



S E 2 4 7 8 8 0

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
BLUESTONE RESOURCES INC.
AND AURA MINERALS INC.

BLUESTONE RESOURCES INC.

PETITIONER

PETITION TO THE COURT

The address of the registry is: 800 Smithe Street, Vancouver, BC, V6Z 2E1

The Petitioner estimates that the hearing of the petition will take 20 minutes.

This matter is not an application for judicial review.

**This proceeding has been started by the petitioner for the relief set out in Part 1 below,
by**

Bluestone Resources Inc. (the petitioner)

If you intend to respond to this petition, you or your lawyer must

(a) file a response to petition in Form 67 in the above-named registry of this court
within the time for response to petition described below, and

(b) serve on the petitioner(s)

(i) 2 copies of the filed response to petition, and

(ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

**Orders, including orders granting the relief claimed, may be made against you, without any
further notice to you, if you fail to file the response to petition within the time for response.**

Time for response to petition

A response to petition must be filed and served on the petitioner,

- (a) if you were served with the petition anywhere in Canada, within 21 days after that service,
- (b) if you were served with the petition anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the petition anywhere else, within 49 days after that service, or
- (d) if the time for response has been set by order of the court, within that time.

(1)	The ADDRESS FOR SERVICE of the petitioner is: Blake, Cassels & Graydon LLP Barristers and Solicitors 1133 Melville Street Suite 3500, The Stack Vancouver, BC V6E 4E5 Attention: Alexandra Luchenko
	Fax number address for service (if any) of the petitioner: N/A
	E-mail address for service (if any) of the petitioner: vancouver.service@blakes.com and alexandra.luchenko@blakes.com
(2)	The name and office address of the petitioner's lawyer is: Blake, Cassels & Graydon LLP Barristers and Solicitors 1133 Melville Street Suite 3500, The Stack Vancouver, BC V6E 4E5 Attention: Alexandra Luchenko

CLAIM OF THE PETITIONER

Part 1: ORDERS SOUGHT

The Petitioner, Bluestone Resources Inc. ("**Bluestone**") applies for:

1. An order (the "**Interim Order**") pursuant to sections 186 and 288 to 297 of the *Business Corporations Act*, S.B.C., 2002, c. 57, as amended (the "**BCBCA**"), in the form attached as **Appendix "A"** to this Petition;
2. An order (the "**Final Order**") pursuant to sections 288-297 of the BCBCA:
 - (a) approving an arrangement (the "**Arrangement**"), more particularly described in the plan of arrangement (the "**Plan of Arrangement**"), involving Bluestone Resources

Inc. ("**Bluestone**") and Aura Minerals Inc. ("**Aura**"). The Plan of Arrangement is attached as Appendix "B" to the Draft Management Information Circular and Notice of Special Meeting of Bluestone Shareholders and Bluestone Optionholders (collectively, the "**Circular**"), attached as Exhibit "A" to the Affidavit of Peter Hemstead sworn on November 14, 2024 and filed herein (the "**Hemstead Affidavit**"); and,

- (b) declaring that the terms and conditions of the Arrangement and the exchange of securities and cash consideration to be effected thereby are procedurally and substantively fair and reasonable to those who will receive securities in the exchange; and

3. Such further and other relief as counsel for the Petitioner may advise and the Court may deem just.

Part 2: FACTUAL BASIS

DEFINITIONS

1. As used in this Petition, unless otherwise defined herein, terms beginning with capital letters have the respective meanings set out in the Circular.

THE PETITIONER

2. Bluestone's address for service for the purpose of this proceeding is at Suite 3500 – 1133 Melville Street, Vancouver, British Columbia, Canada, V6E 4E5.

3. Bluestone is company incorporated under the laws of British Columbia, which focuses on natural resources and renewable energy projects. The registered and head office of Bluestone is at Suite 2800, 1055 Dunsmuir Street, Vancouver, British Columbia, Canada, V7X 1L2.

4. The common shares in the capital of Bluestone (the "**Bluestone Shares**") are listed for trading on the TSX Venture Exchange ("**TSXV**") under the symbol "BSR" and are quoted for trading in the United States on the **OTCQB** (the "**OTCQB**") under the symbol "BBSRF".

ACQUIROR

5. Aura is a gold and copper production company focused on operating and developing gold and base metal projects in the Americas.

6. Aura's address for service for the purpose of this proceeding is at Suite 2300 – 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 2B5 – Attention: Jonathan Ross and Tara Amiri.

7. Aura is governed by the BVI Business Companies Act (British Virgin Islands) and maintains its registered office at Craigmuir Chambers, Road Town, Tortola, VG1110, British Virgin Islands and maintains its head office through its wholly owned subsidiary, Aura Technical Services Inc., at 255 Giralda Avenue, Suite 06W102, Coral Gables, Florida, 33134.

8. The common shares in the capital of Aura (the "**Aura Shares**") are listed for trading on the Toronto Stock Exchange ("**TSX**") under the symbol "ORA".

OVERVIEW OF THE ARRANGEMENT

9. Bluestone proposes, in accordance with Sections 186, 288, 289, 290 and 291 of the BCBCA, to call, hold and conduct a special meeting of the Bluestone Shareholders and the holders of option to purchase Bluestone Shares (the "**Bluestone Options**", the holders of which are the "**Bluestone Optionholders**" and with the Bluestone Shareholders, the "**Bluestone Securityholders**") at 10:00 am (Vancouver time) on December 19, 2024 (the "**Meeting**"), at Suite 3500-1133 Melville Street, Vancouver, British Columbia, V6E 4E5, whereat, among other things, the Bluestone Securityholders will be asked to consider, and if deemed advisable, pass, with or without variation, a special resolution substantially in the form attached as Appendix "A" to the Circular (the "**Arrangement Resolution**") approving, with or without variation, the Arrangement.

