Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.C-36 AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF GHANA GOLD CORPORATION, GHANA GOLD INC., COASTAL EXPLORATIONS LIMITED and ABURI GOLDFIELDS GHANA LTD.

Applicants

APPLICATION RECORD
(returnable May 9, 2013)

May 8, 2013

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Lawyers for the Applicants

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Exhibit "L"	Certified search results from the Ontario Personal Property Security Registration System conducted against GGC certified as at May 2, 2013
Exhibit "M"	Joint Venture Agreement with Minatura (BVI) LTD dated April 27, 2012
Exhibit "N"	Copy of the letter dated December 22, 2012 from Coastal terminating the Minatura Agreement
Exhibit "O"	Copy of the Statement of Claim issued on February 12, 2013
Exhibit "P"	Copy of the Writ of Summons issued in the Superior Court of Judicature in the High Court of Justice Commercial Division, Accra, Ghana on April 11, 2013
Exhibit "Q"	13-week consolidated cash flow projection for the Applicants
Exhibit "R"	DIP Term Sheet
Exhibit "S"	D&O Policy
3.	**Consent of Ernst & Young Inc. to act as Monitor**
4.	**Draft Initial Order**
5.	**Blackline of draft Initial Order against Model Initial Order**

TAB 1

Court File No.:

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Applicants

NOTICE OF APPLICATION

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicants. The claim made by the Applicants appears on the following pages.

THIS APPLICATION will come on for a hearing on Thursday, May 9, 2013, at 10 o'clock a.m., at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicants' lawyer or, where the Applicants do not have a lawyer, serve it on the Applicants, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicants' lawyer or, where the Applicants do not have a lawyer, serve it on the Applicants, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least two days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date ______________________ Issued by ____

Local Registrar

Address of court office: 330 University Avenue
7th Floor
Toronto, ON M5G 1R7

TO: THIS HONOURABLE COURT

AND TO: THE SERVICE LIST

APPLICATION

1. **THE APPLICANTS**, Ghana Gold Corporation ("**GGC**"), Ghana Gold Inc. ("**GGI**"), Coastal Explorations Limited ("**Coastal**") and Aburi Goldfields Ghana Ltd. (collectively, the "**Ghana Gold Group**" or the "**Applicants**") make this Application for an Initial Order substantially in the form attached at Tab 4 of the Application Record, among other things:

   (a) abridging the time for service of the Notice of Application and dispensing with service on any other person other than those served;

   (b) declaring that the Applicants are parties to which the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") applies;

   (c) appointing Ernst & Young Inc. as Monitor of the Applicants in these proceedings (the "**Monitor**");

   (d) staying all proceedings and remedies taken or that might be taken in respect of the Applicants or any of their property, except as otherwise set forth in the Initial Order or as otherwise permitted by law;

   (e) authorizing the Applicants to carry on business in a manner consistent with the preservation of their property and the restructuring proposed and to make certain payments in connection with their business and the proceedings taken herein;

   (f) approving the DIP Term Sheet between the Applicants and FCMI Financial Corporation (the "**DIP Lender**") dated May 8, 2013 (the "**DIP Term Sheet**") and granting a DIP Charge (as defined below);

   (g) granting the Administrative Charge (as defined below);

(h) granting the D&O Charge (as defined below);

(i) approving a Sale and Investment Solicitation Process ("**SISP**") to be undertaken by the Applicants with the assistance of the Monitor;

(j) permitting the Applicants to file with the Court a plan of compromise or arrangement; and

(k) such further and other relief as counsel may request and this Honourable Court may deem just.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

(a) the Applicants' core business is gold production from its operating alluvial gold mines in the Republic of Ghana ("**Ghana**");

(b) the Applicants have two operating alluvial gold mining projects in central Ghana whereby they remove gold from superficial deposits, process and refine the gold and sell the gold to buyers that take possession and make payment onsite;

(c) the Applicants do not hold mining leases directly, but have alluvial gold mining agreements with certain parties that hold the relevant mining lease pursuant to which they produce gold in exchange for a royalty paid to the relevant lease holder;

(d) GGC is a privately-held corporation incorporated pursuant to the law of Ontario. The other Applicants are subsidiaries of GGC incorporated in the British Virgin Islands (the "**BVI**") and Ghana;

(e) the Applicants' centre of main interest is Ontario where their head office is located and the primary corporate, management, banking, accounting and strategic functions for all Applicants are undertaken;

(f) the Applicants have one lender, FCMI Parent Co. ("**FCMI**"), which manages the financing from Ontario. In addition, the FCMI financing documents are governed by Ontario law;

(g) the Applicants contemplate that the CCAA proceeding in Canada will be the primary court supervised process for the restructuring of the Ghana Gold Group, but may determine at a later date to have this proceeding recognized as a foreign main proceeding in the BVI and/or to have any Order in this proceeding enforced as a foreign order in Ghana;

(h) the Applicants are of the view that their restructuring can be administered most efficiently through a single, centralized restructuring process in order to minimize the cost of the restructuring and the value available for the benefit of their stakeholders;

(i) the Applicants anticipate that they will continue to use their centralized cash management system out of their head office in Toronto whereby cash is loaned by GGC on an inter-company basis to the other Applicants and revenue after costs is repatriated to GGC;

(j) before the Applicants began production, GGC received pre-production financing from FCMI, pursuant to a Secured Convertible Grid Promissory Note in the amount of US$5,000,000.00 dated October 28, 2011 (the "**Note**");

(k) the obligations of GGC under the Note were secured by a Guarantee from GGI and Coastal dated October 28, 2011 (the "**Guarantee**"). The Note and the Guarantee were secured by a Securities Pledge Agreement dated October 28, 2011;

(l) while current operations are generating a positive cash flow that would normally be capable of servicing the Applicants' debt load, the development of the cash flow to date has been slower than originally projected;

(m) the maturity date under the Note was April 29, 2013, which FCMI agreed to extend to May 6, 2013 and then to May 8, 2013;

(n) repayment of the Note in full in the amount of USD $4,013,469.00 is due;

(o) the Applicants are unable to repay the indebtedness owing to FCMI and are therefore insolvent;

(p) the immediate objectives of the Applicants' restructuring plan are to secure sufficient funds to repay FCMI in full through the implementation of the SISP and to address long term working capital requirements;

(q) the purpose of the SISP is to identify one or more financers or purchasers of and investors in the Applicants' business with a projected completion date of a transaction or transactions by July 31, 2013;

(r) the DIP Lender has agreed to provide debtor-in-possession ("**DIP**") financing to the Applicants on the terms described in the DIP Term Sheet and secured by a charge over all of the property, assets and undertaking of the Applicants in priority to all creditors to secure the DIP financing (the "**DIP Charge**") as described in the Initial Order;

(s) the Applicants request that the Court grant a charge in favour of the Applicants' counsel, the Monitor and its counsel to secure the payment of fees and expenses incurred in connection with this proceeding in the amount of $250,000 (the "**Administration Charge**");

(t) the Applicants also request that the Applicants' directors be granted the protection of a directors' charge in the amount of $50,000 as provided for in the draft Initial Order (the "**Directors' Charge**");

(u) FCMI and the DIP Lender have indicated to the Applicants that they support the CCAA Application of the Ghana Gold Group and the relief sought therein;

(v) Ernst & Young Inc. has consented to act as the Court-appointed Monitor of the Ghana Gold Group, subject to Court approval;

(w) the provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

(x) Rules 2.03, 3.02, 14.05(2), 16 and 38 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg 194, as amended;

(y) Section 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended; and

(z) such further and other grounds as counsel may advise and this Honourable Court may deem just.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of this application:

(a) the Affidavit of A. Thomas Griffis sworn May 8, 2013, and the exhibits attached thereto;

(b) the Pre-Filing Report of Ernst & Young Inc. in its capacity as the proposed Monitor of the Applicants dated May 8, 2013;

(c) the Consent of Ernst & Young Inc. to act as Monitor; and

(d) such further and other evidence as counsel may advise and this Honourable Court may permit.

May 8, 2013

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Financial Advisor to FCMI Parent Co.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

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Applicants

Court File No.:

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Proceedings commenced at Toronto

NOTICE OF APPLICATION

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TAB 2

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Applicants

AFFIDAVIT OF A. THOMAS GRIFFIS (sworn May 8, 2013)

May 8, 2013

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Applicants

AFFIDAVIT OF A. THOMAS GRIFFIS
(sworn May 8, 2013)

I, A. THOMAS GRIFFIS, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the Chief Executive Officer and the Chairman of the Board of Directors of Ghana Gold Corporation ("**GGC**") and a Director of Ghana Gold Inc. ("**GG BVI**"), Coastal Explorations Limited ("**Coastal**") and Aburi Goldfields (Ghana) Ltd. ("**Aburi Goldfields**" and collectively, "**Ghana Gold Group**" or the "**Applicants**"). As such, I have personal knowledge of the matters to which I herein depose. Where the source of my information or belief is other than my own personal knowledge, I have identified the source and the basis for my information and believe it to be true.

2. All references to currency in this Affidavit are to U.S. Dollars, unless otherwise indicated.

I. RELIEF SOUGHT

3. This Affidavit is sworn in support of an application (the "**Application**") for an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), in respect of the Applicants, among other things:

(a) abridging the time for service of the Notice of Application and dispensing with service on any other person other than those served;

(b) declaring that the Applicants are parties to which the CCAA applies;

(c) appointing Ernst & Young Inc. as Monitor of the Applicants in these proceedings (the "**Proposed Monitor**");

(d) staying all proceedings and remedies taken or that might be taken in respect of the Applicants or any of their property, except as otherwise set forth in the Initial Order or as otherwise permitted by law;

(e) authorizing the Applicants to carry on business in a manner consistent with the preservation of their property and the restructuring proposed and to make certain payments in connection with their business and the proceedings taken herein;

(f) approving the DIP Term Sheet between the Applicants and FCMI Financial Corporation (the "**DIP Lender**") and granting a DIP Charge (defined below);

(g) granting the Administrative Charge (defined below);

(h) granting the Directors' Charge (defined below);

(i) approving a Sale and Investment Solicitation Process ("**SISP**") to be undertaken by the Applicants with the assistance of the Proposed Monitor; and

(j) permitting the Applicants to file with the Court a plan of compromise or arrangement.

II. OVERVIEW, BUSINESS OPERATIONS AND CORPORATE STRUCTURE

4. GGC is a privately-held corporation incorporated pursuant to the Ontario *Business Corporations Act* on March 4, 2010. GGC's registered head office is located at 70 York St., Suite 1410, Toronto, Ontario M5J 1S9 (the "**Head Office**"). A copy of the corporation profile report for GGC obtained from the Ontario Ministry of Government Services is attached hereto as **Exhibit "A"**.

5. The other Applicants are all subsidiaries of GGC. An organization chart of the Ghana Gold Group and other related subsidiaries is attached hereto as **Exhibit "B"**.

6. GGC is owned by 31 shareholders holding an aggregate of 66,790,000 common shares. Management as a group holds approximately 39.6% of the common shares of GGC. I have an equity interest in GGC. FCMI Parent Co. ("**FCMI**"), the Applicants' lender, holds 20,000,000 (29.9%) of GGC's common shares, as described below.

7. GGC owns 66,790,000 common stock of GG BVI, which is incorporated under the laws of the British Virgin Islands, representing 73.46% of GG BVI. A copy of the Memorandum of Association and Articles of Association for GG BVI is attached hereto as **Exhibit "C"**. The balance of 26.54% of the common stock of GG BVI is held by 17 investors. Generally, Canadian and U.S. investors in the Ghana Gold Group invested in GGC and "offshore" investors invested in GG BVI, depending on their tax situation. GG BVI is a subsidiary of GGC and has no employees.

8. In turn, GG BVI owns 100% of the shares of the Ghana Gold Group's operating arm, Coastal, a company incorporated under the laws of the Republic of Ghana ("**Ghana**"). A copy of the Certificate of Incorporation and Regulations for Coastal is attached hereto as **Exhibit "D"**.

9. In turn, Coastal owns 100% of Aburi Goldfields, a company incorporated under the laws of Ghana. A copy of the Certificate of Incorporation and Regulations for Aburi Goldfields is attached hereto as **Exhibit "E"**.

