

# **ARRANGEMENT AGREEMENT**

**ABZU RESOURCES LTD.**

**- and -**

**TOTEM MINERALS INC.**

October 12, 2010

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## ARRANGEMENT AGREEMENT

THIS AGREEMENT made the 12<sup>th</sup> day of October, 2010.

BETWEEN:

**ABZU RESOURCES LTD.** a company incorporated under the laws of  
British Columbia;

("Abzu")

AND:

**TOTEM MINERALS INC.**, a company incorporated under the laws of  
British Columbia;

("Totem")

WHEREAS:

- A. The boards of directors of each of Abzu and Totem have determined that it would be in the best interests of Abzu and Totem to combine the businesses carried on by each of them.
- B. Abzu and Totem have entered into a letter of intent dated June 17, 2010 (the "Letter of Intent") pursuant to which, among other things, Totem has agreed to purchase from the securityholders of Abzu all of the outstanding common shares of Abzu in consideration of the issuance of common shares of Totem on the basis set out in the Letter of Intent (the "Transaction").
- C. The parties have agreed to effect the Transaction by way of a plan of arrangement (the "Arrangement") and, in this regard, Abzu intends to propose the Arrangement to its shareholders, under Section 288 of the *Business Corporations Act*, on the terms and conditions set forth in the Plan of Arrangement attached as Schedule A to this Agreement.
- D. Totem is a Tier 2 company listed on the Exchange, and has agreed that the Transaction and the Private Placement will constitute a Fundamental Acquisition under the policies of the Exchange.
- E. Subsequent to the Arrangement the directors of Totem may, if they deem it to be appropriate, cause Totem and Abzu to amalgamate pursuant to Section 273 of the Business Corporations Act.
- F. The parties have agreed to enter into this Agreement setting out the terms and conditions on which the Arrangement will be carried out.

NOW THEREFORE in consideration of the mutual covenants and agreements herein contained and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereto hereby agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

In this Agreement:

- (a) "1933 Act" means the United States Securities Act of 1933, as amended;
- (b) "1934 Act" means the United States Securities Exchange Act of 1934, as amended;
- (c) "1940 Act" means the United States Investment Company Act of 1940, as amended;
- (d) "Abzu" means Abzu Resources Ltd. a company incorporated under the laws of British Columbia and where applicable includes Abzu's wholly owned Ghanaian subsidiary Abzu Resources Ghana Ltd.;
- (e) "Abzu Circular" means the notice of the Abzu Meeting and the accompanying management information circular, including all schedules thereto, to be mailed to the Abzu Shareholders and others in connection with the Abzu Meeting, together with any amendments or supplements thereto;
- (f) "Abzu Financial Statements" means the audited financial statements for the financial years ended December 31, 2008 and 2009 and the interim financial statements for the 6 month period ended June 30, 2010;
- (g) "Abzu Meeting" means the special meeting of Abzu Shareholders and any adjournment thereof to be held to consider and, if deemed advisable, approve the Abzu Resolutions;
- (h) "Abzu Order" means the interim court order of the Court providing for, among other things, the calling and holding of the Abzu Meeting following the application therefor contemplated by Section 2.1, as the same may be amended, supplemented or varied by the Court;
- (i) "Abzu Resolutions" means the special resolutions of the holders of Abzu Shares approving the Transaction and the Plan of Arrangement as required by the Abzu Order, attached hereto as Schedule E;
- (j) "Abzu Shareholders" means at any time the holders at that time of Abzu Shares;
- (k) "Abzu Shares" means the common shares in the capital of Abzu;
- (l) "Abzu Warrants" means the 400,000 common share purchase warrants of Abzu to be issued, pursuant to the Finder's Commitment each of which will entitle the holder to acquire an additional Abzu Share at a price of \$0.30 per share until November 30, 2014.
- (m) "Agreement" means this Agreement (including the Schedules hereto) as the same may be supplemented or amended from time to time;
- (n) "Alternative Company Transaction" means an amalgamation, merger, arrangement or other business combination of or involving either of Totem or Abzu, the sale, lease, exchange, transfer or other disposition of any material portion of the assets of either of

Totem or Abzu (except as may be contemplated in this Agreement and the Plan of Arrangement), the adoption of any plan of liquidation or dissolution of or involving Totem or Abzu, or any similar transaction of or involving either of Totem or Abzu, other than pursuant to this Agreement and the Plan of Arrangement;

- (o) “Applicable Securities Laws” means the applicable securities laws of the Provinces of British Columbia and Alberta and the respective rules and regulations thereunder together with all applicable published policy statements, orders, notices and rulings of the British Columbia Securities Commission and the Alberta Securities Commission in effect as of the date hereof;
- (p) “Arrangement” means the arrangement under Section 288 of the Business Corporations Act on the terms and conditions set out in the Plan of Arrangement attached as Schedule A and any amendment or variation thereto;
- (q) “Business” means the business currently carried on by Abzu, specifically, the exploration of minerals in Ghana through its Subsidiary;
- (r) “Business Corporations Act” means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended;
- (s) “Business Day” means any day which is not a Saturday, Sunday or a day on which banks are not open for business in the relevant place;
- (t) “Competing Offer” means any offer, other than the Arrangement, involving either of Totem or Abzu for (i) the direct or indirect acquisition of Abzu Shares or Totem Shares, as applicable, representing more than 25% of the number of such shares then outstanding; or (ii) any amalgamation, merger, sale of Abzu assets or Totem assets, as applicable, representing more than 25% of the book value of such assets on a consolidated basis, take-over bid, plan of arrangement, exchange offer, reverse take-over or other business combination or similar transaction involving Abzu or Totem, as applicable, or its assets;
- (u) “Court” means the Supreme Court of British Columbia;
- (v) “Disclosure Letter” means the letter set out in Schedule F;
- (w) “Dissenting Shareholder” means an Abzu Shareholder who exercises a right of dissent ordered by the Court with respect to the Arrangement;
- (x) “Effective Date” means the date that is five business days after the last of the conditions precedent to the completion of the Arrangement have been satisfied or waived, or such earlier or later date as is agreed to by the parties hereto;
- (y) “Exchange” means the TSX Venture Exchange;
- (z) “Final Order” means the final order of the Court approving the Arrangement following the application therefor contemplated by Section 2.1, as such order may be amended by the Court at any time prior to the Effective Date or, if appealed then, unless such appeal is withdrawn or denied, as affirmed;

- (aa) “Finder’s Commitment” is the contractual obligation of Abzu to issue the Abzu Warrants to a third party;
- (bb) “Governmental Entity” means any (i) federal, provincial, state, territorial, regional, municipal, local or other government, governmental or public department, court, tribunal, arbitral body, commission, board or agency; (ii) any subdivision, agent, commission, board or authority of any of the foregoing; or (iii) any quasi-governmental or private body exercising any regulatory, expropriatory or taxing authority under or for the account of any of the foregoing;
- (cc) “Interim Order” means the interim order of the Court, as the same may be amended, in respect of the Arrangement, providing for, among other things, the calling and holding of the Abzu Meeting;
- (dd) “Laws” means all laws, statutes, codes, ordinances, decrees, rules, regulations, by-laws, judicial or arbitral administrative or ministerial or departmental or regulatory judgments, orders, decisions, policies, guidelines, rulings or awards, including general principles of common law, legally binding on the Person referred to in the context in which the word is used;
- (ee) “Material Adverse Change” means, with respect to any party, a change in the business, operations, assets or ownership of the party that would reasonably be expected to have a significant adverse effect on the market price or value of any of the securities of that party;
- (ff) “Material Adverse Effect” means, with respect to any party, any condition, event or development which is or would reasonably be expected to have a material adverse effect on the business, operations or financial condition of that party and its Subsidiaries taken as a whole;
- (gg) “Non-Arm’s Length Parties” has the meaning given in Policy 1.1 of the Exchange;
- (hh) “Person” includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, a natural person in his capacity as trustee, executor, administrator, or other legal representative and the Crown or any agency or instrumentality thereof;
- (ii) “Plan of Arrangement” means the plan of arrangement set out in Schedule A, as amended or supplemented from time to time in accordance with any order of the Court;
- (jj) “Private Placement” means the offering of 14,000,000 Totem Subscription Receipts;
- (kk) “Registrar” means the Registrar of Companies appointed under Section 400 of the Business Corporations Act;
- (ll) “SEC” means the United States Securities and Exchange Commission;
- (mm) “Section 3(a)(10) Exemption” has the meaning ascribed thereto in Section 4.1;
- (nn) “Subsidiary”, as that term applies to Totem and Abzu, means a subsidiary within the meaning of Section 2(2) of the Business Corporations Act;