10. In summary, if the Arrangement is completed, Aura will acquire all of the issued and outstanding Bluestone Shares that it does not already own in exchange for Aura Shares and cash consideration; the Bluestone Shares will be delisted from the TSXV; and the newly issued Aura Shares will be listed on the TSX. The TSX listing of the Aura Shares to be issued under the Arrangement, is subject to the approval of the TSX.

11. Pursuant to the Arrangement, each Bluestone Shareholder (other than a Dissenting Bluestone Shareholder) shall be entitled to receive either (i) \$0.2870 in cash for each Bluestone Share held (the "**Cash Consideration**") or (ii) 0.0183 of an Aura Share for each Bluestone Share held (the "**Share Consideration**"), subject to pro-ration based on a maximum of 1,393,736 Aura Shares to be issued pursuant to the Plan of Arrangement.

12. In addition, Bluestone Shareholders will receive one non-interest-bearing contingent value right (a “**CVR**”) for each Bluestone Share held, with each CVR entitling its holder to, subject to the satisfaction of certain conditions relating to commercial production at the Cerro Blanco Project (as further described in the Circular), up to \$0.2120, for a period of 20 years.

13. In particular, pursuant to the Plan of Arrangement, each of the following transactions, among others, will occur in the following order commencing at the Effective Time:

- (a) each Bluestone Option, outstanding as of the Effective Time (whether vested or unvested), shall be disposed of and surrendered by the holder thereof to Bluestone without any act or formality on their part and without any further liability to Bluestone in exchange for a cash payment from Bluestone equal to the “Black Scholes Amount” (as set forth in Exhibit I to the Plan of Arrangement at Appendix “B” of the Circular). At the effective time of this step, all Bluestone Options outstanding immediately prior to the Effective Time and the Bluestone Long Term Incentive Plan shall be cancelled;
- (b) each Dissent Share held by a Dissenting Shareholder in respect of which such Dissenting Shareholder has exercised Dissent Rights (and the right of such Dissenting Shareholder to dissent with respect to such Bluestone Share has not terminated or ceased to apply with respect to such Bluestone Share) will, without any further act or formality, be deemed to be repurchased by Bluestone and transferred by the holder thereof to Bluestone for cancellation, and in consideration therefor, Aura shall issue to the Dissenting Shareholder a debt claim, and in respect of the Dissenting Shares so transferred:
 - (i) the Dissenting Shareholder shall cease to be the holder thereof,
 - (ii) the name of the Dissenting Shareholder shall be removed from the central securities register maintained by or on behalf of Bluestone in respect of the Bluestone Shares, and
 - (iii) the Dissenting Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to effect the transfer thereof.

- (c) each Bluestone Shareholder shall transfer to Aura each whole Bluestone Share held (other than any Bluestone Shares held by Aura immediately before the Effective Time), in exchange for
- (i) one CVR; and,
 - (ii) (1) in the case of a Bluestone Share for which the Cash Election was made or deemed to have been made, as described below and set out in the Plan of Arrangement, the Cash Consideration, or (2) in the case of a Bluestone Share for which the Share Election was made, as described below and set out in the Plan of Arrangement, the Share Consideration,
- in each case subject to pro-ration, as set out in the Plan of Arrangement, and in respect of the Bluestone Shares so transferred:
- A. the Bluestone Shareholder shall cease to be the holder thereof,
 - B. the name of the Bluestone Shareholder shall be removed from the central securities registrar maintained by or on behalf of Bluestone in respect of the Bluestone Shares,
 - C. the Bluestone Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to effect the transfer thereof, and,
 - D. the name of Aura shall be added to the central securities register maintained by or on behalf of Bluestone in respect of the Bluestone Shares as the holder thereof.
- (d) On completion of the Arrangement, Bluestone will be a wholly-owned subsidiary of Aura.

BACKGROUND TO ARRANGEMENT

14. The terms of the Arrangement and the provisions of the Arrangement Agreement, and any amendments thereto, are the result of arm's length negotiations conducted between representatives of Bluestone and Aura. The material meetings, negotiations, discussions and actions among the parties that preceded the execution and public announcement of the

Arrangement Agreement are summarized in the Circular in the section entitled “*Background to the Arrangement*”.

FAIRNESS OF THE ARRANGEMENT

15. The board of directors of Bluestone (the “**Bluestone Board**”) established a special committee of independent directors (the “**Special Committee**”) with a mandate to review, assess, and examine strategic alternatives that could maximize value to the Bluestone Shareholders or that were otherwise in the best interest of Bluestone.

16. Bluestone also retained the GenCap Mining Advisory Ltd. (the “**Bluestone Financial Advisors**”) as a financial advisor as to the fairness, from a financial point of view, of the consideration to be received by Bluestone Shareholders pursuant to a potential transaction.