10. In addition to Coastal, GG BVI incorporated four wholly-owned subsidiaries for tax planning purposes. These subsidiaries are set out in the organizational chart attached as Exhibit "B". However, they are not Applicants in this proceeding since they have never been operational.

A. Management of the Applicants

11. As set out above, I am a director of each of the Applicants. In addition to myself, the directors of each of the Applicants are as follows:

(a) GGC: Elia Crespo and Michael Campbell;

(b) GG BVI: Bob Griffis and James Ladner;

(c) Coastal: Bob Griffis, Leo Eduamah; and

(d) Aburi Goldfields: Bob Griffis and Linda Antwi-Donkor.

12. Ghana Gold Group's management team includes the following people based primarily at its Head Office:

(a) myself, Chairman and Chief Executive Officer of GGC ("**CEO**");

(b) Elia Crespo, Chief Financial Officer of GGC ("**CFO**");

(c) Michael Campbell, Secretary of GGC; and

(d) Juliana Yung, Controller of GGC.

13. The only member of Ghana Gold Group's management team based outside of Canada is Bob Griffis, Chief Operating Officer of GGC, who is a Canadian citizen based primarily in Ghana.

14. In addition to GGC's Chief Operating Officer, the following individuals are key to the mining and exploration operations of Ghana Gold Group and are based primarily in Ghana:

(a) Athol Smith, Executive Vice President, Coastal; and

(b) Kofi Agyemang, Acting General Manager, Aburi Goldfields.

15. It is expected that all existing management based in Toronto and all mine operations management based in Ghana will remain in place during the restructuring.

B. Integration of the Applicants and Centre of Main Interest

16. The Applicants are of the view that the restructuring of the Ghana Gold Group as a whole to be undertaken under the CCAA may involve a refinancing, recapitalization or sale of the Applicants' business. The Applicants will explore all options to maximize value for stakeholders and to continue production at the Ghana Gold Group's facilities, described in greater detail below.

17. The Ghana Gold Group's business is fully integrated, including between the Canadian, British Virgin Islands and Ghanaian operations. The restructuring of the Ghana Gold Group can be administered most efficiently through a single, centralized restructuring process. Such a

process will minimize the cost of the restructuring, including the time necessary to effect the refinancing, recapitalization or sale effort and thereby maximize the overall value of the assets and operations for the benefit of all of the Applicants' stakeholders.

18. The Applicants' centre of main interest ("**COMI**") is Ontario. The Applicants' "nerve centre" is the Head Office in Ontario, from which the CEO, CFO, Secretary and Controller of GGC operate. The primary corporate, management, banking, accounting and strategic functions for all Applicants are undertaken from the Head Office in Ontario. The Applicants' lender is located in Ontario and its financing documents are governed by Ontario law.

19. The Applicants contemplate that the CCAA proceeding in Canada will be the primary court supervised process for the restructuring of the Ghana Gold Group. While the restructuring will be undertaken in Canada, the Applicants may determine that it is necessary to have this proceeding recognized as a foreign main proceeding in the British Virgin Islands and/or to have the Initial Order or any future order granted in this proceeding enforced as a foreign order in Ghana in order to facilitate their restructuring.

20. In support of the Applicants' position that the Applicants' COMI is Ontario, the Applicants rely on the following:

(a) all corporate strategic decision-making for the Ghana Gold Group occurs at the Head Office and the CEO, CFO, Secretary and Controller have their primary business office in Ontario;

(b) as CEO of GGC, I am involved, along with other members of the senior management team, in all material decisions regarding the operations of all Applicants, including the approval of all terms and conditions of any material contracts, and all such decisions are directed from, made in or monitored from our offices in Ontario;

(c) budgeting for each of the Applicants is approved at the Head Office in Ontario;

(d) accounting is performed and the books and records are maintained at the Head Office in Ontario;

(e) all treasury management functions, including a centralized cash management system for the Ghana Gold Group, are conducted from the Head Office in Ontario;

(f) financial reporting of the Applicants is done on a consolidated basis (except where separate entity reporting is required by taxing authorities) and the audited financial statements are prepared in Ontario;

(g) the auditor of the Applicants, Collins Barrow, is located in Ontario;

(h) human resource policy and administration, including certain human resource functions such as employee recruitment strategy and the administration of employee benefits, are performed in Ontario;

(i) investor communication functions are undertaken at the Head Office in Ontario;

(j) the corporate minute books for each Applicant are located and maintained in Ontario;

(k) the only financing made available to the Applicants is with FCMI, which manages its financing in Toronto;

(l) the loan documents and security granted in respect of the financing by FCMI are governed by Ontario law; and

(m) the Board of Directors' meetings are customarily held in Ontario.

III. THE APPLICANTS' BUSINESS

A. Core Business and Services

21. The Applicants' core business is gold production from its operating alluvial gold mines in Ghana, West Africa.

22. Alluvial mining is among the simplest forms of gold production. It is essentially the same as panning for gold but on a larger mechanized scale. In Ghana, over the course of the last many thousands of years, gold-bearing rock has been eroded. The gold was carried into the streams and rivers and a considerable amount of gold settled into the stream beds. The Ghana Gold Group has identified a number of areas where gold bearing gravel deposits exist.

23. The Applicants have two operating gold projects in central Ghana: the Aburi project (sometimes referred to as Mpeasem) (the "**Aburi Project**") and the adjacent Ofin project (the "**Ofin Project**"), which is located approximately 500 meters from the Aburi Project. Together, these would be considered a medium-scale alluvial mining operation.

24. In order to produce gold, the Applicants first strip vegetation from the mining area with a bulldozer. Plus or minus one foot of top soil is then removed to expose the gold-bearing gravels. The gravels are typically one to two metres deep above a layer of bedrock. The gravels are removed down to the bedrock and placed in dump trucks using excavators, which then drive a short distance to an alluvial processing plant.

25. The plant uses a number of simple processes to physically separate the free gold from the gravels. No capital-intensive hard rock milling is involved. The waste gravel is then trucked back to the original site, the top soil is returned and vegetation is restored.

26. There are three ore processing plants operating on these two projects, which began gold production in August, 2012: the two smaller Wyoming plants on the Ofin Project (began production in August, 2012) and the IHC plant on the Aburi Project (began production in February, 2013). The Ofin Project is smaller than the Aburi Project in terms of gold resources and daily production potential. The Applicants' mining fleet is currently operating on the Aburi Project. However, the Ofin Project and the two Wyoming plants are operation ready and, prior to the Aburi Project going into operation, the Ofin Project was in production.

27. The Ghana Gold Group also has a third property located in eastern Ghana near the town of Kibi called the MOS project ("**MOS**"). The Applicants have the alluvial mining rights to MOS, but it has not yet established the plant and mining fleet to support production at MOS. The Ghana Gold Group's current intention is to see this project start operations in September 2013. A map showing the locations of the Ghana Gold Group's mining interests is attached hereto as **Exhibit "F"**.

28. In addition to the above land projects, the Ghana Gold Group has also submitted an application for a reconnaissance license, which would allow it to explore certain offshore gold mining opportunities near Ghana's coastline. The Ghana Gold Group expects the reconnaissance license to be granted in 2013. However, it would be several years before a feasibility study is produced on the offshore license and gold production commences from the offshore concession. To date, there has not been a significant amount of capital spent or exploration work conducted on this offshore potential.

B. Facilities and Fleet

29. The Applicants service both the Aburi Project and the Ofin Project with a fully-equipped mining camp with offices, accommodations, mining equipment servicing areas and a gold room where the Applicants create their own dore gold bars of approximately 87% pure gold. These bars are sold to licensed gold buyers in Ghana, which pay for the bars based on the number of fine ounces contained in the bars times London spot price less 2.5%.

30. Generally, the process established for the sale of the dore gold bars is that the buyer pays for the dore gold bar before the bar is released to the buyer, and the buyer takes title at the mining camp. The buyer is responsible for transportation, insurance and refining to 99.99% purity. Refining can take place at a refinery in Ghana or elsewhere, depending on the buyer. Presently, the Applicants' main buyers are AA Minerals and ASAP Vesa, both located in Accra, Ghana.

31. The Applicants have their own mining fleet which they use to operate the two mines and three plants. However, the present mining fleet is mostly comprised of older, used equipment that is not adequate to service both the Aburi Project and the Ofin Project and is not sufficient to meet the capacity of the IHC plant at the Aburi Project. The Applicants currently lease and rent some additional mining fleet to supplement the Applicants' fleet and are planning to rent certain additional equipment to maintain and increase their gold production. The resulting projected revenue from the additional gold production exceeds the rental cost of such equipment. I have discussed this with the Proposed Monitor and it is reflected in the Cash Flow Forecast (defined below).

C. Licenses

32. The Applicants do not hold mining leases directly. Rather, the Applicants have alluvial gold mining agreements with certain parties that hold the relevant mining rights, which allows GGC to exploit the alluvial mining on each site in return for a royalty paid to the mining rights holder. The mining rights holders for each of the Applicants' projects are as follows (collectively, the "**Rights Holders**"):

(a) the Aburi Project: Romex Mining, a hard rock mining exploration company;

(b) the Ofin Project: Demba Resource Enterprise;

(c) MOS: MOS Mining Company (alluvial mining rights granted to Atewa Gold Mines Limited, and further assigned to Coastal).

33. The agreements generally provide for a 5% royalty paid by the relevant Applicant to the relevant Rights Holder, plus an additional 15% net profit interest in the case of MOS.

D. Employees

34. The Applicants have approximately 220 employees. Many are casual or day labourers. None of the Applicants' employees are unionized. The location and number of employees per Applicant is summarized as follows:

(a) GGC: 5 employees in Ontario;

(b) GG BVI: No employees

(c) Coastal: 12 employees in Ghana; and

(d) Aburi Goldfields: 158 full-time and 41 casual employees and 4 consultants in Ghana.

E. Bank Accounts and Cash Management

35. GGC's main bank is Royal Bank of Canada ("**RBC**"), located at Toronto, Ontario, at which it maintains U.S. dollar and Canadian dollar accounts. Coastal and Aburi Goldfields have local bank accounts in U.S. dollars and Ghana Cedis at Standard Chartered Bank and Stanbic Bank Ghana Limited in Accra, Ghana, since RBC does not have bank branches in Ghana.

36. The Applicants manage a centralized cash management system out of the Head Office in Toronto. Cash is loaned by GGC on an inter-company basis to the other Applicants. Revenue after costs is repatriated to GGC.

37. There is no credit or overdraft provided by any of the aforementioned financial institutions and, as such, funds are transferred to the appropriate bank account to cover cheques, wire transfers or direct debits from those bank accounts.

38. In addition to cash loaned by GGC, cash from gold sales is deposited or transferred to the account of Aburi Goldfields by customers.

39. Coastal and Aburi Goldfields each maintain their own payroll account and are responsible for their own payroll obligations.

40. To the extent that funds are needed, inter-company advances are provided between Coastal and Aburi Goldfields. Each Applicant then pays its accounts payable from its own account.

41. It is anticipated that the Applicants will continue to use the existing cash management system and will continue to maintain the bank accounts and arrangements already in place. This approach will minimize any disruption to business operations as the Applicants restructure.

IV. CURRENT STATUS OF THE COMPANY

42. GGC's annual audited financial statements are prepared on a consolidated basis and include all of the Applicants. The most recent audited financial statements are for the fiscal year ended December 31, 2012 (the "**Financial Statements**"), a copy of which is attached hereto as **Exhibit "G"**.

43. The Financial Statements show that the Ghana Gold Group's assets have a book value of approximately $5,115,758 and consist of cash on hand, receivables, inventory, equipment and capital assets, owned facilities, intangible assets, goodwill and other assets. The Financial Statements show that the Ghana Gold Group's liabilities are approximately $6,984,263.

A. Assets

44. As set out above, the Applicants' primary operating asset is the Aburi Project.

45. Ghana Rae Gold Mines Ltd. conducted a Feasibility Study of the Aburi Project in August, 2011 (the "**Feasibility Study**"). The Feasibility Study estimated the gold resources at the Aburi Project at approximately 62,000 fine ounces of gold. To date, approximately 3,000 ounces have been mined by the Applicants.