- (oo) “Superior Proposal” means any Competing Offer or proposal for an Alternative Company Transaction that in the good faith determination of the board of directors of Totem or Abzu, as the case may be, after consultation with its outside legal counsel (a) is reasonably capable of being completed, taking into account all legal, financial, regulatory and other aspects of such proposal and the party making such proposal, and (b) would, if consummated in accordance with its terms, result in a transaction more favourable to its shareholders than the transaction contemplated by this Agreement;
- (pp) “Totem” means Totem Minerals Inc. a company incorporated under the laws of British Columbia;
- (qq) “Totem Finder’s Warrants” means the 200,000 share purchase warrants of Totem issued in full satisfaction of the Finder’s Commitment each of which will entitle the holder to acquire an additional Totem Share at a price of \$0.60 per share until Nov 30, 2014;
- (rr) “Totem Name Change” means the change of name of Totem to “Abzu Resources Ltd.”;
- (ss) “Totem Shareholders” means at any time the holders at that time of Totem Shares;
- (tt) “Totem Shares” means the common shares in the capital of Totem;
- (uu) “Totem Subscription Receipts” means the subscription receipts to be issued pursuant to the Private Placement at a price of \$0.50 per Totem Subscription Receipt, each of which will be exercisable into one Totem Share and one Totem Warrant;
- (vv) “Totem Warrants” means the common share purchase warrants of Totem issued pursuant to the Private Placement, which will comprise part of each of the Totem Subscription Receipts and each of which will entitle the holder to acquire an additional Totem Share at a price of \$0.75 per share for a period of 12 months following the closing date of the Private Placement, subject to Totem’s right to accelerate the exercise of warrants if the closing price of the Totem’s shares on the Exchange is equal to or exceeds \$1.00 per share for a period of 20 consecutive trading days during the period between four months plus one day from the date of issuance of the Totem Warrants and the date of the expiry of the Totem Warrants;
- (ww) “Transaction” means the purchase from the Abzu Shareholders of all of the Abzu Shares in consideration of the issuance of the Totem Shares and the issuance of the Totem Finder’s Warrants in full satisfaction of the Finder’s Commitment on the basis set out in this Agreement;
- (xx) “United States” or “U.S.” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia; and
- (yy) “U.S. Person” has the meaning ascribed to it in Regulation S of the 1933 Act.

## **1.2 Currency**

Except where otherwise specified, all sums of money which are referred to in this Agreement are expressed in lawful money of Canada.

**1.3 Interpretation Not Affected by Headings, etc.**

The division of this Agreement into articles, sections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “the Agreement”, “hereof”, “herein”, “hereunder”, and similar expressions refer to this Agreement and the schedules hereto and not to any particular article, section or other portion hereof and include any agreement, schedule or instrument supplementary or ancillary hereto.

**1.4 Number, etc.**

Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa; words importing the use of any gender shall include all genders; and words importing persons shall include firms and corporations and vice versa.

**1.5 Date of any Action**

In the event that any date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

**1.6 Accounting Principles**

Whenever in this Agreement reference is made to generally accepted accounting principles, such reference shall be deemed to be the Canadian generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants, or any successor thereto, applicable as at the date on which such calculation is made or required to be made in accordance with generally accepted accounting principles.

**ARTICLE 2  
THE ARRANGEMENT**

**2.1 The Arrangement**

- (a) Totem and Abzu agree that the Arrangement shall be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement.
- (b) Abzu will, as soon as reasonably practicable, but in any event not later than October 25, 2010 or such other date as is agreed to by the parties, apply to the Court pursuant to Section 291 of the Business Corporations Act for an Abzu Order providing for, among other things, the calling and holding of the Abzu Meeting for the purpose of considering and, if deemed advisable, approving the Arrangement.
- (c) Abzu will convene and use commercially reasonable efforts to hold the Abzu Meeting in accordance with the Abzu Order.
- (d) If the Arrangement is approved at the Abzu Meeting in accordance with the Abzu Order, Abzu will, as soon as reasonably practicable thereafter, apply to the Court for the Final Order.

- (e) If the Final Order is obtained, subject to the satisfaction, waiver or release of the conditions set forth in Article 5 (as confirmed by each party to the other in writing), Abzu will, as soon as reasonably practicable thereafter, make any additional filings required under Section 292 of the Business Corporations Act.
- (f) The Arrangement shall become effective on the Effective Date.

### **ARTICLE 3 REPRESENTATIONS AND WARRANTIES**

#### **3.1 Mutual Representations and Warranties**

Each party represents and warrants to the other party as follows and acknowledges that the other party is relying upon such representations and warranties in connection with entering into this Agreement:

- (a) it is duly incorporated and validly existing under the laws of its respective jurisdiction of incorporation and has the corporate power and capacity to own, lease and operate its properties and assets and to carry on its business as is now being carried on by it;
- (b) it has the corporate power and authority to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated herein and, in the case of Abzu, each of the Plan of Arrangement and this Agreement has been duly authorized, executed and delivered by it and constitutes a legal, valid and binding obligation of it enforceable in accordance with its terms, subject to bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and the availability of equitable remedies;
- (c) the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein and in the Plan of Arrangement do not and will not (nor will they with the giving of notice or the lapse of time or both): (i) contravene, breach or result in any default under any Law applicable to it, or any of its properties or assets or, (subject to compliance with any Laws contemplated by this Agreement); (ii) contravene, breach or result in any default under its constating documents or by-laws; (iii) contravene, breach or result in any default under or termination of, or accelerate or permit the acceleration of the performance required by, any material agreement, covenant, undertaking, commitment, instrument, licence or permit to which it or, is a party or by which it is bound or to which the property or assets of it is subject; or (iv) result in the cancellation, suspension or material alteration in the terms of any material licence, permit or authority held by it or in the creation of any lien, charge, security interest or encumbrance upon any of its properties or assets;
- (d) it is conducting its businesses in compliance, in all material respects, with all Laws of each jurisdiction in which its business is carried on and has obtained all licenses, approvals, permits and concessions necessary to carry on business as now being carried on by it; and
- (e) except as provided in the Disclosure Letter, there is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal), arbitration or other dispute settlement procedure, investigation or inquiry by any governmental,

administrative, regulatory or similar body, or any similar matter or proceeding (collectively, "proceedings") against or involving it, in respect of its businesses, properties or assets (whether in progress or, to the best of its knowledge after due inquiry, threatened). To the best of its knowledge, no event has occurred which might reasonably be expected to give rise to any proceedings and there is no judgment, decree, injunction, rule, award or order of any court, government department, board, commission, agency, arbitrator or similar body outstanding against it in respect of its businesses, properties or assets.

### **3.2 Representations and Warranties of Totem**

Totem represents and warrants to Abzu as follows and acknowledges that Abzu is relying upon these representations and warranties in connection with entering into this Agreement:

- (a) the authorized capital of Totem consists of an unlimited number of common shares without par value, of which 23,024,001 common shares are issued and outstanding as fully paid and non-assessable shares as of the date of this Agreement;
- (b) Totem has no outstanding agreements, subscriptions, warrants, options or commitments (nor has it granted any rights or privileges capable of becoming an agreement, subscription, warrant, option or commitment) obligating it to issue additional shares or other securities or securities convertible into or exchangeable for shares or other securities, except as described in Schedule B hereto;
- (c) the Totem Audited Financial Statements have been prepared in accordance with generally accepted accounting principles applied on a consistent basis except as otherwise stated in the notes to such statements and present fairly, in all material respects, the financial position of Totem for the periods and as at the dates thereof;
- (d) except for the entering into of this Agreement and the transaction contemplated herein, since March 31, 2010, Totem has conducted its business only in the ordinary course consistent with past practice; Totem has no material liability or material obligation of any nature (whether accrued, absolute, contingent or otherwise) not reflected in the Totem Audited Financial Statements and since that date no liability or obligation of any nature (whether accrued, absolute, contingent or otherwise) has been incurred, nor does there exist or has there occurred (or been threatened) any change (or any condition or event) which, individually or in the aggregate, would or does have a Material Adverse Effect;
- (e) since March 31, 2010, Totem has not declared or paid any dividend or made any distribution of its properties or assets to shareholders;
- (f) Totem is a "reporting issuer" within the meaning of the *Securities Act* (British Columbia), and the *Securities Act* (Alberta) and is not a "reporting issuer" in any other jurisdiction of Canada, and, to the best of its knowledge, is not in default of any material provision of Applicable Securities Laws; the Totem Shares are listed on the Exchange; all documents and information filed by Totem under Applicable Securities Laws, and the rules and policies of the Exchange, including: (i) the Totem Audited Financial Statements; (ii) the management proxy circular relating to Totem's 2009 annual general meeting of shareholders held on December 30, 2009; and (iii) all material change reports and press releases filed since March 31, 2010, are, as of their respective dates, in compliance in all material respects with Applicable Securities Laws and the rules and policies of the

Exchange and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and Totem is up-to-date in all its filings under such Applicable Securities Laws and the rules and policies of the Exchange;