17. On October 25, 2024, at a meeting of the Special Committee held to evaluate the proposed Arrangement, the Bluestone Financial Advisors delivered an oral opinion to the Special Committee and the Bluestone Board, which was subsequently confirmed in writing (the “**Bluestone Fairness Opinion**”). The Bluestone Fairness Opinion concluded that, as of October 25, 2024, based on the assumptions, limitations and qualifications contained therein, the Consideration to be received by the Bluestone Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Bluestone Shareholders. A copy of the Bluestone Fairness Opinion is included in the Circular as Appendix “E”.

18. In evaluating and unanimously approving the Arrangement, the Special Committee and the Bluestone Board gave careful consideration to the current position and condition and the expected and potential future position and condition of the business of Bluestone, and all terms of the Arrangement Agreement, including the conditions precedent, representations and warranties and deal protection provisions. The Special Committee and the Bluestone Board considered a number of factors including, among others, the following (not necessarily in order of relative importance):

- (a) **Compelling Value** - The total value of the Consideration to be received by Bluestone Shareholders pursuant to the Arrangement Agreement, as amended, represents, assuming the Consideration is paid in full, a premium to the trading value of the Bluestone Shares of approximately 51% premium to the Bluestone’s

spot share price and approximately 40% premium to the 25-day volume weighted average trading price of the Bluestone Shares as at October 24, 2024.

- (b) **Strategic Review** - The Arrangement is the result of a robust strategic review process carried out by management of Bluestone and overseen by the Bluestone Board until formation of the Special Committee, at which time the Special Committee assumed primary oversight of the process. The process was conducted over a period of more than 12 months. A potential transaction was discussed with over 100 potential counterparties, nine potential counterparties entered into confidentiality agreements, three potential counterparties submitted non-binding expressions of interest, and negotiations were held with all three potential counterparties. The Consideration under the Arrangement represents the highest price attained for a sale of Bluestone as a result of this strategic review process. As part of its work in providing the Bluestone Fairness Opinion, the Bluestone Financial Advisors assessed the strategic review process which was run by management of Bluestone and agreed with the decision of the Special Committee and management to accept the final proposal from Aura and enter into a period of exclusivity to mutually pursue a transaction.
- (c) **Compelling Value Relative to Strategic Alternative** – After a thorough review and after receiving legal and financial advice, including the Bluestone Fairness Opinion, it was determined that the Arrangement is more favourable to Bluestone than the potential value that might have resulted from the only other strategic alternative reasonably available to Bluestone, namely, the status quo and Bluestone “going it alone”. In making that determination, the Special Committee considered information provided by management of Bluestone concerning the business, operations, property, assets, financial condition, operating results and prospects of Bluestone and evaluated the Arrangement in the context of current and prospective industry, economic and market conditions and trends affecting Bluestone. Most particularly, the Special Committee considered the ability of Bluestone to “go it alone” in the face of the difficult mine development process in Guatemala and the uncertainty of the funding support via the Nemesia Debt continuing past maturity. It was determined that Bluestone’s share price was likely to deteriorate indefinitely as further, increasingly dilutive, equity financings would be required. The Bluestone Board also considered the numerous examples of

public mining companies with promising projects with large gold endowments that were met with indefinite permit hurdles and/or local opposition and became orphaned, illiquid issuers.

- (d) **Special Committee Oversight** – The strategic review process was overseen by the Special Committee, which is comprised entirely of independent directors. The Arrangement Agreement is the result of extensive and deliberate arm’s length negotiations.
- (e) **Uncertainty regarding Extension of Nemesia S.à.r.l. Debt** – The Special Committee considered that the facility in respect of the existing Nemesia Debt matures in March 2025 and there is uncertainty as to whether it will be extended. Bluestone has drawn approximately US\$17 million under the Nemesia Debt. Bluestone has benefitted significantly from the inexpensive, readily available funding provided under the Nemesia Debt. If the Nemesia Debt is not extended, it will need to be repaid via a highly dilutive equity financing.
- (f) **Cash Consideration** - The Cash Consideration to be received under the Arrangement Agreement, as amended, provides Bluestone Shareholders with certainty of value, immediate liquidity, and removes the risk associated with Bluestone remaining an independent public entity amidst an uncertain outlook for the Cerro Blanco Project.
- (g) **Ownership in a Leading Americas-Focused Gold and Copper Producer** - Pursuant to the Share Consideration, Bluestone Shareholders will participate in any future increases in value in the Aura Shares that might result from future growth and the potential achievement of Aura’s long-term plans. Aura is a high-growth, multi-jurisdiction, gold and copper producer focused on the operation and development of gold and base metal projects in the Americas, with gold and copper projects in Brazil, Mexico, and Honduras, and future projects that are at different stages of development in Brazil and Colombia. The Aura Shares comprising the Share Consideration offer immediate liquidity, along with near- and medium-term growth, complemented by Aura’s technical, operational and financial capability.
- (h) **Potential Additional Consideration** - The Contingent Consideration provides the Bluestone Shareholders with an opportunity to receive up to an additional \$0.2120

per Bluestone Share if commercial production at the Cerro Blanco Project commences, subject to the terms of the Rights Indenture and the Arrangement Agreement, as amended.