46. The current price of gold is approximately $1460 per ounce. The Applicants' average mine operating cost of mining gold from the Aburi Project for the first quarter of 2013 was approximately $1,000 per ounce.

47. At current gold prices after taking into account a mine operating cost of $1,000 per ounce, the Aburi Project will produce approximately $27 million of positive cash flow over the lifetime of the project. It is expected that the Applicants' mine operating costs will decrease in

the coming months as the project reaches full production which will result in even greater positive cash flow over the lifetime of this project.

48. The gold price has recently shown considerable volatility. While gold price movements are not predictable, the Applicants are confident that it will generate positive operating cash flow at gold prices in excess of $1,000 per ounce. The Applicants are not aware of any credible published gold price forecast calling for the price of gold to fall below $1,000 per ounce.

B. Secured Indebtedness

49. Before the Applicants began production, GGC received pre-production financing from FCMI, pursuant to a Secured Convertible Grid Promissory Note in the amount of $5,000,000.00 on October 28, 2011 (the "**Note**"). The Note is not interest bearing. A copy of the Note is attached hereto as **Exhibit "H"**.

50. As consideration for the Note, GGC issued to the lender 20,000,000 common shares with an estimated value of $2,000,069 and 20,000,000 share purchase warrants with an exercise price of CDN$0.18 per share which had an estimated value of $1,014,201, based on sales of the shares from the treasury for CDN$0.10 cash per share that had occurred in the same time frame as the financing.

51. Under the terms of the Note, FCMI was granted the right, on or after December 1, 2012 and prior to all obligations being repaid in full, to convert the whole or any part of the principal amount of the Note into fully-paid and non-assessable common shares at a price of $0.10 per share. This right has not been exercised.

52. The Note provides that it is to be repaid monthly at a rate of $300 per ounce of gold sold by the Ghana Gold Group multiplied by GGC's relative interest in the gold produced. GGC has the option of prepaying at any time, all, or from time to time any part of its indebtedness under the Note without penalty. A summary of the monthly repayments made under the Note to date is attached hereto as **Exhibit "I"**. Included in this summary is a prepayment of $200,000 made above the $300 per ounce repayment obligation.

53. The Note balance at the date hereof is $4,013,469.00.

54. The maturity date under the Note was April 29, 2013 (the "**Maturity Date**"). As described in greater detail below, prior to the Maturity Date, FCMI agreed to extend the Maturity Date to May 6, 2013 and then to May 8, 2013. Repayment in full of the Note is due today and the Applicants do not have sufficient liquidity to repay the Note.

55. GG BVI and Coastal guaranteed the obligations of GGC to FCMI under the Note pursuant to a Guarantee dated as of October 28, 2011 (the "**Guarantee**"). A copy of the Guarantee is attached hereto as **Exhibit "J"**.

56. GGC, GG BVI and Coastal secured their obligations to FCMI under the Note and the Guarantee pursuant to a Securities Pledge Agreement dated as of October 28, 2011 (the "**Securities Pledge Agreement**"). A copy of the Securities Pledge Agreement is attached hereto as **Exhibit "K"**.

57. Pursuant to the Securities Pledge Agreement, GGC pledged to FCMI, among other things, all its present and future common shares of GG BVI. GG BVI pledged to FCMI, 100% of the shares of Coastal and Coastal pledged 100% of the shares of Aburi Goldfields.

58. As at May 2, 2013, FCMI is the only party that has a registration against GGC pursuant to the Ontario *Personal Property Security Act*. Certified search results from the Ontario Personal Property Security Registration System conducted against GGC certified as at May 2, 2013 are attached hereto as **Exhibit "L"**.

59. Other than FCMI, the Applicants have no secured creditors.

C. Unsecured Creditors

60. The Ghana Gold Group's unsecured creditors are principally trade creditors and Rights Holders. Collectively, the Applicants' accounts payable are $2,236,600.29 as at May 6, 2013. Included in this amount is $685,379.68 owed by the Applicants to Minatura. Litigation has been commenced between the Applicants and Minatura, the details of which are discussed below.

D. Equity Raises

61. In addition to the FCMI financing in October 2011, GGC completed the following equity raises to fund the Applicants and their development of gold production in Ghana:

(a) CDN$1,700,000 raised at CDN$0.10 per common share in 2011;

(b) CDN$213,750 raised at CDN$0.15 per common share in 2011; and

(c) $500,000 raised at $0.20 per common share in 2012.

E. Immediate Liquidity Issue

62. As described above, GGC's indebtedness to FCMI in the amount of $4,013,469.01 matures today. The Applicants are unable to repay the indebtedness owing to FCMI and are therefore insolvent.

F. Factors Leading to Insolvency

63. While current operations are generating a positive cash flow that would normally be capable of servicing the Applicants' debt load, the development of their cash flow to date has been slower than originally projected. This has led to the Applicants repaying the Note to FCMI more slowly than had been originally projected as discussed below.

64. The Ghana Gold Group's alluvial processing plants expect to process approximately 60,000 cubic metres of gravel in May, 2013 or about 55% of their effective monthly capacity of 108,000 cubic metres. Capacity utilization is constrained primarily by the Ghana Gold Group's ability to excavate and transport gold-bearing gravels to the alluvial plant. This capacity constraint exists because the Ghana Gold Group has insufficient availability of excavators, dump trucks, bulldozers and loaders.

(i) Failure of Minatura Joint Venture

65. Before the Aburi Project was put into production, GGC entered into a Joint Venture Agreement with Minatura (BVI) LTD ("**Minatura**") dated April 27, 2012 (the "**Minatura Agreement**"). A copy of the Minatura Agreement is attached hereto as **Exhibit "M"**.

66. The Minatura Agreement provided that the Aburi Project would be a joint venture between GGC and Minatura. Pursuant to the Minatura Agreement, Minatura was to supply GGC with a new mining fleet with a value of approximately $2.5 million between May and September 2012 and, in any event, no later than December 2012. The intention of the parties was to use the fleet supplied under the Minatura Agreement to ramp up to full production at the Aburi Project.

67. Ultimately, Minatura failed to provide the fleet in accordance with the Minatura Agreement. Minatura's failure to deliver the agreed new equipment on time, as well as delays by

it to fund cash calls when requested under the Minatura Agreement, caused significant delays in the start up of the Aburi Project. These delays, combined with the ultimate failure by Minatura to meet its obligations under the Minatura Agreement, resulted in the termination of the Minatura Agreement and related joint venture by the Applicants in December 2012. A copy of the letter from Coastal terminating the Minatura Agreement is attached hereto as **Exhibit "N"**.

68. Minatura's failure to deliver the full production fleet to the Aburi Project in accordance with the Minatura Agreement coupled with delayed approvals from the Ghana Environment Protection Agency caused a delay in the commencement of production at the Aburi Project. In order to develop the Aburi Project to production, GGC also had to move its older, used mining fleet, which was being used to produce gold at the adjacent Ofin Project, onto the Aburi Project. However, as stated above, this fleet is comprised of the older and used mining equipment with insufficient capacity. As a result, the production on the Aburi Project is not as effective as was projected in the Aburi Project Feasibility Study, which contemplated all new equipment that Minatura was contracted to provide under the Minatura Agreement. To compound matters, since the Ofin Project's fleet was moved to the Aburi Project, the Ofin Project is now idle.

69. On February 12, 2013, Coastal and Aburi Goldfields commenced an action against Minatura in Ontario for, among other things, breach of the Minatura Agreement. A copy of the Statement of Claim issued on February 12, 2013 is attached hereto as **Exhibit "O"**.

70. On April 11, 2013, Minatura commenced an action against Coastal and Aburi Goldfields in Ghana for specific performance, injunctive relief and an accounting. A copy of the Writ of Summons issued in the Superior Court of Judicature in the High Court of Justice Commercial Division, Accra, Ghana on April 11, 2013 is attached hereto as **Exhibit "P"**.

(ii) Indebtedness Due to FCMI

71. As set out above, the delayed start of production, the inadequate equipment that is insufficient to allow the Aburi Project's IHC plant to operate at full capacity and the idling of production at the Ofin Project have resulted in the Applicants having only had effectively six months during the production ramp-up period of the Aburi Project to repay the loan from FCMI. As a result, the Applicants have only repaid approximately $1 million. The full indebtedness is now due and payable and the Applicants do not have the liquidity to repay the Note.

72. The Applicants are seeking the time to refinance the FCMI loan on commercially reasonable terms through a CCAA proceeding.

73. FCMI and the Applicants entered into discussions to determine whether an agreement could be reached between them. On April 25, 2013, FCMI agreed to extend the Maturity Date to May 6, 2013 to enable discussions between the Applicants and FCMI to continue to determine if an agreement could be reached between the parties that would have alleviated the need for the Applicants to seek CCAA protection. The Maturity Date was subsequently extended to May 8, 2013 to allow the parties to continue these discussions and ultimately to negotiate the DIP Term Sheet discussed below.

G. Efforts to Refinance

74. In early April, 2013, Roger Dent, one of GGC's largest shareholders, approached the Applicants and offered to assist the Applicants with their refinancing or recapitalization. Mr. Dent has over 25 years' experience in the Canadian financial services industry, with particular focus on companies with a small market capitalization.

75. In anticipation of FCMI agreeing to extend the Maturity Date of the Note to allow the Applicants sufficient time to repay it, the Applicants prepared a plan to approach investors with a view to refinancing the debt with equity. Mr. Dent began working with the Applicants on a voluntary basis as an adviser and a refinancing plan was developed. The plan was to approach investors to invest in common equity of GGC at a share price of $0.20, being the same price that was most recently paid by investors for treasury shares of GGC in December 2012. From the outset of the process, Mr. Dent indicated a willingness to be a significant investor in an acceptable structure.

76. The Applicants met with FCMI on April 10, 2013. Following this meeting, the Applicants realized that a considerably more urgent refinancing effort was required based on FCMI's confirmation that it was looking to be repaid the outstanding indebtedness under the Note on the Maturity Date. At this time, Mr. Dent became fully engaged in creating and assisting the Applicants in trying to implement a financial restructuring on a very compressed timeline.

77. At the same time, the overall investment context became highly adverse. The London afternoon gold price fixing had been relatively stable for the month leading up to April 10, 2013. On April 10, 2013, the afternoon price fixing was $1,575 per ounce. Thereafter, the price fell sharply in the four following trading days and on April 16, 2013 the afternoon price fixing was $1,380 per ounce. Intra-day trading prices fell even lower. This created a panicky investment climate in the market generally.

78. The price of gold and other factors created a highly negative investment climate for junior Canadian companies during the same time period. This is illustrated by the performance

of the TSX - Venture Exchange Composite Index. On April 10, 2013, this index closed at 1047.74. The index had a turbulent week after that, falling to a low of 923.60 on April 17, 2013. This drop of 12% in the exchange in a single one week period is among the largest such drops in the history of the TSX Venture Exchange.

79. With the change in the investment climate and the need to repay the FCMI indebtedness, the previous plan to refinance with equity investors at $0.20 per common share became unworkable. As a result, the Applicants and Mr. Dent spent a number of days approaching agents and large investors in order to assess what type of transaction might be feasible within the tight time frame. Although the tight time frame precluded proper due diligence, and the volatile and negative prevailing market conditions made it very difficult to get the attention of many serious investors, GGC did obtain a financing term sheet and several additional indications of interest that the Applicants are of the view could have been concluded if the Applicants had sufficient time to do so. In addition, GGC received interest from willing investors that GGC believes can lead to transactions if the Applicants are given time to pursue them.

V. FILING FOR PROTECTION

80. The Applicants cannot repay the amount owing to FCMI under the Note, which is due. For this reason, a stay of proceedings is essential for the continued operation of the Applicants' business. Such a stay would provide the Applicants with the necessary time to undertake a Sale and Investment Solicitation Process (**"SISP"**) and continue discussions with its stakeholders with respect to a potential plan of arrangement. Accordingly, the Applicants believe it is necessary to file for CCAA protection and that an order granting same is appropriate in the circumstances.

81. On or about May 8, 2013, the Board of Directors of each of the Applicants passed a resolution approving the commencement of proceedings under the CCAA and authorizing the DIP Term Sheet (defined below).

