consulting Agreement, McEwen Consulting shall not: disclose to any person, nor make use of itself, any information or trade secrets relating to Golden Arrow, its business, policies, methods, scientific or technical data or information which it shall have acquired in any manner. Confidentiality provisions shall survive the termination of the McEwen Consulting Agreement indefinitely after termination.

Cacos Consulting Ltd.

The termination provisions of the Cacos Engagement Agreement provide that a payment equal to two times the annual fee be paid to Cacos Consulting in the event of termination without cause, estimated as of the date hereof to be \$240,000. In the event of a “Change of Control Event”, Cacos Consulting shall be paid an amount equal to two times the annual fee to be paid to Cacos Consulting, estimated as of the date hereof to be \$240,000.

For the purposes of the Cacos Engagement Agreement, a “Change of Control Event” is deemed to have occurred when (i) a person becomes a “control person” (as that term is defined in the *Securities Act* (British Columbia) of Golden Arrow; (ii) a majority of the directors elected at any annual or special general meeting of shareholders of Golden Arrow are not individuals nominated by Golden Arrow’s then-incumbent board of directors; (iii) all or substantially all of the assets of Golden Arrow are transferred to a bona fide third party purchaser (which results in a significant adverse change in the conditions and status of Cacos Consulting’s engagement under the Cacos Engagement Agreement, in which event Cacos Consulting shall have the right to terminate the Cacos Engagement Agreement, within 60 days of such sale or transfer); or (iv) any person or group of persons acquires the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of Golden Arrow through the legal or beneficial ownership of voting securities, the right to appoint managers, directors or corporate management, contract, operating agreement, voting trust or otherwise.

For twelve (12) months following the termination or expiration of the Cacos Engagement Agreement, Cacos Consulting shall not: own or have any interest directly in; nor permit any of its personnel to act as an officer, director, agent, employee or consultant of any person, firm, association, partnership, corporation or other entity engaged in mineral exploration within ten kilometres of mineral claims owned by Golden Arrow, but excluding claims abandoned by Golden Arrow. The restriction shall not apply where Cacos Consulting holds less than five percent (5%) of the publicly traded securities of any such entity. Except as provided above, Cacos Consulting shall be free to engage in, and receive the full benefit of, any activity that it sees fit to engage, whether or not competitive with the business of Golden Arrow.

Confidentiality provisions shall survive the termination of the Cacos Engagement Agreement for a period of one year after termination.

Stock Options

Following the Arrangement and pursuant to the Golden Arrow Option Plan, in the event that any of the individuals listed above ceases to hold such position with New GAR other than by reason of death or disability, the expiry date of such individual’s Golden Arrow Options shall be, unless otherwise expressly provided for in the option certificate, the 90th day following the date such individual ceases to hold such position unless the individual ceases to hold such position as a result of termination for cause, in which case the expiry date shall be the date the individual is terminated.

Director Compensation

It is anticipated that directors of New GAR who are also NEOs will not be compensated for their services in their capacity as directors, although they will be reimbursed for their expenses incurred in connection with their services as directors. New GAR expects to establish the following arrangements, pursuant to which independent or non-NEO directors will be compensated by New GAR 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:

- (a) each independent director will receive an annual fee of \$12,000 based on a quarterly payment of \$3,000 per quarter;
- (b) the Chair of the Audit Committee will receive an additional annual fee of \$4,000; and
- (c) the Chair of the Compensation and Governance Committee will receive an additional annual fee of \$4,000.

Mr. Grosso, who is expected to be a director as well as the President, CEO and an NEO of New GAR will not receive directors' fees but will receive compensation through his management services agreement with New GAR, which is expected to be substantially the same as the current Oxbow Engagement Agreement. See "*Named Executive Officers Agreements*" above. Information with respect to grants of options to the directors is set out below under "*Incentive Plan Awards*".