- (i) **Bluestone Fairness Opinion** – The Bluestone Fairness Opinion received by the Bluestone Board and the Special Committee on October 25, 2024, provided that, as of the date thereof and subject to the assumptions, limitations and qualifications contained therein, the Consideration to be received by Bluestone Shareholders pursuant to the Arrangement is fair from a financial point of view to Bluestone Shareholders.
- (j) **Continued Exposure to Bluestone’s Assets** - Bluestone Shareholders, through the Share Consideration, will retain some exposure to the Bluestone’s assets, including the Cerro Blanco Project.
- (k) **Flexibility** – The Arrangement provides flexibility to the Bluestone Shareholders depending on their views on timeline for development of the Cerro Blanco Project. Bluestone Shareholders who do not wish to continue their exposure to the Cerro Blanco Project can elect to receive Cash Consideration or immediately sell the Aura Shares received as Share Consideration. For those Bluestone Shareholders that wish to continue their exposure to Cerro Blanco, they can elect to receive Share Consideration and/or use Cash Consideration to buy Aura Shares or CVRs in the open market.
- (l) **Current Company Financial Needs** – Bluestone’s cash on hand is not sufficient to fund Bluestone’s current planned operations. To fund those operations, Bluestone would need to raise additional equity or debt financing or monetize assets. In the current market for equity and debt financing and given the current volatility of the capital markets, there can be no assurance that Bluestone will be able to raise such additional financing on reasonable terms or at all. Further, any equity financing would likely be highly dilutive to Bluestone Shareholders. The Arrangement avoids the need for Bluestone to complete such financing or asset transactions.
- (m) **Credibility of Aura** – Aura has demonstrated commitment, credit worthiness and a track record of completing similar transactions which is indicative of the ability of

Aura to complete the transactions contemplated by the Arrangement Agreement, as amended. The Arrangement is not subject to a financing condition.

- (n) **Limited Conditionality and Execution Risk** - Aura's obligation to complete the Arrangement is subject to a limited number of conditions. In addition, the Special Committee considered the likelihood of receiving the required securityholder and court approvals for closing of the Arrangement in the time period set out in the Arrangement Agreement, as amended.
- (o) **Securityholder Approval** – The Arrangement Resolution must be approved by at least (i) 66⅔% of the votes cast by Bluestone Shareholders present or represented by proxy at the Meeting; (ii) 66⅔% of the votes cast by Bluestone Securityholders, voting together as a single class, present or represented by proxy at the Meeting; and (iii) a majority of the votes cast by Bluestone Shareholders other than votes attached to Bluestone Shares required to be excluded pursuant to MI 61-101.
- (p) **Court Approval** – In order to become effective, the Arrangement must be approved by the Court, which will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement to Bluestone Securityholders.
- (q) **Dissent Rights** – Registered Bluestone Shareholders will be provided with the right to exercise Dissent Rights in connection with the Arrangement.
- (r) **Voting Agreements** – Aura has entered into voting agreements with the Bluestone Locked-Up Securityholders who collectively beneficially own or control approximately 40% of the issued and outstanding Bluestone Securities, which provide, among other things, that such Bluestone Locked-Up Securityholders will vote in favour of the Arrangement subject to the terms and conditions of the voting agreements.
- (s) **Fiduciary Out** - Under the Arrangement Agreement, the Bluestone Board, in certain circumstances, is able to consider, accept and enter into a definitive agreement with respect to a Superior Proposal and terminate the Arrangement Agreement and the Termination Fee in those circumstances is reasonable in the circumstances and not preclusive of other offers.

THE MEETING AND APPROVALS

19. The record date for determining the Bluestone Securityholders entitled to receive notice of, attend and vote at the Meeting will be fixed as of November 12, 2024 (the “**Record Date**”).

20. In connection with the Meeting, Bluestone intends to send to each Bluestone Securityholder a copy of the following material and documentation substantially in the form as attached as Exhibits “A” to the Hemstead Affidavit. (the “**Meeting Materials**”):

- (a) the Circular (together with a cover letter to Bluestone Securityholders) which includes, among other things:
 - (i) a summary of the effects of the Arrangement;
 - (ii) a summary of the reasons for the recommendation of the Bluestone Board and the Special Committee;
 - (iii) the text of the Arrangement Resolution;
 - (iv) a copy of the Bluestone Fairness Opinion;
 - (v) the Plan of Arrangement;
 - (vi) a copy of the Interim Order; and
 - (vii) the text of Division 2 of Part 8 of the BCBCA setting out the dissent provisions of the BCBCA;
- (b) the applicable form of proxy and Letter of Transmittal and election form; and
- (c) a copy of the Notice of Hearing of Petition.

21. The Meeting Materials will be sent to Bluestone Securityholders no later than twenty-one (21) days before the Meeting.

22. All such documents may contain such amendments thereto as Bluestone may advise are necessary or desirable, provided such amendments are not inconsistent with the terms of the Interim Order.

QUORUM AND VOTING

23. It is proposed that the vote required to pass the Arrangement Resolution will be:
- (a) the affirmative vote of at least two-thirds of the votes cast by Bluestone Shareholders present in person or represented by proxy and entitled to vote at the Meeting;
 - (b) the affirmative vote of at least two-third of the votes cast by the Bluestone Securityholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class; and,
 - (c) the affirmative vote of a simple majority of the votes cast by Bluestone Shareholders present in person or represented by proxy and entitled to vote at the Meeting, other than votes attached to Bluestone Shares requires to be excluded pursuant to MI 61-101.

DISSENT RIGHTS

24. Each registered Bluestone Shareholder will have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order and the Final Order. Registered Bluestone Shareholders will be the only Bluestone Shareholders entitled to exercise rights of dissent. A beneficial holder of Bluestone Shares registered in the name of a broker, custodian, trustee, nominee or other intermediary who wishes to dissent must make arrangements for the registered Bluestone Shareholder to dissent on behalf of the beneficial holder of Bluestone Shares or, alternatively, make arrangements to become a registered Bluestone Shareholder.