82. FCMI has indicated to the Applicants that it supports their CCAA Application and a related company to FCMI, the DIP Lender, has agreed to provide debtor-in-possession financing to the Applicants during its CCAA proceeding pursuant to the terms of the DIP Term Sheet.

A. Overview of Restructuring Plan and SISP

83. The paramount goal of the Applicants is to preserve, maximize and realize upon value for the benefit of all of their stakeholders, including FCMI.

84. The immediate objective of the restructuring plan is to secure sufficient funds to repay FCMI in full through the implementation of the SISP.

85. The purpose of the SISP is to identify one or more financers or purchasers of and investors in the Applicants' business with a projected completion date of a transaction or transactions by the end of July, 2013.

86. The SISP will include broad marketing to all potential financiers and investors, including those that have already engaged in talks with the Applicants. The SISP will accommodate offers for proposed financing, or investment in the Applicants' business and the purchase of the Applicants' assets. It will be a fair and transparent process overseen by the Proposed Monitor.

87. A chart summarizing the important dates for the SISP is set out below:

Sale and Investment Solicitation Process	Date
Court Approval of SISP	May 9, 2013
Publish Advertisement	May 14, 2013
Marketing to Interested Parties	May 9 to June 11, 2013
Submission of Letters of Intent	Anytime up to June 11, 2013
Qualifying Offerors	Within 2 Business Days of receipt of Letter of Intent and no later than June 13, 2013
Access to on-line data room and site visits	Immediately upon becoming a Qualified Offeror to date of Submission of Binding Offer
Offer Deadline	July 25, 2013
Clarification of offers and re-bidding, if applicable	Between July 15 and July 31, 2013
Execution of Binding Agreement (Financing Agreement, APA, etc.)	Between July 15 and July 31, 2013
Court approval of Transaction(s)	Between July 15 and July 31, 2013
Closing(s)	July 31, 2013

88. The SISP provides that the Applicants shall have the ability to apply to Court at any time to modify the timelines set out therein and/or terminate the SISP if the Applicants, in consultation with the Monitor, are of the view that a transaction involving a refinancing or investment can be concluded on an expedited timeline.

89. The terms of SISP reflect input of FCMI and the DIP Lender.

90. The Proposed Monitor has advised that it approves the SISP being proposed by the Applicants.

B. Cash Flow Forecast

91. The Applicants have worked with the Proposed Monitor to prepare a 13-week consolidated cash flow forecast for the Applicants (the "**Cash Flow Forecast**"). Attached hereto as **Exhibit "Q"** is a copy of the Cash Flow Forecast. Based on my knowledge of the financial position of the Applicants and the assumptions set out in the Cash Flow Forecast, I believe that it is fair and reasonable.

C. DIP Financing

92. FCMI has advised that it will support the Applicants' CCAA proceeding on the basis that the Applicants continue to repay the principal owed under the Note at $300 per ounce. To allow for this repayment, the DIP Lender has agreed to provide debtor-in-possession financing ("**DIP Financing**") to the Applicants up to the aggregate amount of CDN $750,000.00, subject to the Applicants obtaining an Initial Order in this proceeding on the terms requested granting the DIP Lender a charge over all of the property, assets and undertaking of the Applicants in priority to all creditors to secure the DIP Financing (the "**DIP Charge**"), save and except that the DIP charge shall rank second to the Administration Charge (defined below). A term sheet describing the amount, priority, terms and conditions of the DIP Financing to be provided by the DIP Lender (the "**DIP Term Sheet**") is annexed hereto and marked as **Exhibit "R"**.

93. The DIP Term Sheet provides for a maturity date of July 31, 2013 (the "**DIP Maturity Date**") by which date the Applicants, as borrowers, are to repay the DIP Financing. The Applicants and the Monitor are required to keep the DIP Lender apprised of the Ghana Gold Group's cash flow variances and provide the DIP Lender with revised cash flow projections on a weekly basis.

94. The Monitor has advised that it will provide oversight and will report to the Court with respect to the Applicants' actual results relative to the Cash Flow Forecast and any future forecasts filed during this proceeding.

D. The Initial Order

95. The Applicants request that the Court grant a charge in favour of the Applicants' counsel and in favour of the Monitor and its counsel to secure the payment of fees and expenses incurred in connection with this proceeding (the "**Administration Charge**"). The Applicants seek an Administration Charge in the amount of CDN $250,000 to secure payment of the fees and expenses of the Applicants' counsel and the Monitor and its counsel.

96. The Applicants also request that the Applicants' directors be granted the protection of a directors' charge in the amount of CDN $50,000 (the "**Directors' Charge**") as provided for in the draft Initial Order.

97. The Directors' Charge requested in the Initial Order will be in addition to the existing directors' and officers' insurance policy (the "**D&O Policy**"). The D&O Policy has a limit of liability in the amount of CDN $5,000,000. A copy of the D&O Policy is attached hereto as **Exhibit "S"**.

E. The Monitor

98. The Applicants propose that Ernst & Young Inc. be appointed Monitor for this proceeding. Ernst & Young Inc. is not the auditor for the Applicants. Ernst & Young Inc. has consented to act as Monitor and its written consent is being filed with this Honourable Court.

99. I swear this affidavit in support of the Applicants' request that an Initial Order be granted under the CCAA in the form annexed to the Notice of Application herein, and for no other or improper purpose.

SWORN before me at the City of Toronto, in the Province of Ontario, this 8th day of May, 2013.	
Commissioner for Taking Affidavits	**A. THOMAS GRIFFIS**

Exhibit “A”

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2236066	GHANA GOLD CORPORATION	2010/03/04

Jurisdiction

ONTARIO

Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE

Registered Office Address

70 YORK STREET

Suite # 1410
TORONTO
ONTARIO
CANADA M5J 1S9

Mailing Address

70 YORK STREET

Suite # 1410
TORONTO
ONTARIO
CANADA M5J 1S9

Date Amalgamated	Amalgamation Ind.
NOT APPLICABLE	NOT APPLICABLE
New Amal. Number	Notice Date
NOT APPLICABLE	NOT APPLICABLE
	Letter Date
	NOT APPLICABLE
Revival Date	Continuation Date
NOT APPLICABLE	NOT APPLICABLE
Transferred Out Date	Cancel/Inactive Date
NOT APPLICABLE	NOT APPLICABLE
EP Licence Eff.Date	EP Licence Term.Date
NOT APPLICABLE	NOT APPLICABLE

Number of Directors Minimum	Number of Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
00001	00010	NOT APPLICABLE	NOT APPLICABLE

Activity Classification

NOT AVAILABLE

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2236066	GHANA GOLD CORPORATION

Corporate Name History	Effective Date
GHANA GOLD CORPORATION	2010/03/04

Current Business Name(s) Exist: NO

Expired Business Name(s) Exist: NO

Administrator:

Name (Individual / Corporation)	Address
ELIA CRESPO	70 YORK STREET Suite # 1410 TORONTO ONTARIO CANADA M5J 1S9

Date Began	First Director	
2010/03/04	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2236066	GHANA GOLD CORPORATION

Administrator:
Name (Individual / Corporation)

ELIA

CRESPO

Address

70 YORK STREET

Suite # 1410
TORONTO
ONTARIO
CANADA M5J 1S9

Date Began	First Director	
2010/03/04	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	PRESIDENT	Y

Administrator:
Name (Individual / Corporation)

ELIA

CRESPO

Address

70 YORK STREET

Suite # 1410
TORONTO
ONTARIO
CANADA M5J 1S9

Date Began	First Director	
2010/03/04	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	SECRETARY	Y

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2236066	GHANA GOLD CORPORATION

Last Document Recorded

Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2010	1C	2012/08/18

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this certified report in electronic form is authorized by the Ministry of Government Services.

Exhibit “B”

GHANA GOLD CORP
At December 31, 2012 & as of to-date

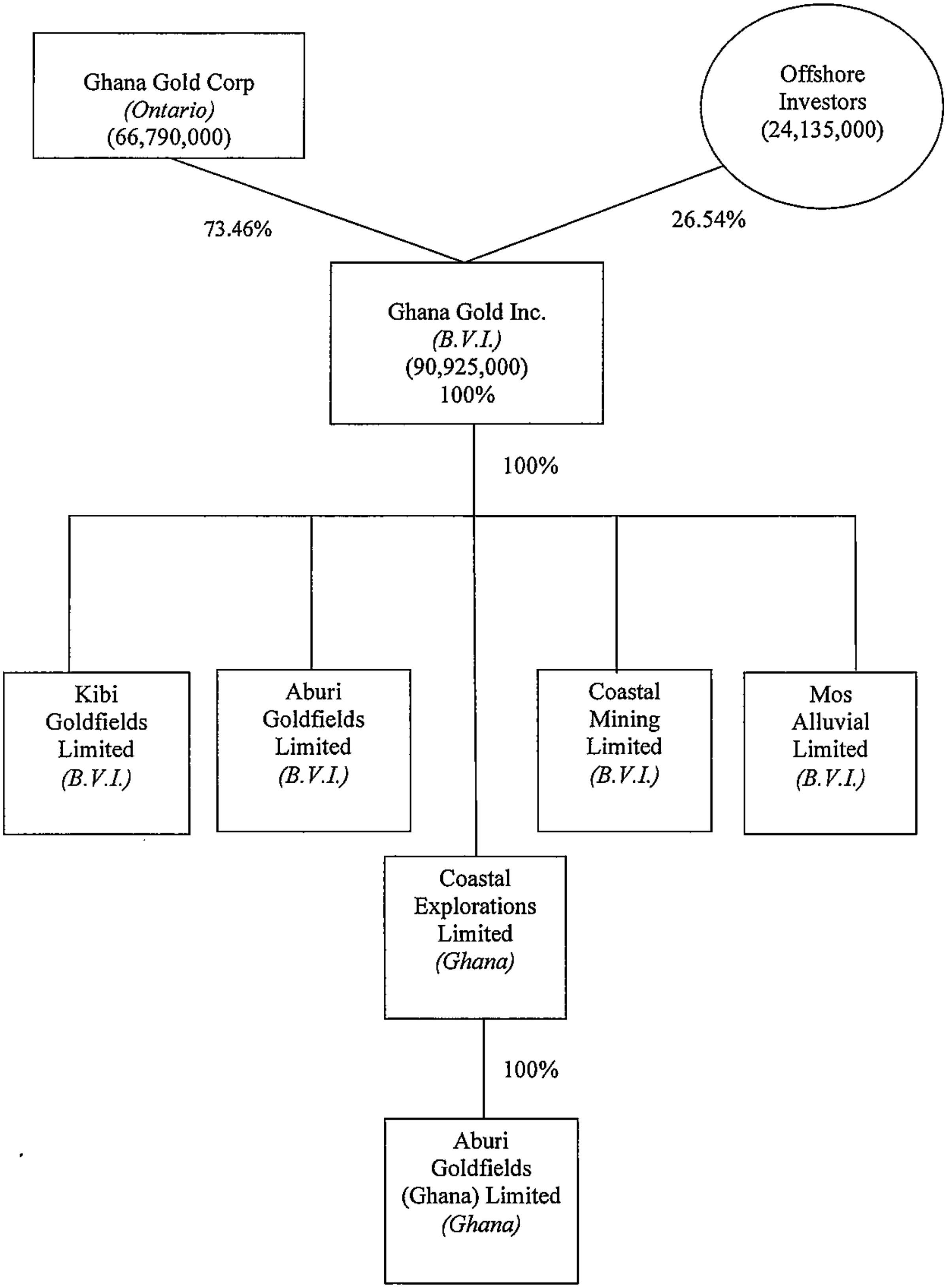

Exhibit “C”

No. 1619080

British Virgin Islands
BVI Business Companies Act, 2004

Memorandum of Association
and
Articles of Association
of

Ghana Gold Inc.

A COMPANY LIMITED BY SHARES

Incorporated 7 December 2010

(amended and restated on 16 June, 2011)
(amended and restated on 7 October, 2011)
(amended and restated on 24 January, 2013)

HARNEYS CORPORATE SERVICES LIMITED
Craigmuir Chambers
Road Town
Tortola
British Virgin Islands

TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT, 2004

MEMORANDUM OF ASSOCIATION

OF

Ghana Gold Inc.