Incentive Plan Awards

The following table sets out for each expected director of New GAR the Golden Arrow Options to purchase common shares of Golden Arrow (option-based awards) outstanding as of the Record Date. Following completion of the Arrangement, each of the following Golden Arrow Options will be exercisable for New GAR Shares and will continue to be governed by the Golden Arrow Option Plan. See "*The Golden Arrow Meeting – Treatment of Golden Arrow Options*" in the Circular.

Name	Option-based Awards ⁽¹⁾		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date
David Terry	100,000	0.35	24-Mar-19
	200,000	0.35	11-June-20
John Gammon	75,000	0.35	24-Mar-19
	100,000	0.35	11-June-20
Louis Salley	150,000	0.35	24-Mar-19
	200,000	0.35	11-June-20

Notes:

- (1) Golden Arrow has not granted any share-based awards as of the date of the Circular.

See "*Options to Purchase Securities*" for a summary of the key terms of the Golden Arrow Option Plan.

Pension Plan Benefits

New GAR does not intend to have a pension plan that provides for payments to the directors at, or following, or in connection with retirement.

External Management Companies

Vinland Holdings Ltd. (“**Vinland**”) is a private company controlled by a director of Golden Arrow, Dr. David Terry. Dr. Terry provides services as a consultant to Golden Arrow. The fees payable by New GAR to Vinland are anticipated to be \$15,000 per year. It is anticipated that Dr. Terry will also be paid directly by New GAR for director and audit committee chair fees of \$16,000 per year.

CORPORATE GOVERNANCE

National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers, which New GAR will be following the Arrangement. In addition, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* prescribes certain disclosure by New GAR of its corporate governance practices. Unless otherwise indicated, the following disclosure is based on the present expectations of New GAR in respect of its corporate governance practices and that the formal establishment of committees of the New GAR Board described below (without changes to the proposed composition) and the ratification and adoption of their respective mandates (without any material modifications) will occur following completion of the Arrangement. However, such disclosure remains subject to revision prior or subsequent to the Closing Date. See “*Information Contained in this Appendix “C”*” in this Appendix “C”.

Board of Directors

The New GAR Board will facilitate its exercise of independent supervision over New GAR’s management through frequent meetings of the New GAR Board, both with and without members of New GAR’s management (including members of management that are also directors) being in attendance. The independent directors will be encouraged to meet at any time they consider necessary without any members of management including the non-independent directors being present.

The New GAR Board is expected to be comprised of five directors. As of the date of the Circular, New GAR expects that David Terry, John Gammon, and Louis Salley will be “independent” based upon the tests for independence set forth in NI 52-110.

The following directors are expected to be members of management and thus will not be considered to be independent: Joseph Grosso, Executive Chairman, CEO and President; and Nikolaos Cacos, Vice President Corporate Development. Joseph Grosso will be a member of New GAR’s management and will not be independent as he serves as Executive Chairman, President and Chief Executive Officer. Nikolaos Cacos, will not be independent under NI 52-110, as a private company, Cacos Consulting Ltd., controlled by Mr. Cacos, will be paid a fee for its services.

Other Directorships

Certain of the anticipated directors of New GAR are also directors of other issuers that are “reporting issuers” as that term is defined in and for the purposes of securities legislation, which positions are summarized as follows:

Name of Director	Other Reporting Issuer	Market	Position	From	To
David Terry	Blue Sky Uranium Corp.	TSX-V	Director	July 6, 2012	Present
Nikolaos Cacos	Blue Sky Uranium Corp.	TSX-V	Director	Aug 31, 2014	Present
	Iron South Mining Corp.		Director	Sept 11, 2013	Present
John Gammon	First Point Minerals Corp.	Toronto Stock Exchange	Director	Jan 8, 2008	Present
Louis Salley	Minco Base Metals Corporation	TSX-V	Director	Nov 15, 2007	Present
	Azimut Exploration Inc.			Jan 5, 2004	Present

Orientation and Continuing Education

While New GAR will not have formal orientation and training programs, new New GAR Board members will be provided with:

- (a) access to recent, publicly filed documents of New GAR; and
- (b) access to management and technical experts and consultants.