25. In order for a registered Bluestone Shareholder to exercise such right of dissent (the “Dissent Right”):

- (a) a Dissenting Bluestone Shareholder must deliver a written notice of dissent which must be received by Bluestone at Bluestone c/o Blake, Cassels & Graydon LLP, Suite 3500 – 1133 Melville Street, Vancouver BC V6E 4E5 attention: Alexandra Luchenko, or by email to alexandra.luchenko@blakes.com, by no later than the day that is at least two days (excluding Saturdays, Sundays and holidays in the province of British Columbia) prior to the Meeting, or, in the case of any

adjournment or postponement of the Meeting, the date which is two business days prior to the date of the Meeting;

- (b) a vote against the Arrangement Resolution or an abstention will not constitute written notice of dissent;
- (c) a Dissenting Bluestone Shareholder must not have voted his, her or its Bluestone Shares at the Meeting, either by proxy or in person, in favor of the Arrangement Resolution;
- (d) a Dissenting Bluestone Shareholder must dissent with respect to all of the Bluestone Shares held by such person; and
- (e) the exercise of such Dissent Right must otherwise comply with the requirements of sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order and the Final Order.

26. Notice to the Bluestone Shareholders of their Dissent Right with respect to the Arrangement Resolution will be given by including information with respect to the Dissent Right in the Circular to be sent to Bluestone Shareholders in accordance with the Interim Order.

27. Subject to further order of this Court, the rights available to the Bluestone Shareholders under the BCBCA and the Plan of Arrangement to dissent from the Arrangement will constitute full and sufficient Dissent Rights for the Bluestone Shareholders with respect to the Arrangement.

UNITED STATES SECURITYHOLDERS

28. There are Bluestone Shareholders in the United States. The issuance of Aura Shares and CVRs in exchange for Bluestone Shares pursuant to the Arrangement has not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”), or applicable state securities laws. Bluestone hereby advises the Court that, based upon the Final Order, Aura intends to rely on the exemption from the registration requirements of the 1933 Act set forth in Section 3(a)(10) thereof, with respect to the issuance of Aura Shares and CVRs pursuant to the Arrangement.

29. In order to ensure that the exchange of Aura Shares and CVRs in exchange for Bluestone Shares pursuant to the Arrangement will be exempt from the registration requirements of the 1933 Act pursuant to Section 3(a)(10) thereof, it is necessary that:

- (a) prior to the hearing required to approve the Arrangement, the Court is advised of the intention of the parties to rely on Section 3(a)(10) of the 1933 Act based on the Court's approval of the Arrangement;
- (b) all persons entitled to receive Aura Shares and CVRs pursuant to the Arrangement are given adequate notice advising them of their rights to attend the hearing of the Court to approve of the Arrangement and are provided with sufficient information necessary for them to exercise that right; there cannot be any improper impediment to the appearance by such persons at the hearing of the Court to approve of the Arrangement (though the requirement to file a notice of an intention to appeal, will not be considered to be such an impediment);
- (c) all persons entitled to receive Aura Shares and CVRs pursuant to the Arrangement are advised that such Aura Shares and CVRs have not been registered under the 1933 Act and will be issued by Aura in reliance on the exemption from registration provided by Section 3(a)(10) of the 1933 Act;
- (d) the Interim Order specifies that each person entitled to receive Aura Shares and CVRs pursuant to the Arrangement will have the right to appear before the Court at the hearing of the Court to give approval of the Arrangement so long as they enter an appearance within a reasonable time; and
- (e) the Court holds a hearing before approving the procedural and substantive fairness of the terms and conditions of the Arrangement and issuing the Final Order, the Court finds, prior to approving the Final Order, that the terms and conditions of the issuance of Aura Shares and CVRs in exchange for Bluestone Shares pursuant to the Arrangement are fair and reasonable, both procedurally and substantively, to all persons who are entitled to receive Aura Shares and CVRs pursuant to the Arrangement, and the Final Order expressly states that the terms and conditions of the issuance of Aura Shares and CVRs in exchange for Bluestone Shares pursuant to the Arrangement are fair and reasonable, both procedurally and substantively, to all persons entitled to receive Aura Shares and CVRs pursuant to the Arrangement.

NO CREDITOR IMPACT

30. The Arrangement does not contemplate a compromise of any debt or any debt instruments of Bluestone and no creditor of Bluestone will be negatively affected by the Arrangement.

Part 3: LEGAL BASIS

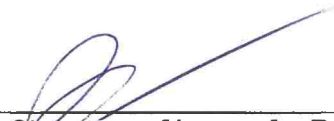
1. Sections 186 and 288 to 297 the BCBCA;
2. Rules 2-1(2)(b), 4-4, 4-5, 8-1 and 16-1 of the *Supreme Court Civil Rules*;
3. Section 3(a)(10) of the *United States Securities Act of 1933*; and
4. The equitable and inherent jurisdiction of the Court.

Part 4: MATERIALS TO BE RELIED ON

The Petitioner will rely on:

1. Affidavit #1 of Peter Hemstead, made on November 14, 2024;
2. Affidavit #2 of Peter Hemstead, to be sworn; and
3. Such further and other material as counsel may advise and this Honourable Court may allow.