A COMPANY LIMITED BY SHARES

1. DEFINITIONS AND INTERPRETATION

1.1 In this Memorandum of Association and the attached Articles of Association, if not inconsistent with the subject or context:

"**Act**" means the BVI Business Companies Act, 2004 (No. 16 of 2004) and includes the regulations made under the Act;

"**Articles**" means the attached Articles of Association of the Company;

"**Chairman of the Board**" has the meaning specified in Regulation 12;

"**Distribution**" in relation to a distribution by the Company to a Shareholder means the direct or indirect transfer of an asset, other than Shares, to or for the benefit of the Shareholder, or the incurring of a debt to or for the benefit of a Shareholder, in relation to Shares held by a Shareholder, and whether by means of the purchase of an asset, the purchase, redemption or other acquisition of Shares, a transfer of indebtedness or otherwise, and includes a dividend;

"**Eligible Person**" means individuals, corporations, trusts, the estates of deceased individuals, partnerships and unincorporated associations of persons;

"**Memorandum**" means this Memorandum of Association of the Company;

"**Registrar**" means the Registrar of Corporate Affairs appointed under section 229 of the Act;

"**Resolution of Directors**" means either:

(a) a resolution approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a majority of the directors present at the meeting who voted except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or

(b) a resolution consented to in writing by all directors or by all members of a committee of directors of the Company, as the case may be;

"**Resolution of Shareholders**" means either:

(a) a resolution approved at a duly convened and constituted meeting of the Shareholders of the Company by the affirmative vote of a majority of in excess of 50% of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or

(b) a resolution consented to in writing by a majority of in excess of 50% of the votes of Shares entitled to vote thereon;

"**Seal**" means any seal which has been duly adopted as the common seal of the Company;

"**Securities**" means Shares and debt obligations of every kind of the Company, and including without limitation options, warrants and rights to acquire Shares or debt obligations;

"**Share**" means a share issued or to be issued by the Company;

"**Shareholder**" means an Eligible Person whose name is entered in the register of members of the Company as the holder of one or more Shares or fractional Shares;

"**Treasury Share**" means a Share that was previously issued but was repurchased, redeemed or otherwise acquired by the Company and not cancelled; and

"**written**" or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and "in writing" shall be construed accordingly.

1.2 In the Memorandum and the Articles, unless the context otherwise requires a reference to:

(a) a "**Regulation**" is a reference to a regulation of the Articles;

(b) a "Clause" is a reference to a clause of the Memorandum;

(c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;

(d) the Act, the Memorandum or the Articles is a reference to the Act or those documents as amended or, in the case of the Act any re-enactment thereof; and

(e) the singular includes the plural and vice versa.

1.3 Any words or expressions defined in the Act unless the context otherwise requires bear the same meaning in the Memorandum and the Articles unless otherwise defined herein.

1.4 Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and the Articles.

2. NAME

The name of the Company is Ghana Gold Inc.

3. STATUS

The Company is a company limited by shares.

4. REGISTERED OFFICE AND REGISTERED AGENT

4.1 The first registered office of the Company is at Craigmuir Chambers, Road Town, Tortola, British Virgin Islands, the office of the first registered agent.

4.2 The first registered agent of the Company is Harneys Corporate Services Limited of Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, British Virgin Islands.

4.3 The Company may by Resolution of Shareholders or by Resolution of Directors change the location of its registered office or change its registered agent.

4.4 Any change of registered office or registered agent will take effect on the registration by the Registrar of a notice of the change filed by the existing registered agent or a legal practitioner in the British Virgin Islands acting on behalf of the Company.

5. CAPACITY AND POWERS

5.1 Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a), full rights, powers and privileges.

5.2 For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

6. NUMBER AND CLASSES OF SHARES

6.1 The Company is authorised to issue a maximum of 98,525,000 no par value Shares of a single class.

6.2 The Company may issue fractional Shares and a fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole Share of the same class or series of Shares.

6.3 Shares may be issued in one or more series of Shares as the directors may by Resolution of Directors determine from time to time.

7. RIGHTS OF SHARES

7.1 Each Share in the Company confers upon the Shareholder:

(a) the right to one vote at a meeting of the Shareholders or on any Resolution of Shareholders;

(b) the right to an equal share in any dividend paid by the Company; and

(c) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

7.2 The Company may by Resolution of Directors redeem, purchase or otherwise acquire all or any of the Shares in the Company subject to Regulation 3 of the Articles.

8. VARIATION OF RIGHTS

If at any time the Shares are divided into different classes, the rights attached to any class may only be varied, whether or not the Company is in liquidation, with the consent in writing of or by a resolution passed at a meeting by the holders of not less than 50% of the issued Shares in that class.

9. RIGHTS NOT VARIED BY THE ISSUE OF SHARES PARI PASSU

The rights conferred upon the holders of the Shares of any class shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

10. REGISTERED SHARES

10.1 The Company shall issue registered Shares only.

10.2 The Company is not authorised to issue bearer Shares, convert registered Shares to bearer Shares or exchange registered Shares for bearer Shares.

11. TRANSFER OF SHARES

11.1 The Company shall, on receipt of an instrument of transfer complying with Sub-Regulation 6.1 of the Articles, enter the name of the transferee of a Share in the register of members.

11.2 The directors may not refuse or delay the transfer of a share unless the shareholder has failed to pay an amount due in respect of the share and notwithstanding anything contained in this Memorandum of Association or the Articles, the directors shall not decline or refuse to register any transfer of any Share, nor may they suspend registration thereof where such transfer is:

(i) to any corporation, bank or other entity to whom such shares are charged by way of security;

(ii) by any such corporation, bank or other entity, pursuant to the power of sale under such security; or

(iii) by any such corporation, bank or other entity in accordance with the terms of the relevant security document.

For the purposes of this Clause a certificate by any official of such corporation, bank or other entity that the shares are so charged and/or that the transfer was so executed shall be conclusive evidence of such facts and any references to a bank includes any financial institution and any nominee of such institution.

12. AMENDMENT OF THE MEMORANDUM AND THE ARTICLES

12.1 Subject to Clause 8, the Company may amend the Memorandum or the Articles by Resolution of Shareholders or by Resolution of Directors, save that no amendment may be made by Resolution of Directors:

(a) to restrict the rights or powers of the Shareholders to amend the Memorandum or the Articles;

(b) to change the percentage of Shareholders required to pass a Resolution of Shareholders to amend the Memorandum or the Articles;

(c) in circumstances where the Memorandum or the Articles cannot be amended by the Shareholders; or

(d) to Clauses 7, 8, 9 or this Clause 12.

12.2 Any amendment of the Memorandum or the Articles will take effect on the registration by the Registrar of a notice of amendment, or restated Memorandum and Articles, filed by the registered agent.

Signed for HARNEYS CORPORATE SERVICES LIMITED of Craigmuir Chambers, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands on 7 December 2010:

Incorporator

Sgd: Andrew Swapp

....
Andrew Swapp
Authorised Signatory
HARNEYS CORPORATE SERVICES LIMITED

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TERRITORY OF THE BRITISH VIRGIN ISLANDS

THE BVI BUSINESS COMPANIES ACT, 2004

ARTICLES OF ASSOCIATION

OF

Ghana Gold Inc.

A COMPANY LIMITED BY SHARES

1. REGISTERED SHARES

1.1 Every Shareholder is entitled to a certificate signed by a director or officer of the Company, or any other person authorised by Resolution of Directors, or under the Seal specifying the number of Shares held by him and the signature of the director, officer or authorised person and the Seal may be facsimiles.

1.2 Any Shareholder receiving a certificate shall indemnify and hold the Company and its directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by Resolution of Directors.

1.3 If several Eligible Persons are registered as joint holders of any Shares, any one of such Eligible Persons may give an effectual receipt for any Distribution.

2. SHARES

2.1 Shares and other Securities may be issued at such times, to such Eligible Persons, for such consideration and on such terms as the directors may by Resolution of Directors determine.

2.2 Section 46 of the Act (Pre-emptive rights) does not apply to the Company.

2.3 A Share may be issued for consideration in any form, including money, a promissory note, or other written obligation to contribute money or property, real property, personal property (including goodwill and know-how), services rendered or a contract for future services.

2.4 No Shares may be issued for a consideration other than money, unless a Resolution of Directors has been passed stating:

(a) the amount to be credited for the issue of the Shares;

(b) the determination of the directors of the reasonable present cash value of the non-money consideration for the issue; and

(c) that, in the opinion of the directors, the present cash value of the non-money consideration for the issue is not less than the amount to be credited for the issue of the Shares.

2.5 The Company shall keep a register (the "**register of members**") containing:

(a) the names and addresses of the Eligible Persons who hold Shares;

(b) the number of each class and series of Shares held by each Shareholder;

(c) the date on which the name of each Shareholder was entered in the register of members; and

(d) the date on which any Eligible Person ceased to be a Shareholder.

2.6 The register of members may be in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.

2.7 A Share is deemed to be issued when the name of the Shareholder is entered in the register of members.

3. REDEMPTION OF SHARES AND TREASURY SHARES

3.1 The Company may purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the Shares without their consent.

3.2 The Company may only offer to purchase, redeem or otherwise acquire Shares if the Resolution of Directors authorising the purchase, redemption or other acquisition contains a statement that the directors are satisfied, on reasonable grounds, that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

3.3 Sections 60 (*Process for acquisition of own shares*), 61 (*Offer to one or more shareholders*) and 62 (*Shares redeemed otherwise than at the option of company*) of the Act shall not apply to the Company.

3.4 Shares that the Company purchases, redeems or otherwise acquires pursuant to this Regulation may be cancelled or held as Treasury Shares except to the extent that such Shares are in excess of 50% of the issued Shares in which case they shall be cancelled but they shall be available for reissue.

3.5 All rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.

3.6 Treasury Shares may be transferred by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and the Articles) as the Company may by Resolution of Directors determine.

3.7 Where Shares are held by another body corporate of which the Company holds, directly or indirectly, shares having more than 50% of the votes in the election of directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.

4. MORTGAGES AND CHARGES OF SHARES

4.1 Shareholders may mortgage or charge their Shares.

4.2 There shall be entered in the register of members at the written request of the Shareholder:

(a) a statement that the Shares held by him are mortgaged or charged;

(b) the name of the mortgagee or chargee; and

(c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of members.

4.3 Where particulars of a mortgage or charge are entered in the register of members, such particulars may be cancelled:

(a) with the written consent of the named mortgagee or chargee or anyone authorised to act on his behalf; or

(b) upon evidence satisfactory to the directors of the discharge of the liability secured by the mortgage or charge and the issue of such indemnities as the directors shall consider necessary or desirable.

4.4 Whilst particulars of a mortgage or charge over Shares are entered in the register of members pursuant to this Regulation:

(a) no transfer of any Share the subject of those particulars shall be effected;

(b) the Company may not purchase, redeem or otherwise acquire any such Share; and

(c) no replacement certificate shall be issued in respect of such Shares,

without the written consent of the named mortgagee or chargee.

5. FORFEITURE

5.1 Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note, other written obligation to contribute money or property or a contract for future services are deemed to be not fully paid.

5.2 A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.

5.3 The written notice of call referred to in Sub-Regulation 5.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

5.4 Where a written notice of call has been issued pursuant to Sub-Regulation 5.3 and the requirements of the notice have not been complied with, the directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.

5.5 The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been cancelled pursuant to Sub-Regulation 5.4 and that Shareholder shall be discharged from any further obligation to the Company.

6. TRANSFER OF SHARES

6.1 Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to the Company for registration.

6.2 The transfer of a Share is effective when the name of the transferee is entered on the register of members.

6.3 If the directors of the Company are satisfied that an instrument of transfer relating to Shares has been signed but that the instrument has been lost or destroyed, they may resolve by Resolution of Directors:

(a) to accept such evidence of the transfer of Shares as they consider appropriate; and

(b) that the transferee's name should be entered in the register of members notwithstanding the absence of the instrument of transfer.

6.4 Subject to the Memorandum, the personal representative of a deceased Shareholder may transfer a Share even though the personal representative is not a Shareholder at the time of the transfer.

7. MEETINGS AND CONSENTS OF SHAREHOLDERS

7.1 Any director of the Company may convene meetings of the Shareholders at such times and in such manner and places within or outside the British Virgin Islands as the director considers necessary or desirable.