New GAR Board members will be 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 New GAR's operations. New GAR Board members will have full access to New GAR's records.

The New GAR Board will attempt to provide continuing education for its directors in order that they maintain the skill and knowledge necessary for them to meet their obligations as directors. As an example, technical presentations will be made at New GAR Board meetings, focusing on either a particular property or a summary of various properties. The question and answer portions of these presentations will be a valuable learning resource for the non-technical directors.

Ethical Business Conduct

The New GAR Board will have responsibility for the stewardship of New GAR including responsibility for strategic planning, identification of the principal risks of New GAR's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of New GAR's internal control and management information systems. To facilitate meeting this responsibility, the New GAR Board will seek to foster a culture of ethical conduct by striving to ensure New GAR carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the New GAR Board will:

- adopt a code of ethics (the “**Ethics Code**”) for its directors, officers, employees and consultants. A copy of the Ethics Code can be found on the Golden Arrow website at www.goldenarrowresources.com and is posted on SEDAR at www.sedar.com under Golden Arrow's profile;
- adopt a written Whistleblower Policy for its directors, officers, employees and consultants which

details procedures to report financial concerns and ethical business dilemmas. The New GAR Board will appoint a Compliance Officer who is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Ethics Code. The Compliance Officer will direct access to the Audit Committee and the New GAR Board and the Compliance Officer will be required to report to the New GAR Board at least annually on compliance activity;

- be cognizant of New GAR's timely disclosure obligations and will adopt a written Corporate Disclosure and Insider Trading Policy for its directors, officers, employees and consultants. The New Board will establish a Disclosure Committee to review material disclosure documents such as financial statements, management's discussion and analysis and press releases prior to their distribution, and identify material information. The Disclosure Committee will be comprised of New GAR's CEO, CFO and any one director of New GAR;
- adopt a Foreign Corporate Policy that outlines New GAR's commitment to ethical business practices in every jurisdiction in which it does business. New GAR directors, officers, employees, management company employees and those who provide services to New GAR, shall be expected to act with integrity, honesty and in good faith, support the communities in which it operates and act in accordance with applicable laws with the highest standards of ethical and professional behaviour in foreign jurisdictions;
- encourage management to consult with legal and financial advisors to ensure New GAR's requirements are met;
- be cognizant of timely disclosure obligations and reviews material disclosure documents such as financial statements, MD&A and press releases prior to their distribution;
- rely on its Audit Committee to annually review the systems of internal financial control and discuss such matters with New GAR's external auditor; and
- actively monitor New GAR's compliance with the New GAR Board's directives and ensures that all material transactions are thoroughly reviewed and authorized by the New GAR Board before being undertaken by management.

The New GAR Board will also have to comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

The New GAR Board will have responsibility for identifying potential New GAR Board candidates. The New GAR Board will assess potential New GAR Board candidates to fill perceived needs on the New GAR Board for required skills, expertise, independence and other factors.

Compensation

The New GAR Board will establish a Compensation and Governance Committee which will recommend to the New GAR Board the directors' and officers' compensation, among other things, on the time commitment, effort and success of each individual contribution towards the success of New GAR and a comparison of the remuneration paid by New GAR to publicly available information of the remuneration paid by other reporting issuers (public companies) that the Compensation and Governance Committee

feels are similarly placed within the industry.

In addition, the directors and officers will be granted stock options under the Golden Arrow Option Plan. The Compensation and Governance Committee will determine the terms of each stock option within the parameters set out in the stock option plan and applicable stock exchange rules and policies.

Other Board Committees

In addition to the following “*Audit Committee*” section, the New GAR Board will establish the following committees, described below.

