

## FORM 10

### **NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)<sup>1</sup>**

Name of CNSX Issuer: *Augustine Ventures Inc. (the "Issuer" or "Augustine").*

Trading Symbol: *WAW*

Issued and Outstanding Securities of the Issuer Prior to Transaction: *132,458,859 Common Shares*

Date of News Release Fully Disclosing the Transaction: *November 14, 2016*

#### **1. Transaction**

1. Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

*As disclosed in the Issuer's press release dated November 14, 2016 (the "Initial Press Release"), Augustine and Red Pine Exploration ("Red Pine") entered into an arrangement agreement (the "Arrangement Agreement") dated November 14, 2016 pursuant to which Red Pine agreed to acquire all of the outstanding securities of Augustine under a plan of arrangement under the Business Corporations Act (Ontario) (the "Arrangement"), subject to the terms and conditions of the Arrangement Agreement. Upon completion of the Arrangement, Augustine will become a wholly-owned subsidiary of Red Pine and Red Pine will carry on the business of the combined companies after changing its name to "Wawa Gold Inc." (or such other name as the board of directors of Red Pine may approve) and reorganizing its board of directors (hereinafter referred to as the "Resulting Issuer").*

*Under the Arrangement Agreement, the parties have agreed that each common share in the capital of Augustine (the "Augustine Common Shares") will be exchanged for 0.76 of a common share in the capital of the Resulting Issuer (i.e. Red Pine following its proposed name change and board reorganization) (the "Exchange Ratio"). Pursuant to the Arrangement, the holders of all Augustine Common Shares issued and outstanding immediately prior to the Arrangement will receive common shares in the capital of the*

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<sup>1</sup> If the transaction involved the issuance of securities, other than debt securities that are not convertible into listed securities, use Form 9

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Resulting Issuer (“**Resulting Issuer Shares**”) based on the Exchange Ratio, and all of the currently outstanding warrants of Augustine will be exercisable pursuant to the terms of such warrants for Resulting Issuer Shares with the number of shares issuable and the exercise price adjusted based on the Exchange Ratio. The parties have also agreed (pursuant to a subsequent amendment to the Arrangement Agreement) to provide that the currently outstanding Augustine stock options will be treated in the same manner as the Augustine warrants and will be replaced with stock options of the Resulting Issuer, exercisable for Resulting Issuer Shares with the number of shares issuable and the exercise price adjusted based on the Exchange Ratio, subject to approval of the TSX Venture Exchange (the “**TSX-V**”).

Red Pine currently has 108,371,818 common shares issued and outstanding, as well as 5,676,000 stock options and 34,506,801 common share purchase warrants (each of which is exercisable to acquire one common share of Red Pine). Prior to the closing of the Arrangement, Red Pine may conduct additional equity financings for gross proceeds of up to \$1,000,000.

Since the date of the Initial Press Release, Augustine has issued 17,958,374 Augustine Common Shares to Citabar LP, and as disclosed in its press release dated December 13, 2016, has closed a \$500,000 private placement financing pursuant to which Augustine issued 5,000,000 units at a price of \$0.10 per unit, with each such unit comprised of one Augustine Common Share issued on a “flow-through” basis pursuant to the Income Tax Act (Canada) and one common share purchase warrant. After these securities issuances, and as at the date of this Form 10, Augustine currently has 132,458,859 Augustine Common Shares issued and outstanding, as well as 65,838,216 common share purchase warrants (each of which is exercisable to acquire one Augustine Common Share) and 10,900,000 stock options issued to officers, directors, employees and consultants of Augustine.

It is expected that Red Pine will issue approximately 100,668,733 Resulting Issuer Shares to the holders of Augustine Common Shares under the Arrangement based on the Exchange Ratio and assuming that no other convertible securities of Augustine are exercised prior to the Arrangement being effected. The Augustine warrants and stock options outstanding after completion of the Arrangement will be exercisable for Resulting Issuer Shares in accordance with the terms of such warrants and stock options, with the number of Resulting Issuer Shares issuable and the exercise price adjusted based on the Exchange Ratio. Pursuant to the amendments to the Arrangement Agreement, Augustine has agreed that the total number of outstanding Augustine Common Shares immediately prior to the effectiveness of the Arrangement will not exceed 209,197,075 on a fully diluted basis.