- (g) since March 31, 2010, Totem has not made any increase in the compensation or other benefits payable or to become payable to its employees, directors or officers or any of them, other than general salary increases made in the ordinary course of the business, consistent with past practice; Totem has not entered into any written employment agreements with any of its officers or other employees, other than as disclosed in the Totem Audited Financial Statements and the Totem information circular;
- (h) all material information relating to the business, assets, properties, capitalization and financial condition of Totem provided by Totem to Abzu is true, accurate and complete in all material respects and does not contain any untrue statement of any material fact or omit to state any material fact necessary in order to make such information not misleading;
- (i) Totem has not incurred any liability or agreed to pay or reimburse any broker, finder, financial adviser or investment banker for any brokerage, finder's, advisory or other fee or commission, or for the reimbursement of expenses, in connection with this Agreement or the transactions contemplated hereby or in the Plan of Arrangement; and
- (j) Totem (i) is a "foreign private issuer" as defined in Rule 405 under the 1933 Act, (ii) has no class of securities outstanding that is or is required to be registered under Section 12 of the 1934 Act or that is subject to the reporting requirements of Section 13 or 15(d) of the 1934 Act, (iii) is not registered or required to register and will not as a result of the completion of the Arrangement and the issuance of the Totem Shares be required to register as an investment company under the 1940 Act and (iv) is not a "shell company", as such term is defined in Rule 405 under the 1933 Act.

### **3.3 Representations and Warranties of Abzu**

Abzu represents and warrants to Totem as follows and acknowledges that Totem is relying upon these representations and warranties in connection with entering into this Agreement:

- (a) the authorized capital of Abzu consists of an unlimited number of common shares of which 27,535,007 common shares are issued and outstanding as fully paid and non-assessable shares as at the date of this Agreement;
- (b) Abzu is duly qualified to carry on business in each jurisdiction in which the character of its respective properties and assets, owned or leased, or the nature of its activities makes such qualification necessary;
- (c) other the Finder's Commitment Abzu has no outstanding agreements, subscriptions, warrants, options, or commitments (nor has it granted any rights or privileges capable of becoming an agreement, subscription, warrant, option or commitment) obligating it to issue additional shares or other securities or securities convertible or exchangeable for shares or other securities, except as described in Schedule B hereto;

- (d) the Abzu Financial Statements have been prepared in accordance with generally accepted accounting principles applied on a consistent basis except as otherwise stated in the notes to such statements and present fairly, in all material respects, on a consolidated basis, the financial position of Abzu for the periods and as at the dates thereof; the notes to such financial statements do not contain any misstatement of a material fact nor do they omit to state a material fact required to make any statement contained therein not untrue or misleading;
- (e) except as disclosed in the Disclosure Letter, Abzu has no material liabilities or obligations of any nature (whether accrued, absolute, contingent or otherwise) not reflected in the Abzu Financial Statements and no liability or obligation of any nature (whether accrued, absolute, contingent or otherwise) has been incurred, nor does there exist or has there occurred (or been threatened) any change (or any condition, event or development involving a prospective change), which, individually or in the aggregate, would or does have a Material Adverse Effect;
- (f) Abzu is the beneficial owner of the properties and assets described as being owned by it in the Abzu Financial Statements with good and marketable title to such properties free and clear of encumbrances except as disclosed in the Abzu Financial Statements and except as otherwise disclosed in Schedule C hereto;
- (g) Abzu is not a reporting issuer in any jurisdiction of Canada, none of Abzu's securities are listed on any stock exchange and there is not a published market in respect of any of Abzu's securities or on which any of Abzu's securities are traded;
- (h) All material information relating to the business, assets, properties, capitalization and financial condition of Abzu provided by Abzu to Totem is true, accurate and complete in all material respects and does not contain any untrue statement of any material fact or omit to state any material fact necessary in order to make such information not misleading;
- (i) except for the Finder's Commitment Abzu has not incurred any liability or agreed to pay or reimburse any broker, finder, financial adviser or investment banker for any brokerage, finder's, advisory or other fee or commission, or for the reimbursement of expenses, in connection with this Agreement or the transactions contemplated herein or in the Plan of Arrangement;
- (j) except as disclosed in the Disclosure Letter, Abzu has not sold, transferred, disposed, mortgaged, pledged, charged, leased or otherwise encumbered, or agreed to sell, transfer, dispose of, mortgage, pledge, charge, lease or otherwise encumber, any of its property or assets other than as set out in Schedule C hereto;
- (k) Abzu has no outstanding material continuing contractual rights or obligations whatsoever relating to or affecting the conduct of its business or any of its property or assets or for the purchase, sale or leasing of any property other than those contracts listed in Schedule D and all such contracts, agreements, indentures, or other instruments are in good standing and Abzu is entitled to all benefits thereunder;
- (l) Abzu is not in default under or in breach of, or would, after notice or lapse of time or both, be in default under any contract, agreement, indenture or other instrument to which

it is a party or by which it is bound, including those contracts set out in Schedule D hereof;

- (m) there are no management contracts or consulting contracts to which Abzu is a party or by which it is bound, other than as disclosed in Schedule D, and other than pursuant to the material contracts disclosed in Schedule D, no amount is payable or has been agreed to be paid by Abzu to any Persons as remuneration, pension, bonus, share of profits or other similar benefit and no director, officer, employee, consultant or shareholder, or former director, officer, employee, consultant, shareholder of Abzu nor any associate or affiliate of any such Person, has any claim of any nature against, or is indebted to Abzu;
- (n) Abzu has no information or knowledge of any material facts pertaining to Abzu which, if known to Totem, might reasonably be expected to deter Totem from completing the transactions contemplated hereby;
- (o) the accounting and financial books and records of Abzu set out and disclose all material financial transactions of Abzu and such transactions have been accurately recorded in such books and records;
- (p) the minute books and corporate records of Abzu contain reasonably complete and accurate minutes of all meetings and proceedings of the shareholders, directors and committees of Abzu;
- (q) the Business is the only material business carried on by Abzu at present and the property and assets owned or leased by Abzu are sufficient to carry on the Business;
- (r) to the best of its knowledge, Abzu holds all material licences and permits as may be required for carrying on the Business and is in material compliance with same;
- (s) to the best of its knowledge, Abzu is not in breach of applicable Laws to which it is subject or which apply to it;
- (t) since December 31, 2009, Abzu has conducted its business only in the ordinary course consistent with past practice and, without limiting the generality of the foregoing, Abzu has not:
  - (i) incurred any debt in excess of an aggregate of \$100,000;
  - (ii) declared or paid any dividends or distributed any of its properties or assets to shareholders;
  - (iii) altered or amended its notice of articles or articles;
  - (iv) sold, pledged, leased, disposed of, granted any interest in, encumbered or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any material portion of its assets; or
  - (v) except as disclosed in the Disclosure Letter, redeemed, purchased or offered to purchase any of its shares or other securities.

- (u) Abzu maintains such insurance against loss or damage to its assets and with respect to public liability as is reasonably prudent for a corporation operating similar businesses as that of Abzu; and
- (v) Abzu (i) is a "foreign private issuer" as defined in Rule 405 under the 1933 Act, (ii) has no class of securities outstanding that is or is required to be registered under Section 12 of the 1934 Act or that is subject to the reporting requirements of Section 13 or 15(d) of the 1934 Act and (iii) is not registered or required to register as an investment company under the 1940 Act.

### **3.4 Survival of Representations and Warranties**

The representations and warranties of each party hereto shall survive the execution and delivery of this Agreement and shall continue in full force and effect until the Effective Date and thereafter for a period of eighteen months.