Compensation and Governance Committee: The Compensation and Governance Committee will be responsible for the review and setting of all compensation (including stock options) paid by New GAR to the CEO, all other executive officers of New GAR and the members of the New GAR Board. The Committee will also be responsible for the governance roles, responsibilities, authorities and powers including the general responsibility for developing and reviewing the approach of New GAR to governance issues. (See: “*Executive Compensation – Compensation Process*” above for further details of the Compensation Committee.)

Disclosure Committee: The New GAR Board will establish a Disclosure Committee, which will be comprised of New GAR’s CEO, CFO and any one director, to assist New GAR in the identification and disclosure of material information, fulfilling its responsibilities regarding disclosures to its security holders and the investment community, made on a timely basis. The Disclosure Committee will assist with controls and procedures regarding material information disclosure; determines ‘blackout’ periods for trading; and pre-approves all news releases prior to dissemination.

Audit Committee: The Audit Committee is described in the next section.

Assessments

The Compensation and Governance Committee will be responsible for reviewing and assessing the effectiveness of the New GAR Board, and making recommendations to the New GAR Board regarding the composition and the appropriate size of the New GAR Board; reviewing the corporate governance policies and practices of New GAR generally and making recommendations thereon to the directors of New GAR, including overseeing and making recommendations to the directors of New GAR on developing the approach of New GAR to corporate governance issues and practices and formulating the response of New GAR to the corporate governance guidelines and disclosure requirements.

Audit Committee

NI 52-110 of the Canadian securities administrators requires New GAR’s audit committee to meet certain requirements. It also requires New GAR to disclose in this Circular certain information regarding the audit committee. The following disclosure is based on the present expectations of New GAR that the formal establishment of the Audit Committee (without changes to the proposed composition) and the ratification and adoption of its mandate (without any material modifications) will occur following completion of the Arrangement. However, such disclosure remains subject to revision prior or subsequent to the Closing Date. See “*Information in this Appendix “C”*” in this Appendix “C”.

Overview

The overall purpose of the Audit Committee of New GAR will be to ensure that New GAR’s

management has designed and implemented an effective system of internal financial controls, to review and report on integrity of the consolidated financial statements of New GAR and to review New GAR's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts.

The Audit Committee's Charter

The New GAR Board will adopt a charter for the Audit Committee which sets out the Committee's mandate, organization, powers and responsibilities (the "Audit Committee Charter"). The complete Audit Committee Charter is attached as Schedule "A" to this Appendix "C".

Composition of the Audit Committee

The Audit Committee will consist of three directors. The following table sets out the names of the expected members of the Audit Committee and whether they are 'independent' and 'financially literate'.

Name of Member	Independent⁽¹⁾	Financially Literate⁽²⁾
David Terry	Yes	Yes
John Gammon	Yes	Yes
Nikolaos Cacos	No	Yes

Notes:

- (1) To be considered to be independent, a member of the Audit Committee must not have any direct or indirect 'material relationship' with New GAR. A material relationship is a relationship which could, in the view of the New GAR Board, reasonably interfere with the exercise of a member's independent judgment.
- (2) To be considered financially literate, a member of the Audit Committee must have 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 reasonably be expected to be raised by New GAR's financial statements.

Relevant Education and Experience

The education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- (a) an understanding of the accounting principles used by New GAR to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by New GAR's financial statements, or experience actively supervising one or more persons engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting, are as follows:

Dr. David Terry	Dr. Terry has extensive executive and exploration experience with mining exploration companies and presently sits of the boards of several publicly traded companies.
Dr. John Gammon	Dr. Gammon has extensive experience with mining exploration companies and presently sits of the boards of several publicly traded companies. He holds a B.Sc. (honours) degree in Geology from the University of Leicester, UK, and a Ph.D in Geology from Durham University, UK. Dr. Gammon spent seventeen years with the Government of Ontario, Canada, in the Ministry of Northern Development and Mines, the first two as Director, Mineral Development and Lands Branch and then as Assistant Deputy Minister, Mines and Mineral Division. He was senior advisor on mining issues to five successive governments.
Nikolaos Cacos	Mr. Cacos has over 20 years of management expertise in the mineral exploration industry. He holds extensive experience in administration and providing strategic planning for public companies. Mr. Cacos served as Director and officer of several publicly traded companies. He holds a Master of International Management degree from Heidelberg, Germany, and a Bachelor of Science degree from the University of British Columbia.