Date: November 14, 2024



Signature of lawyer for Petitioner
Alexandra Luchenko

To be completed by the court only:

Order made

in the terms requested in paragraphs of
Part 1 of this petition

with the following variations and additional terms:

.....
.....
.....
.....
.....

Date:[dd/mmm/yyyy].....

.....

Signature of Judge Associate Judge

**ENDORSEMENT ON ORIGINATING PETITION
FOR SERVICE OUTSIDE BRITISH COLUMBIA**

The Petitioner claims the right to serve this Petition outside British Columbia on the grounds enumerated in Sections 10(e) and 10(h) of the *Court Jurisdiction and Proceedings Transfer Act*, that the proceeding:

(e) concerns contractual obligations, and

(i) the contractual obligations, to a substantial extent, were to be performed in British Columbia,

(ii) by its express terms, the contract is governed by the law of British Columbia, or

(iii) the contract

(A) is for the purchase of property, services or both, for use other than in the course of the purchaser's trade or profession, and

(B) resulted from a solicitation of business in British Columbia by or on behalf of the seller, and

(h) concerns a business carried on in British Columbia.

APPENDIX "A"

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
BLUESTONE RESOURCES INC.
AND AURA MINERALS INC.

BLUESTONE RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE) 18/Nov/2024
)
)

ON THE APPLICATION of the Petitioner, Bluestone Resources Inc. ("**Bluestone**") for an Interim Order pursuant to its Petition filed on November 14, 2024.

- [x] without notice coming on for hearing at Vancouver, British Columbia on November 18, 2024 and on hearing Alexandra Luchenko, counsel for the Petitioner and upon reading the Petition herein and the Affidavit of Peter Hemstead sworn on November 14, 2024 and filed herein (the "**Hemstead Affidavit**"); and upon being advised that it is the intention of Aura Minerals Inc. ("**Aura**") to rely upon Section 3(a)(10) of the United States Securities Act of 1933, as amended (the "**1933 Act**"), as a basis for an exemption from the registration requirements of the 1933 Act with respect to securities of Aura issued under the proposed Plan of Arrangement based on the Court's approval of the Arrangement, which approval through the issuance of the Final Order will constitute its determination of the fairness of the Arrangement;

THIS COURT ORDERS THAT:

DEFINITIONS

1. As used in this Interim Order, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the information circular entitled Draft Management Information Circular and Notice of Special Meeting of Bluestone Shareholders and Bluestone Optionholders (collectively, the "**Circular**") attached as Exhibit "A" to the Hemstead Affidavit.

MEETING

2. Pursuant to Sections 186, 288, 289, 290 and 291 of the *Business Corporations Act*, S.B.C., 2002, c. 57, as amended (the "**BCBCA**"), Bluestone is authorized and directed to call, hold and conduct a special meeting of the holders ("**Bluestone Shareholders**") of common shares of Bluestone ("**Bluestone Shares**") and the holders of option to purchase Bluestone Shares (the "**Bluestone Options**", the holders of which are the "**Bluestone Optionholders**" and with the Bluestone Shareholders, the "**Bluestone Securityholders**") at 10:00 am (Vancouver time) on December 19, 2024, at Suite 3500-1133 Melville Street, Vancouver, British Columbia, V6E 4E5, (the "**Meeting**"):

- (a) to consider and, if thought advisable, to pass a special resolution (the "**Arrangement Resolution**") approving an arrangement (the "**Arrangement**") under Division 5 of Part 9 of the BCBCA, the full text of which is set forth in Appendix "A" to the Circular, on the terms and subject to the conditions set out in a plan of arrangement (the "**Plan of Arrangement**") as more particularly described in the Circular and substantially in the form attached as Appendix "B" to the Circular; and
- (b) to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

3. The Meeting will be called, held and conducted in accordance with the BCBCA, the articles of Bluestone and the Circular, subject to the terms of this Interim Order, and any further order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order.

ADJOURNMENT

4. Notwithstanding the provisions of the BCBCA and the articles of Bluestone, Bluestone, if it deems advisable, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Bluestone Securityholders respecting such adjournment or postponement and without the need for approval of the Court. Notice of any such adjournments or postponements will be given by news release, newspaper advertisement, or by notice sent to Bluestone Securityholders by one of the methods specified in paragraphs 9 and 10 of this Interim Order.

5. The Record Date (as defined in paragraph 7 below) will not change in respect of any adjournments or postponements of the Meeting.

AMENDMENTS

6. Prior to the Meeting, Bluestone is authorized to make such amendments, revisions or supplements to the proposed Arrangement and the Plan of Arrangement, in accordance with the terms of the Arrangement Agreement, without any additional notice to the Bluestone Securityholders and the Arrangement and Plan of Arrangement as so amended, revised and supplemented will be the Arrangement and Plan of Arrangement submitted to the Meeting, and the subject of the Arrangement Resolution.

RECORD DATE

7. The record date for determining the Bluestone Securityholders entitled to receive notice of, attend and vote at the Meeting will be close of business on November 12, 2024 (the "Record Date").

NOTICE OF MEETING

8. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of Section 290(1)(a) of the BCBCA, and Bluestone will not be required to send to the Bluestone Securityholders any other or additional statement pursuant to Section 290(1)(a) of the BCBCA.