## **ARTICLE 4 COVENANTS**

### **4.1 Mutual Covenants**

Except as contemplated in this Agreement including the Disclosure Letter and in the Plan of Arrangement, each party covenants and agrees that:

- (a) until the Effective Date, except with the prior written consent of the other party, it will not:
  - (i) declare or pay any dividends or make any distribution of its properties or assets to its shareholders or purchase or retire any shares of its capital stock;
  - (ii) alter or amend or authorize any alteration or amendment to its constating documents or articles as they exist at the date of this Agreement, except as required to complete the Transaction or any transaction contemplated under this Agreement or the Arrangement or as contemplated in the Abzu Resolutions;
  - (iii) split, consolidate, exchange or reclassify its shares or other securities, other than as contemplated in the Abzu Resolutions;
  - (iv) engage in any business, enterprise or other activity other than in the ordinary course of business;
  - (v) other than as disclosed herein, enter into or modify any employment, consulting, bonus, retention or similar agreements or arrangements with, or grant any bonuses, salary increases, severance or termination pay to, any of its officers, directors or employees;
  - (vi) acquire or agree to acquire, by amalgamating, plan of arrangement, merging, consolidating or entering into a business combination with or purchasing or leasing substantially all of the assets or otherwise of, any business or undertaking

- or any corporation, partnership, association or other business organization or division thereof, except in accordance with the Plan of Arrangement;
- (vii) sell, lease, transfer, mortgage or otherwise dispose of or encumber any of its property or assets, real or personal, or agree to the same, except in accordance with the Plan of Arrangement or in the ordinary course of its business or as disclosed in the Disclosure Letter;
  - (viii) resolve or propose that it be wound-up, dissolved, liquidated, amalgamated or merged into, appoint or agree to the appointment of a liquidator, receiver or trustee in bankruptcy for it or consent to an order by a court for its winding-up or dissolution, except in accordance with the Plan of Arrangement; or
  - (ix) take any action or fail to take any action which would cause any of the conditions precedent set forth in Article 5 not to be satisfied (except as may be expressly permitted hereunder);
- (b) until the Effective Date, it will at all reasonable times permit representatives of the other party full access to its properties and its books and records including material contracts, other agreements, minute books and share registers and to give such party and its representatives such copies and information with respect thereto as may be reasonably required. It will cause its senior officers to discuss and answer fully any and all questions relating to its business and affairs. The provisions of this subsection are without prejudice to the warranties and representations of the parties set out in this Agreement and the conditions set out in this Agreement;
  - (c) until the Effective Date, it will notify the other party in writing: (i) promptly after the occurrence thereof of any Material Adverse Change (actual, anticipated, or threatened) with respect to it; and (ii) promptly after the occurrence, or failure to occur, of any such event, of information of which it becomes aware with respect to any event which, if known as of the date of this Agreement, would have been required to be disclosed to the other party or which would have been likely to cause any of its representations or warranties in this Agreement to be untrue or incorrect or result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any party herein provided, however, that no such notification shall affect the representations or warranties of the parties or the conditions to the obligations of the parties herein;
  - (d) take all actions within its control to ensure that the representations and warranties in Section 3.1 and 3.2, in the case of Totem, and Section 3.1 and 3.3, in the case of Abzu, remain true and correct as of the Effective Date as if such representations and warranties were made at and as of such date;
  - (e) take all actions within its control to cause each of the conditions precedent set forth in Article 5 hereof to be complied with on or before the Effective Date;
  - (f) it will cooperate and use its respective reasonable efforts to obtain, before the Effective Date, all authorizations, waivers, exemptions, consents, orders and other approvals from domestic or foreign courts, governmental or regulatory agencies, boards, commissions or other authorities, shareholders and third parties as are necessary for it to consummate the transactions contemplated hereby;

- (g) subject to Section 4.6 it will support the transactions contemplated herein and in the Plan of Arrangement and use all reasonable efforts to obtain the approvals of its shareholders to this Agreement and the Transaction; and
- (h) it will cause each U.S. Abzu Shareholder to complete and deliver a U.S. Holder Certificate in the form attached hereto as Schedule G (in which case the Abzu Shareholder makes the representations, warranties and covenants therein);
- (i) it will inform each Abzu Shareholder that the Totem Shares have not been and will not be registered under the 1933 Act or applicable state securities law;
- (j) it will not engage in any form of directed selling efforts (as defined in Rule 902(c) of Regulation S under the 1933 Act) in the United States in connection with the Totem Shares; and
- (k) it will not delivery any Totem Shares to an address in the United States unless the Abzu Shareholder has completed a U.S. Holder Certificate.

#### **4.2 Covenants of Totem**

Totem covenants and agrees that:

- (a) until the Effective Date, except with the prior written consent of Abzu, it will not:
  - (i) incur or commit to incur any indebtedness for borrowed money, other than in ordinary course of business; or
  - (ii) allot or issue, or enter into any agreement for the allotment or issuance, or grant any other rights to acquire, Totem Shares or other securities or securities convertible into, exchangeable for, or which carry a right to acquire, directly or indirectly, any Totem Shares or other securities, except as contemplated by the Transaction or any transaction under this Agreement or the Arrangement;
- (b) it will, both before and after the Effective Date, execute and do all such acts and further deeds, things and assurances as may be required in the reasonable opinion of Abzu's counsel to consummate the transactions contemplated herein;
- (c) it will forthwith use its best efforts to obtain the necessary approval of the Exchange to the terms of this Agreement;
- (d) it will complete the Private Placement on or before the Business Day preceding the Effective Date.
- (e) subject to Section 4.7, until the Effective Date, it will not, and it will not authorize any of its officers, directors or employees, agents, advisers, consultants or other representatives to:
  - (i) solicit, initiate or knowingly encourage (including, without limitation, by way of furnishing information) the initiation of any inquiry or the making of any proposal to it or its shareholders from any Person which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a

series of transactions), a Competing Offer or an Alternative Company Transaction, or agree to or endorse any of the foregoing; or

- (ii) enter into or participate in any discussions or negotiations regarding any Competing Offer or an Alternative Company Transaction, or furnish to any other Person any information with respect to its business, properties, operations, prospects or conditions (financial or otherwise) in connection with any Competing Offer, or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other Person to do or seek to do any of the foregoing

#### **4.3 Covenants of Abzu**

Abzu covenants and agrees that:

- (a) until the Effective Date, except as referred to in the Disclosure Letter or with the prior written consent of Totem, it will not:
  - (i) incur or commit to incur any indebtedness for borrowed money; or
  - (ii) enter into any agreement for the allotment or issuance, or grant any other rights to acquire, Abzu Shares or other securities or securities convertible into, exchangeable for, or which carry a right to acquire, directly or indirectly, Abzu Shares or other securities, except as contemplated by the Transaction, the Private Placement or any transaction under this Agreement or the Arrangement;
- (b) it will ensure that the disclosure in the Abzu Circular shall constitute full, true and plain disclosure of all material facts relating to Abzu and the Abzu Shares and will not contain any untrue statement of any material fact or omit to state any material fact required to be stated therein or necessary in order to make any statement therein not misleading in light of the circumstances in which it is made;
- (c) subject to Section 4.6, until the Effective Date, it will not, and it will not authorize or permit any officers, directors or employees, agents, advisers, consultants or other representatives of it to:
  - (i) solicit, initiate or encourage (including, without limitation, by way of furnishing information) any inquiry or the making of any proposal to it or its shareholders from any Person which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions), a Competing Offer or an Alternative Company Transaction, or agree to or endorse any of the foregoing; or
  - (ii) enter into or participate in any discussions or negotiations regarding any Competing Offer or an Alternative Company Transaction, or furnish to any other Person any information with respect to the business, properties, operations, prospects or conditions (financial or otherwise) of it or its Subsidiary or in connection with any Competing Offer, or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other Person to do or seek to do any of the foregoing;

- (d) it will conduct its business diligently and in the ordinary course consistent with the manner in which the business generally has been operated up to the date of the execution of this Agreement;
- (e) it will prepare and file all material to be filed with the Court by it, as applicant, in connection with the Arrangement and apply for and use all reasonable efforts to obtain the Abzu Order and the Final Order;
- (f) it will provide counsel to Totem on a timely basis with copies of any notice of appearance and evidence served on it or its counsel in respect of the application for the Final Order or any appeal therefrom;
- (g) carry out the terms of the Abzu Order and the Final Order;
- (h) take all actions required under its constating documents to approve the transactions contemplated by this Agreement and the Arrangement;
- (i) on or before the Effective Date, Abzu will:
  - (i) arrange for its shareholders to execute such agreements required to be executed in connection with applicable escrow, pooling or other voluntary or imposed resale restrictions pertaining to the Totem Shares referred to in Section 2.1; and
  - (ii) arrange for its shareholders to execute and deliver to Totem any securities regulatory materials required in connection with the transactions contemplated hereby, including, without limitation, any documentation or undertaking required by the Exchange or any relevant securities regulatory authority;
- (j) it will, both before and after the Effective Date, execute and do all acts, further deeds, things and assurances as may be required in the reasonable opinion of Totem's counsel to consummate the transactions contemplated herein;
- (k) except as disclosed in the Disclosure Letter and as provided in this Agreement, until the Effective Date it will not, except in the usual, ordinary and regular course of business and consistent with past practice: (A) satisfy or settle any claims or liabilities prior to the same being due, which are, individually or in the aggregate, material; or (B) grant any waiver, exercise any option or relinquish any contractual rights which are, individually or in the aggregate, material; and
- (l) until the Effective Date it will not make any changes to its existing accounting practices except as required by Laws or required by generally accepted accounting principles or make any material tax election inconsistent with past practice.

#### **4.4 Abzu Shareholders' Meeting**

As soon as practicable but in any event not later than October 29, 2010 Abzu will prepare the Abzu Circular and subject to the issuance of the Abzu Order will convene Abzu Meeting and mail the Abzu Circular to its shareholders. The Abzu Meeting will be held on or before November 15, 2010, or as soon as reasonably practicable thereafter. Abzu will mail the Abzu Circular to the appropriate Persons in accordance with applicable Laws and the Abzu Order.