Complaints Process

The New GAR Board will establish, and the Audit Committee will be responsible for the effectiveness of, the Whistleblower Policy which outlines procedures for the confidential, anonymous submission by directors, officers, employees and consultants regarding New GAR's compliance with all applicable government laws, rules and regulations, corporate reporting and disclosure, accounting practices, accounting controls, auditing practices and other matter relating to fraud against shareholders, without fear of retaliation of any kind. If an applicable individual has any concerns about any of these accounting matters which they consider to be questionable, incorrect, misleading or fraudulent, the applicable individual is urged to come forward with any such information, complaints or concerns, without regard to the position of the person or persons responsible for the subject matter of the relevant complaint or concern.

The applicable individual will be able to report their concern in writing, by telephone or e-mail and forward it to New GAR Compliance Officer. All submissions will be treated on a confidential and anonymous basis, except when the matter refers to violation of any applicable law, rule or regulation that relates to the corporate reporting and disclosure, or refers to the violation of New GAR's Ethics Code, when the person making the submission must be identified for purposes of performing the investigation. Further, New GAR will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits in good faith any accounting concern.

Promptly following the receipt of any complaints submitted to it, the Audit Committee will investigate each complaint and take appropriate corrective actions.

The effectiveness of the "Whistleblower Policy" will be monitored by the Audit Committee and it is posted on Golden Arrow's website at www.goldenarrowresources.com under *About Us - Corporate Governance*.

Reliance on Exemption

As New GAR is an “IPO venture issuer” for purposes of applicable securities legislation, New GAR is relying on the exemption in Section 6.1 of NI 52-110 from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*).

Pre-Approved Policies and Procedures for Non-Audit Services

The Audit Committee will adopt specific policies and procedures for the engagement of non-audit services as described in section C.2 (e) of the Audit Committee Charter, attached to this Appendix “C” as Schedule “A”.

External Auditor Service Fees

Since New GAR’s incorporation on September 22, 2015, no fees, audit or otherwise, have been billed to New GAR by its auditor.

PROMOTERS

Golden Arrow took the initiative of founding and organizing New GAR and its business and operations and, as such, may be considered to be the promoter of New GAR for the purposes of applicable securities legislation. As at the date of the Circular, Golden Arrow is the sole (100%) shareholder of New GAR and holds the Founding New GAR Share, being the one New GAR Share which was issued to Golden Arrow on incorporation of New GAR. At the Closing Time, the Founding New GAR Share shall be cancelled for no consideration and Golden Arrow shall cease to be a shareholder of New GAR. See in this Appendix “C”, “*Prior Sales*”.

See in this Appendix “C”, “*New GAR Properties*” and “*Description of the Business*”; in the Circular, “*The Golden Arrow Meeting — The Arrangement*”, “*The Business Combination Agreement*” and “*The Golden Arrow Meeting – The Principal Steps to the Arrangement*”; the *pro forma* financial statements of New GAR attached as Appendix “G” to the Circular; and “*Appendix “D” – Information Concerning MP LLC*”, for a description of the Arrangement and the Business Combination Agreement and the nature, amount and costs of the assets that will be transferred to New GAR.

During the 10 years prior to the date of the Circular, Golden Arrow has not been subject to:

- (a) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or
- (b) an order similar to a cease trade order, or
- (c) 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; nor has Golden Arrow been subject to:

- (a) 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
- (b) any other 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;

nor has Golden Arrow 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 manager or trustee appointed to hold its assets.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

New GAR is not aware of any material legal proceedings to which New GAR or a proposed subsidiary is, or will be a party to, nor is New GAR aware that any such proceedings are contemplated.