9. The Circular, the form of proxy, letter of transmittal and election form, and the Notice of Hearing of Petition (collectively referred to as the "Meeting Materials"), in substantially the same form as contained in Exhibits "A", "B" and "C" to the Hemstead Affidavit, with such deletions, amendments or additions thereto as counsel for Bluestone may advise are necessary

or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order, will be sent to:

- (a) the registered Bluestone Securityholders as they appear on the central securities register of Bluestone or the records of its registrar and transfer agent as at the close of business on the Record Date, such Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, by one or more of the following methods:
 - (i) by prepaid ordinary or air mail addressed to the Bluestone Securityholders at their addresses as they appear in the applicable records of Bluestone or its registrar and transfer agent as at the Record Date;
 - (ii) by delivery in person or by courier to the addresses specified in paragraph 9 (a)(i) above; or
 - (iii) by email or facsimile transmission to any Bluestone Securityholders who has previously identified himself, herself or itself to the satisfaction of Bluestone acting through its representatives, who requests such email or facsimile transmission and then in accordance with such request;
- (b) in the case of non-registered Bluestone Shareholders, by providing copies of the Meeting Materials to intermediaries and registered nominees for sending to such beneficial owners in accordance with the procedures prescribed by *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer of the Canadian Securities Administrators* at least three (3) Business Days prior to the twenty-first (21st) day prior to the date of the Meeting; and
- (c) the directors and auditors of Bluestone by mailing the Meeting Materials by prepaid ordinary mail, or by email or facsimile transmission, to such persons at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or transmittal;

and substantial compliance with this paragraph will constitute good and sufficient notice of the Meeting.

10. Accidental failure of, or omission of, or delay by Bluestone to give notice to any one or more Bluestone Securityholders any other persons entitled thereto, or the non-receipt of such notice by one or more Bluestone Securityholders, or any other persons entitled thereto, or any failure or omission to give such notice as a result of events beyond the reasonable control of Bluestone (including, without limitation, any inability to use postal services), will not constitute a breach of this Interim Order or a defect in the calling of the Meeting, and will not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Bluestone, then it will use reasonable best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

11. Provided that notice of the Meeting is given and the Meeting Materials and Notice Materials are provided to the Bluestone Securityholders and other persons entitled thereto in compliance with this Interim Order, the requirement of Section 290(1)(b) of the BCBCA to include certain disclosure in any advertisement of the meeting is waived.

DEEMED RECEIPT OF NOTICE

12. The Meeting Materials and Notice Materials will be deemed, for the purposes of this Interim Order, to have been served upon and received:

- (a) in the case of mailing pursuant to paragraph 9(a)(i) above, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;
- (b) in the case of delivery in person pursuant to paragraph 9(a)(ii) above, the day following personal delivery or, in the case of delivery by courier, the day following delivery to the person's address in paragraph 9 above; and
- (c) in the case of any means of transmitted, recorded or electronic communication pursuant to paragraph 9(a)(iii) above, when dispatched or delivered for dispatch.

UPDATING MEETING MATERIALS

13. Notice of any amendments, updates or supplement to any of the information provided in the Meeting Materials and Notice Materials may be communicated to the Bluestone Securityholders or other persons entitled thereto by news release, newspaper advertisement or by notice sent to the Bluestone Securityholders or other persons entitled thereto by any of the means set forth in paragraphs 9 and 10 of this Interim Order, as determined to be the most appropriate method of communication by the Board of Directors of Bluestone.

QUORUM AND VOTING

14. The quorum required at the Meeting will be at least one person present in person or by proxy.
15. The vote required to pass the Arrangement Resolution will be the affirmative vote of:
- (a) at least two-thirds of the votes cast by Bluestone Shareholders present in person or represented by proxy and entitled to vote at the Meeting;
 - (b) at least two-third of the votes cast by the Bluestone Securityholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class; and,
 - (c) a simple majority of the votes cast by Bluestone Shareholders present in person or represented by proxy and entitled to vote at the Meeting, other than votes attached to Bluestone Shares requires to be excluded pursuant to MI 61-101.
16. In all other respects, the terms, restrictions and conditions set out in the articles of Bluestone will apply in respect of the Meeting.

PERMITTED ATTENDEES

17. The only persons entitled to attend the Meeting will be (i) registered Bluestone Securityholders or their respective proxyholders as of the Record Date, (ii) Bluestone's directors, officers, auditors and advisors, (iii) representatives of Aura, and (iv) any other person admitted on the invitation of the Chair of the Meeting or with the consent of the Chair of the Meeting, and the only persons entitled to be represented and to vote at the Meeting will be the Bluestone Securityholders as at the close of business on the Record Date, or their respective proxyholders.

SCRUTINEERS

18. Representatives of Bluestone's registrar and transfer agent (or any agent thereof) are authorized to act as scrutineers for the Meeting.

SOLICITATION OF PROXIES

19. Bluestone is authorized to use the form of proxy and letter of transmittal and election form in connection with the Meeting, in substantially the same form as attached as Exhibit

“B” to the Hemstead Affidavit and Bluestone may in its discretion waive generally the time limits for deposit of proxies by Bluestone Securityholders if Bluestone deems it reasonable to do so. Bluestone is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communication as it may determine.

20. The procedure for the use of proxies at the Meeting will be as set out in the Meeting Materials. Bluestone may in its discretion waive the time limits for the deposit of proxies by Bluestone Securityholders if Bluestone deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

DISSENT RIGHTS

21. Each registered Bluestone Shareholder will have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of Sections 237 to 247 of the BCBCA, as modified by the terms of this Interim Order, the Plan of Arrangement and the Final Order.