*The completion of the Arrangement is subject to certain conditions, including the receipt of the requisite approval from Augustine's shareholders (which was received at a special meeting of Augustine's shareholders held on January 20, 2017 as disclosed in Augustine's press release of January 23, 2017), a final order of the Court, final acceptance by the TSX-V, and certain other closing conditions customary in transactions of this nature. If all necessary approvals are obtained and the conditions to the completion of the Arrangement are satisfied or waived, it is currently anticipated that the Arrangement will be completed on or about February 2, 2017. The Arrangement cannot close until the required conditions are satisfied or waived, and there can be no assurance that the Arrangement will be completed as proposed or at all.*

2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:
  - (a) Total aggregate consideration in Canadian dollars: 100,668,733 Red Pine Shares at market, with an estimated value of \$14,000,000.
  - (b) Cash: None.
  - (c) Other: None.
  - (d) Work commitments: N/A.
3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc.).

*The Arrangement is an arm's length transaction. The Arrangement is to be completed by way of a plan of arrangement under the Business Corporations Act (Ontario) and it is expected to constitute a reviewable transaction by Red Pine pursuant to TSX-V Policy 5.3 – Acquisitions and Dispositions of Non-Cash Assets. Upon completion of the Arrangement, Augustine will delist its securities from the Canadian Securities Exchange (the "CSE") and apply to the applicable securities regulators in the Provinces of Alberta, Ontario and Nova Scotia to cease its status as a reporting issuer in those jurisdictions.*

*Augustine engaged IBK Capital to act as its financial advisor in respect of the Arrangement. Augustine formed a special committee of independent directors, the mandate of which was the review and consideration of the Arrangement. Mackie Research Capital Corporation ("**Mackie Research**") was retained by the special committee to provide a fairness opinion in respect of the Arrangement prior to entering into the Arrangement Agreement (the "**Mackie Fairness Opinion**"). The Mackie*

*Fairness Opinion is included in the Information Circular (as defined below), which was delivered to Augustine's shareholders in respect of the special meeting of the shareholders of Augustine held on January 20, 2017.*

4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer.

*No appraisal or valuation of the subject of the Arrangement is known to management of the Issuer. In connection with the Arrangement, as noted above, Mackie Research provided a fairness opinion that, as at November 30, 2016, subject to the assumptions and limitations set out in the Mackie Fairness Opinion, the consideration to be received by the holders of Augustine Common Shares under the Arrangement is fair, from a financial point of view, to the shareholders of Augustine.*

5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired:

*N/A. The Arrangement is an acquisition of the Issuer by Red Pine.*

6. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the transaction (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer):

*None.*

- (b) Cash:

*N/A.*

- (c) Other:

*Certain members of Augustine's senior management and Augustine's board of directors have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. The interests of such persons includes the holdings of Augustine Common Shares, Augustine stock options and Augustine warrants, and the treatment of such securities upon the Arrangement being effected may be considered to be compensation paid in connection with the Transaction. Detailed information on the interests of such*

persons can be found in the information circular of Augustine dated November 30, 2016 and filed on the Issuer's SEDAR profile (the "**Information Circular**").

7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship.

N/A.

8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months.

N/A.

## 2. Development

Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

*Augustine and Red Pine each hold a 30% interest in a gold property in Wawa, Ontario, referred to as the Wawa Gold Project. Augustine and Red Pine have been continuing to explore the property in a joint venture with the 40% owner, Citabar LLP. Details of the Wawa Gold Project can be found on the Issuer's website at [www.augustineventures.com](http://www.augustineventures.com).*

*The Resulting Issuer will be financially stronger and should realize economies of scale by reducing public company costs, including legal, audit, listing and administration costs. Along with the reduced cost and enhanced liquidity, it is anticipated that more equity funds will become available for exploration. The Resulting Issuer will own and control 60% of the Wawa Gold Project. The results of exploration work carried out by the joint venture since December 2014 have consistently identified more gold zones in the Wawa Gold Corridor which hosts the Resulting Issuer's known gold resource of 1.1 million inferred ounces at 1.7 g/t<sup>1</sup> and supports the Issuer's belief that larger and additional gold resources may be identified. It is believed that the shareholders of the combined entity could benefit from this possible future growth of the gold resource(s).*

### 3. Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated: January 25, 2017

Robert Dodds

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Name of Director or Senior Officer

-Robert Dodds-

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Signature

Chief Executive Officer

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Official Capacity