For information relating to legal proceedings involving MP LLC, see “Appendix “D” – *Information Concerning MP LLC – Legal Proceedings and Regulatory Actions*”.

Regulatory Actions

There are currently no: (a) penalties or sanctions imposed against New GAR by a court relating to securities legislation or by a securities regulatory authority; (b) other penalties or sanctions imposed by a court or regulatory body against New GAR that would likely be considered important to a reasonable investor in making an investment decision in New GAR; and (c) settlement agreements New GAR entered into before a court relating to securities legislation or with a securities regulatory authority since New GAR was incorporated.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There exists no indebtedness of the director and executive officer of New GAR, or any of his associates, to New GAR, nor is any indebtedness of any of such persons to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by New GAR.

Upon completion of the Arrangement, the directors and officers of Golden Arrow will become the directors and officers of New GAR. As of the date of the Circular, no person who is or at any time since the commencement of Golden Arrow’s last completed financial year was a director, executive officer or senior officer of Golden Arrow, and no associate of any of the foregoing persons has been indebted to Golden Arrow at any time since the commencement of Golden Arrow’s last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by Golden Arrow at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Since New GAR’s incorporation, no director, executive officer, or shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding New GAR Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect New GAR other than Golden Arrow in connection with New GAR’s incorporation (see in this Appendix “C”, “*Corporate Structure*” and “*Promoters*”), the entering into of the Business Combination Agreement (see in the Circular, “*The Golden Arrow Meeting*”), and the transfer of assets to New GAR in connection with the Arrangement (see in this Appendix “C”, “*Description of the Business*”).

AUDITOR

The auditor of New GAR is PricewaterhouseCoopers LLP at its offices located at 700 - 250 Howe Street, Vancouver, B.C. V6C 3S7.

TRANSFER AGENT AND REGISTRAR

Upon completion of the Arrangement, the registrar and transfer agent of New GAR and for the New GAR Shares will be Computershare Investor Services Inc. with offices at 510 Burrard Street, Vancouver, B.C. V6C 3B9.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts that will be entered into by New GAR prior to the Closing Date and which may be regarded as material, are as follows:

1. Business Combination Agreement among SSRI, Mina Pirquitas, LLC, Golden Arrow, VDC and New GAR dated September 30, 2015. See “*The Business Combination Agreement*” in the Circular for more information.

Although not yet entered into, at Closing, SSRI and New GAR will enter into the Shareholder Agreement which will govern their ownership in JVco. See “*Description of JVco – Shareholder Agreement*” for more information.

The Grosso Services Agreement is a material contract of Golden Arrow. Pursuant to the Business Combination Agreement, the Grosso Services Agreement will be terminated prior to the Closing Time. It is anticipated that New GAR will enter into an agreement with the Grosso Group following completion of the Arrangement on substantially the same terms as the existing Grosso Services Agreement. See “*Executive Compensation – Grosso Group Management Ltd.*” for more information.

INTEREST OF EXPERTS

The technical report entitled “*Mineral Resource Estimate for the Chinchillas Silver-Lead-Zinc Project, Jujuy Province, Argentina*” filed on September 14, 2015, effective July 31, 2015 and revised November 2, 2015, pertaining to the Chinchillas Project, was prepared by Bruce Davis, Ph.D., F.AusIMM; Robert Sim, P. Geo; and Bruce Smith, (C.P.) MAusIMM.

To the best knowledge of Golden Arrow and New GAR, the aforementioned persons do not hold any securities of Golden Arrow or of any associate or affiliate of Golden Arrow nor held any such securities when they prepared the report referred to above or following the preparation of such report nor did they receive any direct or indirect interest in any securities of Golden Arrow or of any associate or affiliate of Golden Arrow in connection with the preparation of such report.