#### **4.5 Court Proceedings**

Abzu shall permit Totem to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement prior to the service and filing of that material and will give reasonable consideration to such comments. In addition, Abzu will not object to counsel to Totem making such submissions on the hearing of the motion for the Abzu Order and the application for the Final Order as such counsel deems appropriate, provided that Abzu is advised of the nature of any submissions not reasonably contemplated in the material to be filed with the Court prior to the hearing. Abzu shall also provide counsel to Totem on a timely basis with copies of any notice of appearance and evidence served on Abzu or its counsel in respect of the application for the Final Order or any appeal therefrom.

#### **4.6 Confidentiality**

All information provided by each of Abzu and Totem, in any form whether written, electronic or verbal, as to financial condition, business, properties, title, assets and affairs (including any material contracts) as may reasonably be requested by the other party, including all information to be included in the Abzu Circular (the "Confidential Information"), will be kept confidential by each party hereto, notwithstanding the termination of this Agreement, other than information that:

- (a) has become generally available to the public;
- (b) was available to a party hereto or its representatives on a non-confidential basis before the date of this Agreement; or
- (c) has become available to a party hereto or its representatives on a non-confidential basis from a person who is not, to the knowledge of such party or its representatives, otherwise bound by confidentiality obligations to the provider of such information or otherwise prohibited from transmitting the information to the party or its representatives.

No Confidential Information may be released to third parties other than legal counsel and other advisors to the parties hereto without the consent of the provider thereof, except that the parties hereto agree that they will not unreasonably withhold such consent to the extent that such Confidential Information is compelled to be released by legal process or must be released to the Exchange or other regulatory bodies and/or included in public documents.

#### **4.7 Fiduciary Duties**

Nothing contained in this Agreement will prohibit, enjoin or otherwise restrict the board of directors of Totem or Abzu or any director of Totem or Abzu, in the fulfilment of their fiduciary duties, from supporting or facilitating any Competing Offer or Alternative Company Transaction that such board of directors determines in good faith is reasonably likely to result in a Superior Proposal; provided, however, that prior to taking such action, such board of directors must receive advice of outside legal counsel that it is appropriate that such board of directors take such action in order to discharge properly its fiduciary duties. Neither Totem nor Abzu shall consider, negotiate, accept, approve or recommend a Competing Offer or a proposal regarding an Alternative Company Transaction after the date of the issuance of the Final Order. In addition, nothing contained in this Agreement will prohibit, enjoin or otherwise restrict the board of directors of Totem or Abzu or any director of Totem or Abzu, in the fulfilment of their fiduciary duties, from failing to give, qualifying or otherwise amending any recommendation to be or previously given to Totem Shareholders or Abzu Shareholders, as applicable, in connection with the Transaction or the Plan of Arrangement.

Each of Totem and Abzu shall promptly notify the other, at first orally and then in writing, of any Competing Offer or a proposal regarding an Alternative Company Transaction and any inquiry that could lead to a Competing Offer or a proposal regarding an Alternative Company Transaction, or any amendments to the foregoing, or any request for non-public information relating to it in connection with a Competing Offer or a proposal regarding an Alternative Company Transaction or for access to any of its properties, books or records by any Person that informs it that such Person is considering making, or has made, a Competing Offer or a proposal regarding an Alternative Company Transaction. Such notice shall include a description of the material terms and conditions of any proposal, the identity of the Person making such proposal, inquiry or contact and provide such other details of the proposal, inquiry or contact and provide such other details of the proposal, inquiry or contact as the other may reasonably request. Each of Totem and Abzu shall (i) keep the other fully informed of the status including any change to the material terms of any such Competing Offer or a proposal regarding an Alternative Company Transaction or inquiry and (ii) provide to the other as soon as practicable after receipt or delivery thereof with copies of all correspondence and other written material sent or provided to it from any Person in connection with any Competing Offer or a proposal regarding an Alternative Company Transaction.

#### **4.8 Directors and Officers**

On execution of this Agreement, Totem shall deliver to its legal counsel for delivery on the Effective Date, undated, signed resignations of all of the directors and officers, save Chris Cherry, of Totem to be effective as of the Effective Date, and the parties shall take all necessary steps to ensure that the directors and officers of Totem as of the Effective Date shall be the following persons:

##### **Directors**

- (i) Allan Serwa (Director and Chairman)
- (ii) Dr. Mark Cruise
- (iii) Tony Claydon
- (iv) Balbir Johal

##### **Officers**

- (i) Allan Serwa – Chief Executive Officer
- (ii) Chris Cherry – Chief Financial Officer and Corporate Secretary.

### **ARTICLE 5 CONDITIONS PRECEDENT**

#### **5.1 Mutual Conditions Precedent**

The respective obligations of the parties hereto to complete the Arrangement are subject to the satisfaction of, or mutual waiver by the parties on or before the Effective Date of each of the following conditions, which are for the mutual benefit of Totem and Abzu and which may be waived, in whole or in part, by Totem or Abzu at any time:

- (a) the Abzu Order shall have been obtained in form and substance satisfactory to Totem and Abzu acting reasonably;

- (b) the Transaction, the Private Placement and the Plan of Arrangement, without amendment or with amendments acceptable to Totem and Abzu, acting reasonably, shall have been approved at the Abzu Meeting as required by the Abzu Order;
- (c) the Abzu Resolutions, without amendment or with amendments acceptable to Totem and Abzu, acting reasonably, shall have been approved at the Abzu Meeting;
- (d) the Final Order shall have been obtained in form and substance satisfactory to Totem and Abzu, acting reasonably;
- (e) all approvals and consents, regulatory or otherwise, which are required in connection with the consummation of the transactions contemplated in this Agreement and in the Plan of Arrangement shall have been obtained, including, without limitation, the approval of the Transaction and the Private Placement by the Exchange;
- (f) the time period for the exercise of any right to dissent conferred upon the Abzu Shareholders in respect of the Arrangement shall have expired and the Abzu Shareholders shall not have exercised (and not abandoned) such right of dissent with respect to greater than 15% of the number of outstanding Abzu Shares;
- (g) no preliminary or permanent injunction, restraining order, cease trading order or order or decree of any domestic or foreign court, tribunal, governmental agency or other regulatory authority or administrative agency, board or commission, and no law, regulation, policy, directive or order shall have been enacted, promulgated, made, issued or applied to cease trade, enjoin, prohibit or impose material limitations on, the Arrangement or the transactions contemplated herein or in the Plan of Arrangement shall have been issued and remain in effect and no such action, proceeding or order shall, to the best of the knowledge of Totem or Abzu, be pending or threatened and, without limiting the generality of the foregoing, no Person shall have filed any notice of appeal of the Final Order, and no Person shall have communicated to Totem or Abzu (orally or in writing) any intention to appeal the Final Order which, in the reasonable opinion of Totem or Abzu (on the advice of counsel), would make it inadvisable to proceed with the implementation of the Arrangement;
- (h) there shall not exist any prohibition at law against the completion of the Arrangement; and
- (i) this Agreement shall not have been terminated pursuant to Article 6.

## **5.2 Additional Conditions Precedent to the Obligations of Abzu**

The obligation of Abzu to complete the Arrangement shall be subject to the satisfaction of, or waiver by Abzu, on or before the Effective Date or such earlier date stipulated of the following conditions, which are for the benefit of Abzu and may be waived in whole or in part, by Abzu at any time:

- (a) Totem shall not be in material default of any covenant contained herein and its representations and warranties shall be true and correct in all material respects and Abzu shall have received a certificate of Totem, signed by the Chief Executive Officer and one other senior officer confirming the foregoing;

- (b) Totem shall have furnished Abzu with a favourable opinion of legal counsel to Totem, dated the Effective Date, in form and substance acceptable to Abzu and its counsel, acting reasonably;
- (c) there shall not exist or have occurred (or been threatened) any change (or any condition, event or development involving a prospective change) which, singly or in the aggregate, would or does have a Material Adverse Effect on Totem;
- (d) there shall not be more than 38,000,000 Totem Shares issued and outstanding on the Effective Date; and
- (e) Totem will not have issued any Totem Shares, or issued or granted any options, warrants or other rights to purchase Totem Shares, other than as contemplated in this Agreement.