7.2 Upon the written request of Shareholders entitled to exercise 30% or more of the voting rights in respect of the matter for which the meeting is requested the directors shall convene a meeting of Shareholders.

7.3 The director convening a meeting shall give not less than 7 days' notice of a meeting of Shareholders to:

(a) those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting; and

(b) the other directors.

7.4 The director convening a meeting of Shareholders may fix as the record date for determining those Shareholders that are entitled to vote at the meeting the date notice is given of the meeting, or such other date as may be specified in the notice, being a date not earlier than the date of the notice.

7.5 A meeting of Shareholders held in contravention of the requirement to give notice is valid if Shareholders holding at least 90% of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a Shareholder at the meeting shall constitute waiver in relation to all the Shares which that Shareholder holds.

7.6 The inadvertent failure of a director who convenes a meeting to give notice of a meeting to a Shareholder or another director, or the fact that a Shareholder or another director has not received notice, does not invalidate the meeting.

7.7 A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.

7.8 The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.

7.9 The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Shareholder appointing the proxy.

> Ghana Gold Inc.
>
> I/We being a Shareholder of the above Company HEREBY APPOINT .... of .... or failing him .... of .... to be my/our proxy to vote for me/us at the meeting of Shareholders to be held on the ...... day of ...., 20...... and at any adjournment thereof.
>
> (Any restrictions on voting to be inserted here.)
>
> Signed this ...... day of ...., 20......
>
> ....
> Shareholder

7.10 The following applies where Shares are jointly owned:

(a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;

(b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

(c) if two or more of the joint owners are present in person or by proxy they must vote as one.

7.11 A Shareholder shall be deemed to be present at a meeting of Shareholders if he participates by telephone or other electronic means and all Shareholders participating in the meeting are able to hear each other.

7.12 A meeting of Shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than 50% of the votes of the Shares entitled to vote on Resolutions of Shareholders to be considered at the meeting. A quorum may comprise a single Shareholder or proxy and then such person may pass a Resolution of Shareholders and a certificate signed by such person accompanied where such person be a proxy by a copy of the proxy instrument shall constitute a valid Resolution of Shareholders.

7.13 If within two hours from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved; in any other case it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than one third of the votes of the Shares or each class or series of Shares entitled to vote on the matters to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.

7.14 At every meeting of Shareholders, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting, the Shareholders present shall choose one of their number to be the chairman. If the Shareholders are unable to choose a chairman for any reason, then the person representing the greatest number of voting

Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Shareholder or representative of a Shareholder present shall take the chair.

7.15 The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

7.16 At any meeting of the Shareholders the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Shareholder present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting.

7.17 Subject to the specific provisions contained in this Regulation for the appointment of representatives of Eligible Persons other than individuals the right of any individual to speak for or represent a Shareholder shall be determined by the law of the jurisdiction where, and by the documents by which, the Eligible Person is constituted or derives its existence. In case of doubt, the directors may in good faith seek legal advice from any qualified person and unless and until a court of competent jurisdiction shall otherwise rule, the directors may rely and act upon such advice without incurring any liability to any Shareholder or the Company.

7.18 Any Eligible Person other than an individual which is a Shareholder may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Shareholder which he represents as that Shareholder could exercise if it were an individual.

7.19 The chairman of any meeting at which a vote is cast by proxy or on behalf of any Eligible Person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within 7 days of being so requested or the votes cast by such proxy or on behalf of such Eligible Person shall be disregarded.

7.20 Directors of the Company may attend and speak at any meeting of Shareholders and at any separate meeting of the holders of any class or series of Shares.

7.21 An action that may be taken by the Shareholders at a meeting may also be taken by a resolution consented to in writing, without the need for any notice, but if any Resolution of Shareholders is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more Shareholders. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the earliest date upon which Shareholders holding a sufficient number of votes of Shares to constitute a Resolution of Shareholders have consented to the resolution by signed counterparts.

8. DIRECTORS

8.1 The first directors of the Company shall be appointed by the first registered agent within 6 months of the date of incorporation of the Company; and thereafter, the directors shall be elected by Resolution of Shareholders or by Resolution of Directors.

8.2 No person shall be appointed as a director, or nominated as a reserve director, of the Company unless he has consented in writing to be a director or to be nominated as a reserve director.

8.3 Subject to Sub-Regulation 8.1, the minimum number of directors shall be one and there shall be no maximum number.

8.4 Each director holds office for the term, if any, fixed by the Resolution of Shareholders or the Resolution of Directors appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves indefinitely until his earlier death, resignation or removal.

8.5 A director may be removed from office,

(a) with or without cause, by Resolution of Shareholders passed at a meeting of Shareholders called for the purposes of removing the director or for purposes including the removal of the director or by a written resolution passed by at least 75% of the Shareholders of the Company entitled to vote; or

(b) with cause, by Resolution of Directors passed at a meeting of directors called for the purpose of removing the director or for purposes including the removal of the director.

8.6 A director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company or from such later date as may be specified in the notice. A director shall resign forthwith as a director if he is, or becomes, disqualified from acting as a director under the Act.

8.7 The directors may at any time appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. Where the directors appoint a person as director to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office.

8.8 A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office.

8.9 Where the Company only has one Shareholder who is an individual and that Shareholder is also the sole director of the Company, the sole Shareholder/director may, by instrument in writing, nominate a person who is not disqualified from being a director of the Company as a reserve director of the Company to act in the place of the sole director in the event of his death.

8.10 The nomination of a person as a reserve director of the Company ceases to have effect if:

(a) before the death of the sole Shareholder/director who nominated him,

(i) he resigns as reserve director, or

(ii) the sole Shareholder/director revokes the nomination in writing; or

(b) the sole Shareholder/director who nominated him ceases to be able to be the sole Shareholder/director of the Company for any reason other than his death.

8.11 The Company shall keep a register of directors containing:

(a) the names and addresses of the persons who are directors of the Company or who have been nominated as reserve directors of the Company;

(b) the date on which each person whose name is entered in the register was appointed as a director, or nominated as a reserve director, of the Company;

(c) the date on which each person named as a director ceased to be a director of the Company;

(d) the date on which the nomination of any person nominated as a reserve director ceased to have effect; and

(e) such other information as may be prescribed by the Act.

8.12 The register of directors may be kept in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of directors.

8.13 The directors may, by Resolution of Directors, fix the emoluments of directors with respect to services to be rendered in any capacity to the Company.

8.14 A director is not required to hold a Share as a qualification to office.

9. POWERS OF DIRECTORS

9.1 The business and affairs of the Company shall be managed by, or under the direction or supervision of, the directors of the Company. The directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Act or by the Memorandum or the Articles required to be exercised by the Shareholders.

9.2 Each director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Act. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of the Company.

9.3 If the Company is the wholly owned subsidiary of a holding company, a director of the Company may, when exercising powers or performing duties as a director, act in a manner which he believes is in the best interests of the holding company even though it may not be in the best interests of the Company.

9.4 Any director which is a body corporate may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the directors, with respect to the signing of consents or otherwise.

9.5 The continuing directors may act notwithstanding any vacancy in their body.

9.6 The directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.

9.7 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

9.8 For the purposes of Section 175 (*Disposition of assets*) of the Act, the directors may by Resolution of Directors determine that any sale, transfer, lease, exchange or other disposition is in the usual or regular course of the business carried on by the Company and such determination is, in the absence of fraud, conclusive.

10. PROCEEDINGS OF DIRECTORS

10.1 Any one director of the Company may call a meeting of the directors by sending a written notice to each other director.

10.2 The directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the directors may determine to be necessary or desirable.

10.3 A director is deemed to be present at a meeting of directors if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

10.4 A director shall be given not less than 3 days' notice of meetings of directors, but a meeting of directors held without 3 days' notice having been given to all directors shall be valid if all the directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a director at a meeting shall constitute waiver by that director. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.

10.5 A director may by a written instrument appoint an alternate who need not be a director and the alternate shall be entitled to attend meetings in the absence of the director who appointed him and to vote in place of the director until the appointment lapses or is terminated.

10.6 A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of directors, unless there are only 2 directors in which case the quorum is 2.

10.7 If the Company has only one director the provisions herein contained for meetings of directors do not apply and such sole director has full power to represent and act for the Company in all matters as are not by the Act, the Memorandum or the Articles required to be exercised by the Shareholders. In lieu of minutes of a meeting the sole director shall record in writing and sign a note or memorandum of all matters requiring a Resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.

10.8 At meetings of directors at which the Chairman of the Board is present, he shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present, the directors present shall choose one of their number to be chairman of the meeting.

10.9 An action that may be taken by the directors or a committee of directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of directors consented to in writing by all directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last director has consented to the resolution by signed counterparts.

11. COMMITTEES

11.1 The directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.

11.2 The directors have no power to delegate to a committee of directors any of the following powers:

(a) to amend the Memorandum or the Articles;

(b) to designate committees of directors;

(c) to delegate powers to a committee of directors;

(d) to appoint or remove directors;

(e) to appoint or remove an agent;

(f) to approve a plan of merger, consolidation or arrangement;

(g) to make a declaration of solvency or to approve a liquidation plan; or

(h) to make a determination that immediately after a proposed Distribution the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

11.3 Sub-Regulation 11.2(b) and (c) do not prevent a committee of directors, where authorised by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, from appointing a sub-committee and delegating powers exercisable by the committee to the sub-committee.

11.4 The meetings and proceedings of each committee of directors consisting of 2 or more directors shall be governed *mutatis mutandis* by the provisions of the Articles regulating the proceedings of directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.

11.5 Where the directors delegate their powers to a committee of directors they remain responsible for the exercise of that power by the committee, unless they believed on reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on directors of the Company under the Act.

12. OFFICERS AND AGENTS

12.1 The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. Such officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.

12.2 The officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

12.3 The emoluments of all officers shall be fixed by Resolution of Directors.

12.4 The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.

12.5 The directors may, by Resolution of Directors, appoint any person, including a person who is a director, to be an agent of the Company.

12.6 An agent of the Company shall have such powers and authority of the directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the following:

(a) to amend the Memorandum or the Articles;

(b) to change the registered office or agent;

(c) to designate committees of directors;

(d) to delegate powers to a committee of directors;

(e) to appoint or remove directors;

(f) to appoint or remove an agent;

(g) to fix emoluments of directors;

(h) to approve a plan of merger, consolidation or arrangement;

(i) to make a declaration of solvency or to approve a liquidation plan;

(j) to make a determination that immediately after a proposed Distribution the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due; or

(k) to authorise the Company to continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands.

12.7 The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company.

12.8 The directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.

13. CONFLICT OF INTERESTS

13.1 A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other directors of the Company.

13.2 For the purposes of Sub-Regulation 13.1, a disclosure to all other directors to the effect that a director is a member, director or officer of another named entity or has a fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry into the transaction or disclosure of the interest, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

13.3 A director of the Company who is interested in a transaction entered into or to be entered into by the Company may:

(a) vote on a matter relating to the transaction;

(b) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and

(c) sign a document on behalf of the Company, or do any other thing in his capacity as a director, that relates to the transaction,

and, subject to compliance with the Act shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

14. INDEMNIFICATION

14.1 Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:

(a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the Company; or

(b) is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise.

14.2 The indemnity in Sub-Regulation 14.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.

14.3 For the purposes of Sub-Regulation 14.2, a director acts in the best interests of the Company if he acts in the best interests of

(a) the Company's holding company; or

(b) a Shareholder or Shareholders of the Company;

in either case, in the circumstances specified in Sub-Regulation 9.3 or the Act, as the case may be.

14.4 The decision of the directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.

14.5 The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.

14.6 Expenses, including legal fees, incurred by a director in defending any legal, administrative or investigative proceedings may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of the director to repay the amount if it shall ultimately be determined that the director is not entitled to be indemnified by the Company in accordance with Sub-Regulation 14.1.

14.7 Expenses, including legal fees, incurred by a former director in defending any legal, administrative or investigative proceedings may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of the former director to repay the amount if it shall ultimately be determined that the former director is not entitled to be indemnified by the Company in accordance with Sub-Regulation 14.1 and upon such terms and conditions, if any, as the Company deems appropriate.