The aforementioned persons have no direct or indirect interest in Golden Arrow, any of its associates or affiliates and are not currently expected to be elected, appointed or employed as directors, officers or employees of Golden Arrow or New GAR or of any associate or affiliate of Golden Arrow or New GAR.

Unless otherwise stated therein, the technical information contained in the 2014 MD&A and Golden Arrow’s management discussion and analysis for the nine months ended September 30, 2015 and 2014, was reviewed by Brian McEwen, P.Geol., a “qualified person” under NI 43-101. Mr. McEwen is the Vice President, Exploration & Development of Golden Arrow and holds 100,000 Golden Arrow Shares, 750,000 Golden Arrow Options and 75,000 Golden Arrow Warrants as of the date of this Circular. The scientific and technical

information relating to the Chinchillas Project contained in the 2014 MD&A has been superseded by the scientific and technical information under the heading “*Information Concerning New GAR Post-Arrangement – New GAR Properties – Chinchillas Project*” of this Appendix “C” and the Chinchillas Technical Report. See “*National Instrument 43-101*”. For greater certainty, information contained in the 2014 MD&A, attached to this Circular as Appendix “L”, is given as of the date stated therein.

PricewaterhouseCoopers LLP is New GAR’s auditor, and such firm has prepared an auditor’s report dated November 17, 2015, with respect to New GAR’s financial statements for the period September 22, 2015 to September 30, 2015.

As of the date of the Circular, PricewaterhouseCoopers LLP is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

Other than as described above, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of New GAR or of any associate or affiliate of New GAR.

See also “*Interest of Experts*” in the Circular.

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

FINANCIAL STATEMENTS

See in this Circular “*Selected Financial Information — Financial Statements*” and Appendices “G”, “H”, “I”, “J”, “K” and “M” to the Circular.

SCHEDULE “A”

AUDIT COMMITTEE CHARTER

GOLDEN ARROW RESOURCES CORPORATION (the “Company”)

AUDIT COMMITTEE CHARTER

A. PURPOSE

The overall purpose of the Audit Committee (the "Committee") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information.

B. COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the "Board"), the majority of whom shall not be officers, employees or control persons of the Company or its associates or affiliates (as the terms “control person”, “associate” and “affiliate” are defined in the TSX Venture Exchange’s Corporate Finance Manual).

2. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

3. Unless the Board has appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.

4. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

5. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

6. Meetings of the Committee shall be conducted as follows:

- (a) the Committee shall meet at least four times annually, or more frequently as circumstances dictate, at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
- (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
- (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

7. The external auditors shall communicate directly to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly

any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

C. ROLES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and interim consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) the contents of their report;
 - (ii) the scope and quality of the audit work performed;
 - (iii) the adequacy of the Company's financial and auditing personnel;
 - (iv) the co-operation received from the Company's personnel during the audit;
 - (v) the internal resources used;
 - (vi) any significant transactions outside of the normal business of the Company;
 - (vii) any significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) any non-audit services provided by the external auditors;
 - (e) to pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the external auditors; provided that:

- (i) the Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that such independent members must report such pre-approval to the Committee at the first scheduled meeting of the Committee following such pre-approval; and
 - (ii) the Committee shall have satisfied the requirement for pre-approval in paragraph 2(e) if:
 - (1) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five percent of the total amount of fees paid by the Company and its subsidiary entities to the external auditors during the fiscal year in which the services are provided;
 - (2) the Company or its subsidiary entity, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - (3) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or one of its members to whom pre-approval authority has been granted pursuant to subparagraph 2(e)(i);
 - (f) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles;
 - (g) to implement structures and procedures to ensure that the Committee meets with the external auditors on a regular basis in the absence of management; and
 - (h) to review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and any former external auditor of the Company.
- 3. The duties and responsibilities of the Committee as they relate to the Company's internal auditors are to:
 - (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
 - (b) review and approve the internal audit plan; and
 - (c) review significant internal audit findings and recommendations, and management's response thereto.
- 4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
 - (a) establish adequate procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of

concerns regarding questionable accounting or auditing matters;