### **5.3 Additional Conditions Precedent to the Obligations of Totem**

The obligation of Totem to complete the Arrangement shall be subject to the satisfaction of, or waiver by Totem, on or before the Effective Date or such earlier date stipulated of the following conditions, which are for the benefit of Totem and which may be waived by Totem, in whole or in part, at any time:

- (a) Abzu shall not be in material default of any covenant contained herein and its representations and warranties shall be true and correct in all material respects and Totem shall have received a certificate of Abzu signed by the Chief Executive Officer and one other senior officer confirming the foregoing;
- (b) Abzu shall have furnished Totem with a favourable legal opinion of counsel to Abzu dated the Effective Date, in form and substance acceptable to Totem and its counsel, acting reasonably;
- (c) Abzu shall have furnished Totem with a favourable legal title opinion of counsel to Abzu, in form and substance acceptable to Totem and its counsel, acting reasonably with respect to Abzu's indirect mining interests in West Africa;
- (d) there shall not exist or have occurred (or been threatened) any change (or any condition, event or development involving a prospective change) which, singly or in the aggregate, would or does have a Material Adverse Effect on Abzu; and
- (e) there shall not be more than 30,000,000 Abzu Shares issued and outstanding on the Effective Date.

## **ARTICLE 6 TERMINATION OF AGREEMENT**

### **6.1 Termination by Totem or Abzu**

- (a) If any of the conditions set forth in Section 5.1 are not complied with or waived on or before the Effective Date, either Totem or Abzu, upon written notice to the other party, may terminate this Agreement whereupon the parties shall be released from their obligations hereunder other than those in Section 4.6 which will survive. If any of the

conditions set forth in Sections 5.2 or 5.3 are not complied with or waived on or before the Effective Date, the party which has the benefit of such condition, upon written notice to the other party, may terminate this Agreement whereupon the parties shall be released from their obligations hereunder other than those in Section 4.6, which will survive.

- (b) This Agreement may be terminated at any time prior to the Effective Date by mutual written consent of Totem and Abzu.

## **6.2 Automatic Termination**

This Agreement shall terminate and the obligations of the parties hereunder other than those set out in Section 4.6 which will survive, shall terminate if the Effective Date does not occur by 11:59 p.m. (Pacific Standard Time) on December 31, 2010.

## **ARTICLE 7 GENERAL**

### **7.1 Notices**

All notices and other communications hereunder shall be in writing and shall be delivered by hand to the parties at the following addresses or sent by telecopy at the following numbers or at such other addresses or facsimile numbers as shall be specified by the parties by like notice:

- (a) if to Totem:

Totem Minerals Inc.  
817 – 938 Howe Street  
Vancouver, British Columbia  
V6C 3B6

Attention: Tony Claydon  
Facsimile No.: 604 684-9331

with a copy to:

Maitland and Company  
625 Howe Street, Suite 700  
Vancouver, British Columbia  
V6C 2T6

Attention: Michael Seifert  
Facsimile No.: 604-681-3896

- (b) and if to Abzu:

Abzu Resources Ltd.  
33610 East Broadway Street  
Mission, British Columbia  
V2V 4M4

Attention: Allan Serwa  
Facsimile No.: 604-687-7099

with a copy to:

McCullough O'Connor Irwin LLP  
Suite 2610 – 1066 West Hastings Street  
Vancouver, British Columbia  
V6E 3X1

Attention: David Gunasekera  
Facsimile No.: 604-687-7099

The date of receipt of any such notice shall be deemed to be the date of delivery thereof or, in the case of notice sent by telecopy, the date of successful transmission thereof (unless transmission is received after business hours, in which case the date of receipt shall be deemed to be the next Business Day in the place of receipt).

## **7.2 Fees and Expenses**

Each party will be responsible for and bear all of its own fees, costs and expenses incurred at any time in connection with entering into this Agreement and consummating the transactions contemplated herein and in the Plan of Arrangement provided however that Totem will be responsible for the responsible fees and expenses of Abzu's legal counsel in connection with preparing this Agreement and the Abzu Circular.

## **7.3 Successors and Assigns**

This Agreement and all the provisions hereof shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations under this Agreement or the Arrangement without the prior written consent of the other party.

## **7.4 Time of Essence**

Time shall be of the essence of this Agreement and of each of its provisions.

## **7.5 Public Announcements**

All press releases or other public written communications of any sort by either of the parties hereto relating to this Agreement or the Arrangement and the method of release for publication thereof will be provided for review and comment by the other party hereto. Each party will deal expeditiously with a request for comments on such written communication provided that the party issuing such written communication shall not be delayed if to do so would be contrary to any legal or regulatory requirement.

## **7.6 Governing Law**

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

**7.7 Entire Agreement**

This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained herein.

**7.8 Further Assurances**

Each party 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 be reasonably required in order to implement this Agreement, the transactions contemplated herein and in the Plan of Arrangement.

**7.9 Amendment or Waiver**

Subject to any requirements imposed by law or by the Court, this Agreement may be supplemented or amended, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, but only by written document executed by both parties; provided, however, that the terms of this Agreement may not be supplemented or amended, or any of the provisions waived, in a manner materially prejudicial to the holders Abzu Shares without their approval at the Abzu Meeting or, following the Abzu Meeting, without their approval given in the same manner as required by law for the approval of the Arrangement or the Transaction, as applicable and as may be required by the Court. No waiver of any nature, in any one or more instances, shall be deemed or construed as a further or continued waiver of any condition or breach of any other term, representation or warranty in this Agreement. Notwithstanding the foregoing, the Plan of Arrangement may only be supplemented or amended in accordance with the provisions thereof.

**7.10 Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

**7.11 Severability**

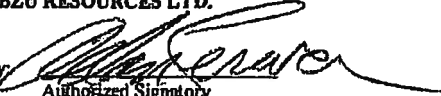
In the event any one or more of the provisions of this Agreement is invalid or otherwise unenforceable, the enforceability of the remaining provisions shall be unaffected.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto.

**TOTEM MINERALS INC.**

By:   
Authorized Signatory

**ABZU RESOURCES LTD.**

By:   
Authorized Signatory

## SCHEDULE A

To the Arrangement Agreement dated as of October 12, 2010  
between Totem Minerals Inc. and  
Abzu Resources Ltd.

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

#### ARTICLE 1 INTERPRETATION

##### 1.1 Definitions

In this Plan of Arrangement:

- (a) “Abzu Meeting” means the special meeting of Abzu Shareholders and any adjournment thereof to be held to consider and, if deemed advisable, approve the Abzu Resolutions;
- (b) “Abzu Order” means the interim court order of the Court providing for, among other things, the calling and holding of the Abzu Meeting following the application therefor contemplated by Section 2.1, as the same may be amended, supplemented or varied by the Court;
- (c) “Abzu Shareholders” means at any time the holders at that time of Abzu Shares;
- (d) “Abzu Shares” means the common shares in the capital of Abzu;
- (e) “Abzu Warrants” means the 400,000 common share purchase warrants of Abzu to be issued, pursuant to the Finder’s Commitment each of which will entitle the holder to acquire an additional Abzu Share at a price of \$0.30 per share until November 30, 2014; ;
- (f) “Arrangement” means an arrangement under Section 288 of the Business Corporations Act on the terms and conditions set forth in this Plan of Arrangement and any amendment or variation thereto made in accordance with the terms of the Arrangement Agreement;
- (g) “Arrangement Agreement” means the arrangement agreement dated as of October 12, 2010 between Totem and Abzu to which this Plan of Arrangement is attached as Schedule A, as the same may be amended from time to time;
- (h) “Business Corporations Act” means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended;
- (i) “Business Day” means any day which is not a Saturday, Sunday or a day on which banks are not open for business in the relevant place;
- (j) “Court” means the Supreme Court of British Columbia;
- (k) “Effective Date” means the date that is five business days after the last of the conditions precedent contained in the Arrangement Agreement have been satisfied or waived, or such earlier or later date as is agreed to by the parties;

- (l) “Exchange” means the TSX Venture Exchange;
- (m) “Final Order” means the final order of the Court made in connection with the approval of the Arrangement and the fairness of the terms and conditions thereof following the application therefor contemplated by Section 2.1 of the Arrangement Agreement;
- (n) “Finder’s Commitment” is the contractual obligation of Abzu to issue the Abzu Warrants to a third party;
- (o) “Plan of Arrangement” means this plan of arrangement, proposed under Section 288 of the Business Corporations Act, as amended and supplemented from time to time in accordance herewith and any order of the Court;
- (p) “Registrar” means the Registrar of Companies appointed under Section 400 of the Business Corporations Act;
- (q) “Tax Act” means the *Income Tax Act* (Canada);
- (r) “Totem Finder’s Warrants” means the 200,000 share purchase warrants of Totem issued in full satisfaction of the Finder’s Commitment each of which will entitle the holder to acquire an additional Totem Share at a price of \$0.60 per share until November 30, 2014;
- (s) “Totem Shareholders” means at any time the holders at that time of Totem Shares;
- (t) “Totem Shares” means the common shares in the capital of Totem; and
- (u) “Transfer Agent” means Computershare Investor Services, the transfer agent of Totem

## **1.2 Headings and References**

The division of this Plan of Arrangement into Articles and sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specified, references to sections are to sections of this Plan of Arrangement.