14.8 The indemnification and advancement of expenses provided by, or granted pursuant to, this section is not exclusive of any other rights to which the person seeking indemnification or advancement of expenses may be entitled under any agreement, Resolution of Shareholders, resolution of disinterested directors or otherwise, both as to acting in the person's official capacity and as to acting in another capacity while serving as a director of the Company.

14.9 If a person referred to in Sub-Regulation 14.1 has been successful in defence of any proceedings referred to in Sub-Regulation 14.1, the person is entitled to be indemnified against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred by the person in connection with the proceedings.

14.10 The Company may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

15. RECORDS

15.1 The Company shall keep the following documents at the office of its registered agent:

(a) the Memorandum and the Articles;

(b) the register of members, or a copy of the register of members;

(c) the register of directors, or a copy of the register of directors; and

(d) copies of all notices and other documents filed by the Company with the Registrar of Corporate Affairs in the previous 10 years.

15.2 Until the directors determine otherwise by Resolution of Directors the Company shall keep the original register of members and original register of directors at the office of its registered agent.

15.3 If the Company maintains only a copy of the register of members or a copy of the register of directors at the office of its registered agent, it shall:

(a) within 15 days of any change in either register, notify the registered agent in writing of the change; and

(b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of directors is kept.

15.4 The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the directors may determine:

(a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders; and

(b) minutes of meetings and Resolutions of Directors and committees of directors.

15.5 Where any original records referred to in this Regulation are maintained other than at the office of the registered agent of the Company, and the place at which the original records is changed, the Company shall provide the registered agent with the physical address of the new location of the records of the Company within 14 days of the change of location.

15.6 The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Act, 2001 (No. 5 of 2001) as from time to time amended or re-enacted.

16. REGISTER OF CHARGES

The Company shall maintain at the office of its registered agent a register of charges in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance created by the Company:

(a) the date of creation of the charge;

(b) a short description of the liability secured by the charge;

(c) a short description of the property charged;

(d) the name and address of the trustee for the security or, if there is no such trustee, the name and address of the chargee;

(e) unless the charge is a security to bearer, the name and address of the holder of the charge; and

(f) details of any prohibition or restriction contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

17. SEAL

The Company shall have a Seal an impression of which shall be kept at the office of the registered agent of the Company. The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of any one director or other person so authorised from time to time by Resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been attested to as hereinbefore described.

18. DISTRIBUTIONS BY WAY OF DIVIDEND

18.1 The directors of the Company may, by Resolution of Directors, authorise a Distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the Distribution, the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

18.2 Dividends may be paid in money, shares, or other property.

18.3 Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Sub-Regulation 20.1 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.

18.4 No dividend shall bear interest as against the Company and no dividend shall be paid on Treasury Shares.

19. ACCOUNTS AND AUDIT

19.1 The Company shall keep records that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

19.2 The Company may by Resolution of Shareholders call for the directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.

19.3 The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.

19.4 The first auditors shall be appointed by Resolution of Directors; subsequent auditors shall be appointed by Resolution of Shareholders or by Resolution of Directors.

19.5 The auditors may be Shareholders, but no director or other officer shall be eligible to be an auditor of the Company during their continuance in office.

19.6 The remuneration of the auditors of the Company may be fixed by Resolution of Directors.

19.7 The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:

(a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and

(b) all the information and explanations required by the auditors have been obtained.

19.8 The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.

19.9 Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.

19.10 The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.

20. NOTICES

20.1 Any notice, information or written statement to be given by the Company to Shareholders may be given by personal service or by mail addressed to each Shareholder at the address shown in the register of members.

20.2 Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the Company, at its registered office, or by leaving it with, or by sending it by registered mail to, the registered agent of the Company.

20.3 Service of any summons, notice, order, document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process, information or written statement was delivered to the registered office or the registered agent of the Company or that it was mailed in such time as to admit to its being delivered to the registered office or the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

21. VOLUNTARY LIQUIDATION

The Company may by Resolution of Shareholders or by Resolution of Directors appoint a voluntary liquidator.

22. CONTINUATION

The Company may by Resolution of Shareholders or by a resolution passed unanimously by all directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

Signed for HARNEYS CORPORATE SERVICES LIMITED of Craigmuir Chambers, Road Town, Tortola, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands on 7 December 2010:

Incorporator

Sgd: Andrew Swapp

....

Andrew Swapp
Authorised Signatory
HARNEYS CORPORATE SERVICES LIMITED

Exhibit “D”

No. CA-87,962

REPUBLIC OF GHANA

Certificate of Incorporation

I hereby certify that the

COASTAL EXPLORATIONS LIMITED

is this day incorporated under the Companies Code, 1963 (Act 179) and that the liability of its members is limited.

Given under my hand and official seal at Victoriaborg, Accra, this 13 th day of April 20 11

RGD

for Registrar of Companies, Ghana

No. of Company:

THE COMPANIES CODE 1963 (ACT 179)

COMPANY LIMITED BY SHARES

REGULATIONS
OF
COASTAL EXPLORATIONS LIMITED

THE COMPANIES CODE, 1963, (ACT 179)
COMPANY LIMITED BY SHARES

REGULATIONS OF COASTAL EXPLORATIONS LIMITED

1. The name of the Company is COASTAL EXPLORATIONS LIMITED.
1. The nature of the businesses which the Company is authorized to carry on are:-

    a) Mining

    b) Mining Services

2. Pursuant to Section 24 of the Companies Code, 1963 (Act 179) the Company has, for the furtherance of its authorized businesses all the powers of a natural person of full capacity except in so far as such powers are expressly excluded by these Regulations.

3. The present directors of the Company are:-

    1. Robert J. Griffis
    2. Leo Eduamah

5. The powers of the board of directors are limited in accordance with Section 202 of the Code.

6. The liability of the members of the Company is limited.

7. The Company is registered with 500,000,000 Ordinary Shares of no par value.

8. The company is a private company and accordingly.

    a) The right to transfer shares is restricted in manner following, that is to say, the directors may, in their absolute discretion and without assigning any reason therefore decline to register any transfer of any share;

    b) The number of members and debentureholders of the company, exclusive of persons who are *bona fide* in the employment of the company and of persons who having been formerly *bona fide* in the employment of the company were while in such employment and have continued after the determination of such employment to be members or debentureholders of the company, is limited to fifty;
    Provided that where two or more persons hold one or more shares of debentures jointly they shall for the purposes of this regulation be treated as a single member;

c) The company is prohibited from making any invitation to the public to deposit money for fixed periods or payable to call, whether bearing or not bearing interest;

d) A shareholder who wishes to dispose of his shares should first offer them to other shareholders

SHARES AND VARIATION OF RIGHTS

9. The Company may, by special resolution altering these Regulations,

a. increase the number of its shares by creating new shares;

b. reduce the number of its shares by cancelling shares which have not been taken or agreed to be taken by any person, or by consolidating its existing shares, whether issued or not, into a smaller number of shares;

c. provide for different classes of shares by attaching to certain of the shares referred, deferred or other special rights or restrictions whether in regard to dividend, voting, repayment, or otherwise;

Provided that the voting rights of equity shares shall comply with the provisions of sections 31 and 50 of the Code and the voting rights of preference shares shall comply with the provisions of sections 31 and 49 of the Code;

d. in accordance with section 59 of the Code create preference shares which are, or at the option of the company are liable, to be redeemed on such terms and in such manner as may be provided, but subject to compliance with the provisions of sections 60 to 63 of the Code.

10. (1) The company shall not issue any new or unissued shares for cash unless the same are offered in the first instance to all the shareholders or to all shareholders of the class or classes being issued in proportion as nearly as may to be their existing holdings.

(2) The offer to the existing shareholders shall be by notice specifying the number of shares to which the shareholder is entitled to subscribed and limiting a time, not being less than twenty-eight days after the date of service of the notice, after the expiration of which the offer, if not accepted, will be deemed to be declined.

(3) After the expiration of such time, or on receipt of an intimation from the shareholder that he declines to accept the shares

offered, the board of directors may, subject to the terms of any resolution of the company and to the provisions of section 202 of the Code, dispose of the same at a price not less than that specified in the offer in such manner as they think most beneficial to the company.

(4) This regulation shall not be alterable except with the unanimous consent of all the members of the company.

11. If at any time the shares are divided into different classes, the right attached to any class may be varied with the written consent of the holders of at least three-fourths of the issued shares of that class or the sanction of a special resolution of the holders of the shares of that class.

12. Subject to compliance with the provisions of sections 60 to 63 of the Code the company may exercise the powers conferred by section 59 of the Code to:

(a) purchase its own shares;

(b) acquire its own shares by a voluntary transfer to it or nominees for it;

(c) forfeit in manner hereinafter appearing any shares with an unpaid liability for non-payment of calls or other sums payable in respect thereof.

13. The company may pay commission or brokerage to any person in consideration of his subscribing or agreeing to subscribe or agreeing to procure subscriptions for any shares in the company provided that the payment does not exceed ten per centum of the price at which the shares are issued.

14. Share certificates shall be issued in accordance with section 53 of the Code.

CALLS ON SHARES

15. (1) Where shares are issued upon the terms that any part of the price payable therefore is not payable at a fixed time the board of directors may from time to time make calls upon the shareholders in respect of any moneys unpaid on their shares, provided that no call shall be payable less than twenty-eight days from the date fixed for the payment of the last preceding call, and each shareholder shall subject to receiving not less than fourteen days notice specifying the time or times and place of payment, pay to the company at the time or times and place so specified the amount called upon his shares.

(2) A call may be revoked or postponed as the directors may determine.

16. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed and may be required to be paid by installments.

17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

18. If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest thereon from the date appointed for payment to the time of actual payment at such rate not exceeding five per centum per annum as the board of directors may determine, but the board of directors shall be at liberty to waive payment of such interest wholly or in part.

19. Any sum which by the terms of issue of a share becomes payable on application therefore or an allotment, or at any fixed date shall for the purposes of these Regulations be deemed to be a call dully made and payable, and in the case of non-payment all the relevant provisions of these Regulations as to payment of interest and expenses, forfeiture, sale or otherwise shall apply as if such sum had become payable by virtue of call duly made and notified.

20. As between shares of the same class the company shall not differentiate between the holders as to the amount of calls to be paid or the times of payment.

21. If the company shall receive from any shareholder all or any part of the moneys not presently payable or called upon any shares held by him the sum shall not be treated as a payment in respect of the shares until such sum becomes due and payable on such shares and in the mean time shall be deemed to be a loan to the company upon which the company may pay interest at such rate not exceeding five per centum per annum as may be agreed between the board of directors and such shareholder.

FORFEITURE OF SHARES

22. If a shareholder fails to pay any call or instalment of a call, including any sum deemed to be a call under regulation 21 hereof, the board of directors may at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

23. The notice shall name a further day not earlier than the expiration of fourteen days from the date of service of the notice on or before which

the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the times appointed the shares in respect of which the call was made will be liable to be forfeited.

24. If the requirements of such notice are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect.

25. A forfeited share may either be cancelled by alteration of these Regulations or may be retained as a treasury share until sold or otherwise disposed of on such terms and in such manner as the board of directors think fit.

26. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall be bound to surrender to the company for cancellation the share certificate or certificates in respect of the shares so forfeited but shall, notwithstanding, remain liable to pay to the company in respect of the shares, but his liability shall cease if and when the company shall have received payment in full of such moneys in respect of the shares.

27. A statutory declaration in writing that the declarant is a director or the secretary of the company and that a share in the company has been duly forfeited on the date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

LIEN

28. (1) The company shall have a first and paramount lien on all shares issued with an unpaid liability for all moneys, whether presently payable or not, called or payable at a fixed time in respect of that share.

(2) The company's lien shall extend to all dividends payable thereon.

29. If any sum in respect of which the company has a lien is presently payable the board of directors, after serving the notice required by regulations 22 and 23 hereof, may, at any time before the payment required by such notice has been made, sell any share on which the company has such lien instead of forfeiting it in accordance with regulation 24 hereof.

30. (1) To give effect to any such sale the board of directors may authorise some person to transfer the shares sold to the purchaser thereof.