- (b) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
- (c) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
- (d) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
- (e) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

5. The Committee is also charged with the responsibility to:

- (a) review the Company's annual and interim financial statements and related Management's Discussion & Analysis ("MD&A") and earnings press releases, including the impact of unusual items and changes in accounting principles and estimates, and any press releases related to the foregoing, and report to the Board with respect thereto;
- (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form;
 - (iii) prospectuses;
 - (iv) news releases discussing financial results of the Company; and
 - (v) other public reports of a financial nature requiring approval by the Board;and report to the Board with respect thereto, or alternatively establish adequate procedures for the review of the financial sections of such disclosure documents and periodically assess the adequacy of such procedures;
- (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
- (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Company's consolidated financial statements;
- (f) review the minutes of any audit committee meeting of subsidiary companies;
- (g) review with management, the external auditors and, if necessary, with legal counsel, any

litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements; and

- (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information.

SCHEDULE “B”

1049708 B.C. LTD.

MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED SEPTEMBER 30, 2015

INTRODUCTION

This Management’s Discussion and Analysis (“MD&A”) should be read in conjunction with the consolidated financial statements of 1049708 B.C. Ltd. (the “Company”) for the period ended September 30, 2015 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards (“IFRS”). All figures are in Canadian dollars unless otherwise noted. This MD&A has been prepared as of November 17, 2015.

Company Overview

1049708 B.C. Ltd. (the “Company”) was incorporated on September 22, 2015, under the Business Corporations Act in the province of British Columbia. The head office address of the Company is Suite 411 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6. The registered office and records office of the Company is Suite 2600, Three Bentall Centre, PO Box 49314, 595 Burrard Street, Vancouver, British Columbia, V7X 1L3.

Plan of Arrangement

On September 30, 2015, the Company entered into a business combination agreement (the “Agreement”) among the Company’s sole shareholder, Golden Arrow Resources Corporation (“Golden Arrow”), Silver Standard Resources Inc. (“Silver Standard”), Mina Pirquitas, LLC (“MP LLC”) and Valle Del Cura S.A. wherein the Company proposes, subject to, among other things, Silver Standard exercising an Election to Proceed (as defined in the Agreement), to give effect to a plan of arrangement (the “Arrangement”) pursuant to which each shareholder of Golden Arrow will receive one common share in the capital of the Company (a “New GAR Share”) in exchange for each common share of Golden Arrow (the “GAR Shares”) held.

Pursuant to the Arrangement, the GAR Shares (and thereby Golden Arrow’s interest in the Chinchillas property, a mineral property located in the Jujuy province of Argentina) will be transferred to a joint venture company (“JVco”), which, subject to the terms of the Agreement, will initially be owned 75% by Silver Standard and 25% by the Company.

Under the terms of the Agreement, JVco shall also acquire from Silver Standard all of the issued and outstanding securities of MP LLC which indirectly holds title to the Pirquitas mine located in the Jujuy province of Argentina, with the effect that upon completion of the Arrangement, existing shareholders of Golden Arrow will, as holders of New GAR shares, have exposure through the Company’s 25% interest in JVco to Silver Standard’s Pirquitas mine and Golden Arrow’s Chinchillas property.

If Silver Standard exercises its Election to Proceed, the Company is then expected to list on the TSX Venture Exchange. In addition to holding a 25% interest in JVco, the Company will also receive a portfolio of Golden Arrow’s other non-Chinchillas exploration properties that are not included in the Agreement.

Capital Stock

At September 30, 2015, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid. As at September 30, 2015 and the date of this report, one common share was issued and outstanding.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from these estimates.

Reference should be made to the Company's significant accounting policies contained in Note 2 of the Company's financial statements for the period ended September 30, 2015. These accounting policies can have a significant impact on the financial performance and financial position of the Company.