## **1.3 Number, etc.**

Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa; words importing the use of any gender shall include all genders; and words importing persons shall include firms and corporations and vice versa.

## **1.4 Date of Any Action**

In the event that any date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

**ARTICLE 2  
ARRANGEMENT AGREEMENT**

**2.1 Arrangement Agreement**

This Plan of Arrangement is made pursuant to, is subject to the provisions of, and forms part of the Arrangement Agreement.

**ARTICLE 3  
THE ARRANGEMENT**

**3.1 The Arrangement**

On the Effective Date, the following shall occur and shall be deemed to occur without any further authorization, act or formality:

- (a) each issued and outstanding Abzu Share, shall be and shall be deemed to be acquired by Totem, free from any claims, in exchange for one half of a Totem Share, provided that the aggregate number of Totem Shares payable to any Abzu Shareholder, if calculated to include a fraction of an Totem Share, shall be rounded downwards to the nearest whole Totem Share;
- (b) each Abzu Shareholder shall have and shall be deemed to have transferred such Abzu Shares held by him to Totem and Totem shall have issued Totem Shares in exchange therefor;
- (c) each Abzu Shareholder shall cease to be a holder of Abzu Shares and the name of each Abzu Shareholder shall be removed from the central securities register of Abzu as of the Effective Date;
- (d) the certificate representing each Abzu Share shall be and shall be deemed to have been cancelled as of the Effective Date;
- (e) each Abzu Shareholder shall and shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the Arrangement;
- (f) Totem shall be and shall be deemed to be the transferee of all Abzu Shares, free of all liens, claims and encumbrances, and shall be entered in the central securities register of Abzu as the holder of such Abzu Shares as of the Effective Date; and
- (g) Totem will issue the Totem Finder's Warrants.

**3.2 Acquisition of Common Shares of Dissenting Holders**

The Abzu Shares owned by each Abzu Shareholder who sends to Abzu a written objection to the resolution to approve the Arrangement, as modified by the Abzu Order or the Final Order, at or prior to the Abzu Meeting in accordance with Article 4 below, provided the dissent procedures are completed as required by the Abzu Order and Article 4 below, shall be, and shall be deemed to be, transferred to Abzu for cancellation and cancelled contemporaneously with the acquisition by Totem of

Abzu Shares pursuant to Section 3.1 and such holders shall thereupon have no rights or entitlements with respect to those Abzu Shares, except as provided in Article 4.

### **3.3 Delivery of Totem Shares**

Within two Business Days following the Effective Date, Abzu will provide to the Transfer Agent the following information (the "Information"): (i) the names and addresses of the shareholders entitled to receive the Totem Shares pursuant to paragraph 3.1(b); and (ii) the number of Totem Shares such shareholders are entitled to receive. Totem will use its best commercial efforts to cause the Transfer Agent to issue and deliver such Totem Shares as provided in the Information no later than 10 Business Days following the receipt by the Transfer Agent of the Information.

## **ARTICLE 4 RIGHTS OF DISSENT**

### **4.1 Grant of Rights of Dissent**

Notwithstanding Section 3.1, pursuant to the Abzu Order, each Holder of Abzu Shares is permitted to exercise a right of dissent (the "Dissent Right") under Division 2 of Part 8 of the Business Corporations Act in respect of the Arrangement, subject only to the provisions of the Abzu Shareholders Agreement and Order of the Court in respect thereof.

### **4.2 Dissent Procedures**

Further to the Abzu Order, a Abzu Shareholder who wishes to exercise his Dissent Right must strictly follow, and will be subject to, the provisions set out in Division 2 of Part 8 of the Business Corporations Act. Abzu Shareholders who do not duly exercise their Dissent Right are not entitled to be paid value for their Abzu Shares, shall be deemed to have participated in the Arrangement on the same basis as an Abzu Shareholder who has not received his Dissent Right and shall be entitled to receive his Totem Shares as provided in Section 3.1 of this Plan of Arrangement.

## **ARTICLE 5 AMENDMENT OF THE PLAN OF ARRANGEMENT**

### **5.1 Amendment of the Plan of Arrangement**

Totem and Abzu may jointly amend or supplement this Plan of Arrangement at any time and from time to time provided that such amendment or supplement must be contained in a written document which is filed with the Court and, if made following the Abzu Meeting, approved by the Court and communicated to the Abzu Shareholders in the manner, if any, required by the Court. Any amendment or supplement to this Plan of Arrangement may be proposed by Totem and Abzu, jointly, at any time prior to the Abzu Meeting with or without any prior notice or communication and, if so proposed and accepted by the persons voting at the Abzu Meeting, shall become part of this Plan of Arrangement for all purposes.

**SCHEDULE B**

**To the Arrangement Agreement dated as of October 12, 2010  
between Totem Minerals Inc. and  
Abzu Resources Ltd.**

**Outstanding Options and Warrants**

**Totem:**

*Options* – Nil

*Warrants* – 11,000,000 warrants at an exercise price of \$ 0.40 and expires on April 16, 2012

**Abzu:**

*Options* – Nil

*Warrants* – Nil

**SCHEDULE C**

**To the Arrangement Agreement dated as of October 12, 2010  
between Totem Minerals Inc. and  
Abzu Resources Ltd.**

**Encumbrances**

**Totem:**

Nil

**Abzu:**

Nil

## **SCHEDULE D**

**To the Arrangement Agreement dated as of October 12, 2010  
between Totem Minerals Inc. and  
Abzu Resources Ltd.**

### **Material Contracts**

**Totem:**

- 1) Stock Option Plan

**Abzu:**

- 1) Option Agreement between Abzu and Eastern Mining Company Ltd. ("EMCL") dated November 16, 2007.
- 2) Option Agreement between Abzu Resources Ghana Limited and God-Fshs Limited dated July 27, 2007.
- 3) Option Agreement between Abzu and A. Kannin Ltd. dated November 15, 2007.
- 4) Option Agreement between Abzu Resources Ghana Limited and North Asuboa Company Limited dated July 27, 2007.

## **SCHEDULE E**

### **To the Arrangement Agreement dated as of October 12, 2010 between Totem Minerals Inc. and Abzu Resources Ltd.**

#### **Abzu Resolutions**

“RESOLVED, AS SPECIAL RESOLUTIONS, that:

1. The arrangement agreement (the “Arrangement Agreement”) made the 12<sup>th</sup> day of October, 2010 between Abzu Resources Ltd. (“Abzu”) and Totem Minerals Inc., with such amendments or variations thereto made in accordance with the terms of the Arrangement Agreement, and the actions of the directors of Abzu in executing and delivery of the Arrangement Agreement, are hereby confirmed, ratified, authorized and approved.
2. The arrangement (the “Arrangement”) under Section 288 of the *Business Corporations Act* (British Columbia) substantially as set forth in the Plan of Arrangement attached as Schedule C to the Arrangement Agreement, and all transactions contemplated thereby, are hereby authorized, approved and adopted.
3. Notwithstanding that this resolution may be duly passed, and receive the approval of the Supreme Court of British Columbia (the “Court”), the board of directors of Abzu may, without further notice to or approval of the shareholders of Abzu or other interested or affected parties or the Court, subject to the terms of the Arrangement, amend or terminate the Arrangement Agreement or the Plan of Arrangement at any time prior to the Arrangement being completed.
4. Any director or officer of Abzu is hereby authorized for and on behalf of Abzu to execute, with or without the corporate seal, and deliver all the documents and instruments and do all other things in the opinion of such director or officer may be necessary or desirable to implement these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, or the taking of such action.”

**SCHEDULE F**

**To the Arrangement Agreement dated as of October 12, 2010  
between Totem Minerals Inc. and  
Abzu Resources Ltd.**

**Disclosure Letter**

Not applicable.

## SCHEDULE G

**To the Arrangement Agreement dated as of October 12, 2010  
between Totem Minerals Inc. and  
Abzu Resources Ltd.**

### U.S. Holder Certificate

To: **Totem Minerals Inc.** (the "Issuer")

The undersigned hereby tenders this certification to the Issuer pursuant to section 4.1 of the Agreement to which this U.S. Certificate is attached, in connection with the issuance to the undersigned as a shareholder of Abzu of Totem Shares, such Totem Shares being acquired by the Abzu Shareholder from the Issuer pursuant to the Agreement. By execution of this certification, the undersigned acknowledges that the Issuer is relying upon the accuracy and completeness of the representations contained herein in complying with its obligations under applicable securities laws. Capitalized terms used in this Schedule G and defined in the Agreement to which this Schedule G is attached have the meaning defined in the Agreement unless otherwise defined herein.