(2) The purchaser shall be registered as the holder of the share comprised in such transfer and he shall not be bound to see to the application of the purchase money or shall the title to his shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

31. The proceeds of such sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the share at the date of the sale but the company shall not be bound to make such payment unless and until such person has surrendered to the company for cancellation his share certificate or certificates relating to the shares so sold.

TRANSFER AND TRANSMISSION OF SHARES

32. Subject to regulation 8 (a) hereof shares shall be transferable and transfers shall be registered in the manner provided by sections 95 and 98 of the Code.

33. In the event of the death of any shareholder or in the event of the ownership of any share devolving upon any person by reason of his being the legal personal representative, receiver, or trustee in bankruptcy of the holder, or by operation of law, the provisions of section 99 of the Code shall apply.

DIVIDENDS

34. The company may, by ordinary resolution, declare dividends in respect of any year or other period but no dividend shall exceed the amount recommended by the board of directors.

35. No dividend shall be paid unless,

    (a) the company will, after such payment, be able to pay its debts as they fall due;

    (b) the amount of such payment does not exceed the amount of the company's income surplus immediately prior to the making of such payment.

36. The board of directors may, before recommending any dividend, set aside out of the profits or income surplus of the company such sums as they think proper in order to provide for a known liability, including a disputed or contingent liability, or as a depreciation or replacement provision and may carry forward any profits or income surplus which

they may think prudent to distribute.

37. All dividends shall be declared and paid as a fixed sum per share and not as a proportion of the amount paid in respect of a share.

38. The board of directors may deduct from any dividend payable to any shareholder all sums of money presently payable by him to the company in respect of his shares.

39. (1) Any dividend payable in cash may be paid by cheque or warrant sent by post directed to the registered address of the shareholder or, in the case of joint holders, to the registered address of that one who is first named on the register of members, or to such person and to such address as the holder or joint holders, to the registered address of that one who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(2) Any one of two or more joint holders may give effectual receipts for any dividends.

(3) Every dividend payment shall be accompanied by a statement showing the gross amount of the dividend, and any tax deducted or deemed to be deducted therefrom.

40. No dividend shall bear interest against the company.

CAPITALISATION ISSUES AND NON-CASH DIVIDENDS

41. The company, upon the recommendation of the directors, may exercise the powers conferred by section 74 of the Code,

(a) To make capitalisation issues of shares in accordance with sub-section (1) of section 74.

(b) To resolve, in accordance with subsection (3) of section 74, that any sum standing to the credit of the company's income surplus and which could have been distributed by way of dividend shall be applied in paying up amounts for the time being unpaid on shares.

(c) to direct, in accordance with subsection (4) of section 74, that payment of a dividend shall be wholly or partly by distribution of securities for money or fully paid shares or debentures of another body corporate or of fully paid debentures of the company.

ACCOUNTS AND AUDIT

42. The board of directors shall cause proper books of account to be kept and a profit and loss account and balance sheet to be prepared audited and circulated in accordance with sections 123 to 133 of the Code.

43. Auditors, qualified in accordance with section 270 of the Code, shall be appointed and their duties regulated in accordance with sections 134 to 136 of the Code.

GENERAL MEETINGS AND RESOLUTIONS

44. The powers of the members in general meeting shall be as stated in section 137 of the Code.

45. Annual general meetings shall be held in accordance with section 149 of the Code.

46. Extraordinary general meetings may be convened by the directors whenever they think fit in accordance with section 150 of the Code and shall be convened by the directors on a requisition of members in accordance with section 271 of the Code.

47. Notice of general meetings shall be given in accordance with sections 152 to 159 of the Code and accompanied by any statements required to be circulated therewith in accordance with sections 157 to 159 of the Code.

48. Meetings may be attended by the persons referred to in section 160 of the Code but a member shall not be entitled to attend unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

49. The quorum required for any general meeting shall be as stated in section 161 of the Code.

50. (a) In Accordance with section 163 of the Code any member entitled to attend and vote at a meeting of the company shall be entitle to appoint another person, whether a member of the company or not, as his proxy to attend and vote instead of him and such proxy shall have the same rights as the member to speak at the meeting.

(b) An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

I/We------------------------------ being a member/members of the above-named company hereby appoint.

of or failing him
of as my/our proxy to vote for me/us on my/our behalf at the annual/extraordinary general meeting of the company to be
held on the day of 20-- and at any adjournment thereof
Signed this day of 20---

This form is to be used:
* in favour of
resolution number 1.
against
* in favour of
resolution number 2.
against

(Delete if only one resolution is to be proposed; add further instructions if more than two resolutions are to be proposed.)

Unless otherwise instructed, the proxy will vote as he thinks fit.

* Strike out whichever is not desired"

51. A body corporate which is a member of the company may attend and vote either by proxy or by a representative appointed in accordance with section 165 of the Code.

52. Meetings shall be conducted in accordance with sections 166 to 173 of the Code. On a poll being demanded the chairman of the meeting shall not be required to direct a postal ballot in accordance with subsections (6), (7) and (8) of section 170 of the Code unless he thinks fit or an ordinary resolution to that effect is moved at the meeting and passed on a show of hands.

53. In accordance with section 174 of the Code a resolution in writing signed by all the members for the time being entitled to attend and vote at general meetings, or being bodies corporate by their duly authorised representatives, and if the company has only one such member by that member shall be as valid and effective for all purposes, except as provided by such section 174, as if the same had been passed at a general meeting of the company duly convened and held, and if described as a special resolution shall be deemed to be a special resolution within the meaning of the Code.

54. Minutes of general meetings shall be kept in accordance with section 17 of the Code.

55. If at any time the shares of the company are divided into different classes the foregoing regulations shall apply to a meeting of any class of member in like manner as they apply to general meetings but so that the necessary quorum shall be set out in section 175 of the Code.

VOTES OF MEMBERS

56. Subject to any rights or restrictions for the time being attached to any class of preference shares and which may be validly attached thereto pursuant to section 49 of the Code.
    (a) on a show of hands each member and each proxy lawfully present at the meeting shall have one vote, and on a poll each member present in person or by proxy shall have one vote for each share held by him.

    (b) in the event of a postal ballot being directed pursuant to sub-sections (6), (7) and (8) of section 170 of the Code, each member entitled to attend and vote at the meeting shall have one vote for each share held by him.

DIRECTORS

57. The number of directors shall not be less than two (2) or more than five (5).

58. The continuing directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below two or below the number fixed by the directors as the necessary quorum they may act for four weeks after the number is so reduced, but thereafter may act only for the purpose of increasing their number to that number or of summoning a general meeting of the company for only that and no other purpose.

59. The appointment of directors shall be regulated by sections 181 and 272 of the Code.

59. (1) Each shareholder with a 10% equity shall be entitled to nominate 1 director.
    (2) A quorum shall constitute two (2) directors.

60. The persons referred to in section 182 of the Code shall not be competent to be appointed directors of the company.

61. A director need not be a member of the company or hold any shares therein.

62. The office of directors shall be vacated in accordance with section 184 of the Code and any director may be removed from office in accordance with section 185 of the Code.

63. (1) The company may appoint substitute directors in accordance with section 187 of the Code and any director may appoint an alternate director in accordance with section 188 of the Code.

(2) An alternate director shall not be entitled to be remunerated otherwise than out of the remuneration of the director appointing him.

64. At least one director of the company shall at all times be present in Ghana.

65. The remuneration payable to any director in whatsoever capacity shall be determined or approved by the members in general meetings in accordance with section 194 of the Code.

66. The proceedings of the directors shall be regulated by section 200 of the Code and the board of directors may delegate any of their powers to committees of the directors in accordance with that section.

67. Minutes of meeting of the board of directors and of any committee of directors shall be kept in accordance with section 201 of the Code.

POWERS AND DUTIES OF DIRECTORS

68. (1) The business of the Company shall be managed by the directors who may pay all expenses incurred in promoting and registering the Company;

(2) Subject to section 202 of the Code, the board of directors may exercise all such powers of the Company, including power to borrow money and to mortgage or charge its property and undertaking or any part thereof and to issue debentures, as are not by the Code or these Regulations required to be exercised by the members in general meeting.

69. In any transaction with the Company or on its behalf and in the exercise of their powers the directors shall observe the duties and obligations imposed on them by sections 203 to 205 of the Code.

70. Subject to compliance with section 207 of the Code, a director may enter into any contract with the Company and such contract or any other contract of the Company in which any director is in any way interested shall not be liable to be avoided nor shall any director be liable to account for any profit made thereby by reason of the director holding the office of director or of the fiduciary relationship thereby established.

71. Any director may act by himself or his firm in a professional capacity for the company, except as auditor, and he or his firm shall be entitled to proper remuneration for professional services as if he were not a director.

EXECUTIVE AND MANAGING DIRECTORS

72. The board of directors may exercise the powers conferred by section 192 of the Code to appoint one or more of their body to any other office or place of profit under the Company, other than the office of auditor, for such period and on such terms as they may determine and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment.

73. (1) The board of directors may exercise the powers conferred by section 193 of the Code to appoint one or more of their body the office of Managing Director for such period and on such terms as they may determine and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment and such appointment shall be automatically determined if the holder of the office ceases from any cause to be a director.

(2) The directors may entrust to and confer upon a managing director any of the powers exercisable by them upon such terms and with such restrictions as they think fit and collaterally with, or to the exclusion of, their own powers, and subject to the terms of any agreement entered into in any particular case, may from time to time revoke or vary all or any of such powers.

74. No remuneration shall be payable to any director in respect of any office of profit to which he is appointed under the foregoing regulation unless and until their terms of his appointment have been approved by ordinary resolution of the Company in general meeting in accordance with section 194 of the Code.

SECRETARY AND OFFICERS AND AGENTS

75. The Secretary shall be appointed by the Board of Directors for such time, at such remuneration, and upon such conditions as they think fit; and any secretary so appointed may be removed by them, subject however to his right to claim damages if removed in breach of contract.

76. A provision in the Code or these Regulations requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both a director and as, or in place of, the secretary.

77. (1) The Board of Directors may from time to time appoint officers and agents of the company and may appoint any body corporate, firm or body of persons, whether nominated directly or indirectly, by the Board of Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions, not exceeding those vested

in or exercisable by the directors under these Regulations, and for such periods and subject to such conditions as they may think fit.

(2) Any such powers of attorney may contain such provisions for the protection and conveniences' of persons dealing with any such attorney as the directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

THE SEAL

78. The directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Board of Directors or of a committee of the directors authorised by the Board of Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a director, or by some other person appointed by the directors for the purpose, and shall be countersigned by the secretary, or by a director, or by some other person appointed by the directors for the purpose.

79. The Company may exercise the powers conferred by section 148 of the Code with regard to having an official seal for use abroad, and such powers shall be vested in the board of directors.

SERVICE OF DOCUMENTS

80. Any document may be served by the Company on any member, debenture-holder or director of the Company in the manner provided by section 262 of the Code.

WINDING UP

81. (1) If the Company shall be wound up the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Code or by the Bodies Corporate (Official Liquidation) Act, 1963 (Act, 180), divide amongst the members in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not, and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(2) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees for the benefit of the members as the liquidator, with the like sanction, shall think fit.

(3) Notwithstanding the foregoing no member shall be compelled to accept any securities whereon there is any liability.

INTERPRETATION

82. In these Regulations, unless the context otherwise require.

(a) "Code" means the companies Code, 1963 (Act 179) or any statutory modification or re-enactment thereof;

(b) words or expressions shall have the same meaning as in the Code;

(c) references to sections of the Code shall mean such sections as modified or re-enacted from time to time.

We, the undersigned are desirous of forming an incorporated Company in pursuance of these Regulations and we respectively agree to take the number of shares in the Company set opposite our respective names and to pay therefore in cash the consideration respectively stated.

Addresses and Description of Subscribers	Number of Shares Taken by Each Subscriber	Consideration Payable in Cash
Signed: *Robert Griffis* *21Colleen Avenue* *Barrie, Ontario,* *Canada*	2,000,000 ordinary shares	GH¢200,000

Dated this 30th day of March 2011

Witness to the above Signature:

Full Name: INNOCENT AKWAMENA

Address P.O Box CT4602 CANTONMENTS

Occupation LAWYER

REGISTRAR GENERAL'S DEPT
CERTIFIED TRUE COPY
18 APR 2011
Registrar of Companies