22. Registered Bluestone Shareholders will be the only Bluestone Shareholders entitled to exercise rights of dissent. A beneficial holder of Bluestone Shares registered in the name of a broker, custodian, trustee, nominee or other intermediary who wishes to dissent must make arrangements for the registered Bluestone Shareholder to dissent on behalf of the beneficial holder of Bluestone Shares or, alternatively, make arrangements to become a registered Bluestone Shareholder.

23. In order for a registered Bluestone Shareholder to exercise such right of dissent (the “**Dissent Right**”):

- (a) a Dissenting Bluestone Shareholder must deliver a written notice of dissent which must be received by Bluestone at Bluestone c/o Blake, Cassels & Graydon LLP, Suite 3500 – 1133 Melville Street, Vancouver BC V6E 4E5 attention: Alexandra Luchenko, or by email to alexandra.luchenko@blakes.com, by no later than the day that is at least two days (excluding Saturdays, Sundays and holidays in the province of British Columbia) prior to the Meeting, or, in the case of any adjournment or postponement of the Meeting, the date which is two business days prior to the date of the Meeting;

- (b) a vote against the Arrangement Resolution or an abstention will not constitute written notice of dissent;
- (c) a Dissenting Bluestone Shareholder must not have voted his, her or its Bluestone Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;
- (d) a Dissenting Bluestone Shareholder must dissent with respect to all of the Bluestone Shares held by such person; and
- (e) the exercise of such Dissent Right must otherwise comply with the requirements of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order.

24. Notice to the Bluestone Shareholders of their Dissent Right with respect to the Arrangement Resolution will be given by including information with respect to the Dissent Right in the Circular to be sent to Bluestone Shareholders in accordance with this Interim Order.

25. Subject to further order of this Court, the rights available to the Bluestone Shareholders under the BCBCA and the Plan of Arrangement to dissent from the Arrangement will constitute full and sufficient Dissent Rights for the Bluestone Shareholders with respect to the Arrangement.

APPLICATION FOR FINAL ORDER

26. Upon the approval, with or without variation, by the Bluestone Securityholders of the Arrangement, in the manner set forth in this Interim Order, Bluestone may apply to this Court for, *inter alia*, an order:

- (a) pursuant to BCBCA Sections 291(4)(a) and 295, approving the Arrangement; and
- (b) pursuant to BCBCA Section 291(4)(c) declaring that the terms and conditions of the Arrangement, and the exchange of securities to be effected by the Arrangement, are procedurally and substantively fair and reasonable to those who will receive securities in the exchange

(collectively, the “**Final Order**”),

and the hearing of the Final Order will be held on January 6, 2025 at 9:45 a.m. (Vancouver time)

at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the hearing of the Final Order can be heard, or at such other date and time as this Court may direct. The hearing of the Petition in this matter is hereby adjourned to January 6, 2025.

27. The form of Notice of Hearing of Petition attached to the Hemstead Affidavit as Exhibit "C" is hereby approved as the form of Notice of Proceedings for such approval. Any Bluestone Securityholder or any other interested person has the right to appear (either in person or by counsel) and make submissions at the hearing of the application for the Final Order, subject to the terms of this Interim Order.

28. Any Bluestone Securityholder or other interested person seeking to appear at the hearing of the application for the Final Order must:

- (a) file and deliver a Response to Petition (a "**Response**") in the form prescribed by the *Supreme Court Civil Rules*, and a copy of all affidavits or other materials upon which they intend to rely, to the Petitioner's solicitors at:

Blake, Cassels & Graydon LLP
Barristers and Solicitors
1133 Melville Street
Suite 3500, The Stack
Vancouver, BC V6E 4E5

Attention: Alexandra Luchenko

by or before 4:00 p.m. (Vancouver time) on January 2, 2025.

29. Sending the Notice of Hearing of Petition and this Interim Order in accordance with paragraph 9 of this Interim Order will constitute good and sufficient service of this proceeding and no other form of service need be made and no other material need be served on persons in respect of these proceedings. In particular, service of the Petition herein and the accompanying Affidavit and additional Affidavits as may be filed, is dispensed with.

30. In the event the hearing for the Final Order is adjourned, only those persons who have filed and delivered a Response in accordance with this Interim Order need be provided with notice of the adjourned hearing date and any filed materials.

31. Notwithstanding paragraphs 27, 28 and 30 of this Interim Order, Aura shall be entitled to appear and make submissions at the application for the Final Order, and to receive notice of any adjournment of the application for the Final Order, without having filed and delivered a Response.

VARIANCE

32. Bluestone will be entitled, at any time, to apply to vary this Interim Order or for such further order or orders as may be appropriate.

33. To the extent of any inconsistency or discrepancy between this Interim Order and the Circular, the BCBCA, applicable Securities Laws or the articles of Bluestone, this Interim Order will govern.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS INTERIM ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of lawyer for Petitioner
Alexandra Luchenko

BY THE COURT

REGISTRAR

No. _____
Vancouver Registry

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

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
BLUESTONE RESOURCES INC.
AND AURA MINERALS INC.

BLUESTONE RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION

Alexandra Luchenko
Blake, Cassels & Graydon LLP
Barristers and Solicitors
1133 Melville Street
Suite 3500, The Stack
Vancouver, BC V6E 4E5
(604) 631-3300

Agent: Dye & Durham