The undersigned represents, warrants and covenants (which representations, warranties and covenants shall survive the Closing) to the Issuer that:

- (a) it is in a financial position to hold the Totem Shares for an indefinite period of time and is able to bear the economic risk and withstand a complete loss of the undersigned's investment in the Totem Shares;
- (b) it acknowledges that the Totem Shares have not been registered under the 1933 Act or any applicable state securities laws, and that the Totem Shares are being issued to it pursuant to an exemption from such registration requirements pursuant to Rule 506 of Regulation D under the 1933 Act and/or Section 4(2) of the 1933 Act;
- (c) the Issuer has provided to it the opportunity to ask questions and receive answers concerning the terms and conditions of the transactions in the Agreement and it has had access to such information concerning the Issuer as it has considered necessary or appropriate in connection with its investment decision to acquire the Totem Shares and that any answers to questions and any request for information have been complied with to the Abzu Shareholder's satisfaction;
- (d) it is exchanging its Abzu Shares for Totem Shares for its own account or for the account of one or more persons for whom it is exercising sole investment discretion, (a "Beneficial Purchaser"), for investment purposes only and not with a view to resale or distribution in violation of applicable securities laws and, in particular, neither it nor any Beneficial Purchaser for whose account it is exchanging for the Totem Shares has any intention to distribute either directly or indirectly any of the Totem Shares in the United States; provided, however, that this paragraph shall not restrict the Abzu Shareholder from selling or otherwise disposing of any of the Totem Shares pursuant to registration thereof pursuant to the 1933 Act and any applicable state securities laws or under an exemption from such registration requirements;
- (e) (check one):

\_\_\_\_\_ it is not an “accredited investor” because the undersigned does not satisfy any of the criteria set forth in Rule 501(a) of Regulation D under the 1933 Act (as detailed below) but, the undersigned believes the undersigned, either alone or with the assistance of the undersigned’s own professional advisor, has such knowledge and experience in financial and business matters that the undersigned is capable of reading and interpreting financial statements and evaluating the merits and risks of the prospective investment in the Totem Shares and has the net worth to undertake such risks.

OR

\_\_\_\_\_ it, and if applicable, each Beneficial Purchaser for whose account it is purchasing the Totem Subscription Receipts is an “accredited investor” that satisfies one or more of the criteria set forth in Rule 501(a) of Regulation D under the 1933 Act as indicated below **(the Subscriber must initial “SUB” for the Subscriber, and “BP” for each Beneficial Purchaser, if any, on the appropriate line(s)):**

- \_\_\_ Category 1.        A bank, as defined in Section 3(a)(2) of the 1933 Act, whether acting in its individual or fiduciary capacity; or
  
- \_\_\_ Category 2.        A savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act, whether acting in its individual or fiduciary capacity; or
  
- \_\_\_ Category 3.        A broker or dealer registered pursuant to Section 15 of the United States Securities Exchange Act of 1934, as amended; or
  
- \_\_\_ Category 4.        An insurance company as defined in Section 2(a)(13) of the 1933 Act; or
  
- \_\_\_ Category 5.        An investment company registered under the United States Investment Company Act of 1940; or
  
- \_\_\_ Category 6.        A business development company as defined in Section 2(a)(48) of the United States Investment Company Act of 1940; or
  
- \_\_\_ Category 7.        A small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States Small Business Investment Act of 1958; or

- \_\_\_ Category 8. A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of U.S. \$5,000,000; or
  
- \_\_\_ Category 9. An employee benefit plan within the meaning of the United States Employee Retirement Income Security Act of 1974 in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of U.S. \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are accredited investors; or
  
- \_\_\_ Category 10. A private business development company as defined in Section 202(a)(22) of the United States Investment Advisers Act of 1940; or
  
- \_\_\_ Category 11. An organization described in Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of U.S. \$5,000,000; or
  
- \_\_\_ Category 12. Any director or executive officer of the Issuer; or
  
- \_\_\_ Category 13. A natural person whose individual net worth, or joint net worth with his or her spouse, excluding the value of his or her primary residence net of any mortgage obligation secured by the property, exceeds US\$1,000,000. For purposes of this calculation, if the mortgage or other indebtedness secured by the Subscriber's primary residence exceeds its value and the mortgagee or other lender has recourse to the Subscriber personally for any deficiency, the amount of any excess must be considered a liability and deducted from the Subscriber's net worth; or
  
- \_\_\_ Category 14. A natural person who had an individual income in excess of U.S. \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of U.S. \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or

- \_\_\_ Category 15. A trust, with total assets in excess of U.S. \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the 1933 Act; or
- \_\_\_ Category 16. Any entity in which all of the equity owners meet the requirements of at least one of the above categories;

(f) it understands that upon the issuance thereof, and until such time as the same is no longer required under the applicable requirements of the 1933 Act or any applicable state securities laws and regulations, the certificates representing the Totem Shares, and all securities issued in exchange therefor or in substitution thereof, will bear a legend in substantially the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”) OR ANY APPLICABLE STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATIONS UNDER THE 1933 ACT AND IN COMPLIANCE WITH ALL APPLICABLE LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE UNDER (C) OR (D) ABOVE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE, IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.”

provided, that if any of the Totem Shares are being sold under clause (B) above, at a time when the Issuer is a “foreign issuer” as defined in Rule 902(e) under the 1933 Act, the legend set forth above may be removed by providing a declaration to the Issuer and its transfer agent in the form attached hereto as Exhibit A to this Schedule G or such other evidence as the Issuer or its transfer agent may from time to time prescribe (which may include an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Issuer and its transfer agent), to the effect that the sale of the Totem Shares is being made in compliance with Rule 904 of Regulation S under the 1933 Act; provided further, that if any of the Totem Shares are being sold pursuant to Rule 144 of

the 1933 Act and in compliance with any applicable state securities laws, the legend may be removed by delivery to the Issuer's transfer agent of an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Issuer and its transfer agent to the effect that the legend is no longer required under applicable requirements of the 1933 Act or state securities laws;

(g) it acknowledges that the Totem Shares are "restricted securities", as such term is defined under Rule 144 under the 1933 Act, and may not be offered, sold, pledged, or otherwise transferred, directly or indirectly, without prior registration under the 1933 Act and applicable state securities laws, and it agrees that if it decides to offer, sell, pledge or otherwise transfer, directly or indirectly, any of the Totem Shares absent such registration, it will not offer, sell, pledge or otherwise transfer, directly or indirectly, any of the Totem Shares except as permitted by paragraph (f) above and the legend included therein;

(h) it understands and acknowledges that (i) if the Issuer is deemed to have been at any time previously an issuer with no or nominal operations and no or nominal assets other than cash and cash equivalents, Rule 144 under the 1933 Act may not be available for resales of the Totem Shares and (ii) the Issuer is not obligated to make Rule 144 under the 1933 Act available for resales of such Totem Shares;

(i) it consents to the Issuer making a notation on its records or giving instruction to the registrar and transfer agent of the Issuer in order to implement the restrictions on transfer set forth and described herein;

(j) it understands and acknowledges that the Issuer has no obligation or present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the Totem Shares in the United States;

(k) it understands and agrees that there may be material tax consequences to it of an acquisition, disposition or exercise of any of the Totem Shares; the Issuer gives no opinion and makes no representation with respect to the tax consequences to the Subscriber under United States, state, local or foreign tax law of the Subscriber's acquisition or disposition of such Totem Shares; in particular, no determination has been made whether the Issuer will be a "passive foreign investment company" ("PFIC") within the meaning of Section 1297 of the United States Internal Revenue Code;

(l) it understands and acknowledges that the Issuer (i) is not obligated to remain a "foreign issuer" within the meaning of Regulation S, (ii) may not, at the time the Totem Shares are resold by it or at any other time, be a foreign issuer, and (iii) may engage in one or more transactions which could cause the Issuer not to be a foreign issuer, and if the Issuer is not a foreign issuer at the time of sale or transfer of the Totem Shares pursuant to Rule 904 of Regulation S, the certificates representing the Totem Shares may continue to bear the legend described above by paragraph (f);

(m) it has not engaged in the exchange of its Abzu Shares for Totem Shares as a result of any form of "general solicitation or general advertising" (as used in Rule 502(c) of Regulation D under the 1933 Act, including any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or internet or any seminar or meeting whose attendees have been invited by general solicitation or general advertising; and

(n) it understands and acknowledges that the Issuer is incorporated outside the United States and consequently, it may be difficult to provide service of process on the Issuer for court proceedings in the United States and it may be difficult to enforce any judgment against the Issuer in the United States.

The Subscriber undertakes to notify the Issuer immediately of any change in any representation, warranty or other information relating to the Subscriber or any Beneficial Purchaser set forth herein which takes place prior to the Closing.

If a Corporation, Partnership or Other Entity:

If an Individual:

\_\_\_\_\_  
\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Signature

\_\_\_\_\_  
\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
\_\_\_\_\_  
Signature of Person Signing

\_\_\_\_\_  
\_\_\_\_\_  
Print or Type Name and Title of Person  
Signing

