

KENORLAND MINERALS LTD.

**Annual General Meeting
to be held on September 22, 2023**

**Notice of Annual General Meeting
and
Information Circular**

August 18, 2023

KENORLAND MINERALS LTD.
1570 - 1111 WEST GEORGIA STREET,
Vancouver, BC V6E 4M3

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the shareholders of Kenorland Minerals Ltd. (the “**Company**”) will be held on Friday, September 22, 2023 at 11:00 am Pacific time. At the Meeting, the shareholders will receive the financial statements for the year ended December 31, 2022, together with the auditor’s report thereon, and consider resolutions to:

1. set the number of directors of the Company at six;
2. elect directors for the ensuing year;
3. appoint Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the directors to determine the remuneration to be paid;
4. consider and, if deemed appropriate, to pass an ordinary resolution of disinterested shareholders of the Company approving the new Omnibus Share Incentive Plan of the Company; and
5. transact such other business as may properly be put before the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 by 11:00 a.m. (Vancouver, British Columbia time) by Wednesday, September 20, 2023 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on August 18, 2023 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 18th day of August 2023.

ON BEHALF OF THE BOARD

(signed) “*Zachary Flood*”

Zachary Flood
President, CEO and Director

KENORLAND MINERALS LTD.

1570-1111 West Georgia Street,
Vancouver, BC V6E 4M3

INFORMATION CIRCULAR

(as at August 18, 2023 except as otherwise indicated)

FORWARD-LOOKING INFORMATION

Information contained in this Information Circular that is not current or historical factual information may constitute forward-looking information within the meaning of applicable Canadian securities laws. All information other than historical information included in this Information Circular that addresses activities, events or developments that the Company expects or anticipates will or may occur in the future, including without limitation, information regarding any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements is or involves forward-looking information. Although forward looking information contained in this Information Circular is based on what management considers to be reasonable assumptions based on information currently available to it, there can be no assurances that actual events, performance or results will be consistent with this forward-looking information, and management's assumptions may prove to be incorrect. Generally, forward-looking information can be identified by the use of forward looking terminology such as "anticipates", "assumes", "believes", "budget", "could", "estimates", "expects", "forecasts", "guidance", "indicates", "intends", "likely", "may", "objective", "outlook", "plans", "potential", "predicts", "scheduled", "should", "target", "trends", "will", or "would" or the negative or other variations of these words or other comparable words or phrases. All such forward-looking information is subject to important risks, uncertainties and assumptions. This information is forward-looking because it is based on current expectations, estimates and assumptions. It is important to know that: (i) unless otherwise indicated, forward-looking information in this Information Circular describes expectations as at the date hereof; (ii) actual results and events could differ materially from those expressed or implied in the forward-looking information in this Information Circular, if known or unknown risks affect the business of the Company, or if its estimates or assumptions turn out to be inaccurate; as a result, the Company cannot guarantee that the results or events expressed or implied in any forward-looking information will materialize, and accordingly, you are cautioned not to place undue reliance on this forward-looking information; and (iii) the Company disclaims any intention and assumes no obligation to update or revise any forward-looking information even if new information becomes available, as a result of future events or for any other reason, except in accordance with applicable securities laws. The Company has made a number of assumptions in making forward-looking information in this Information Circular. Additional information identifying risks and uncertainties is contained in filings by the Company with the Canadian securities regulators, which filings are available on SEDAR at www.sedar.com.

SOLICITATION OF PROXIES

This information circular (the "**Circular**") is provided in connection with the solicitation of proxies by the Management of Kenorland Minerals Ltd. (the "**Company**"). The form of proxy which accompanies this Circular (the "**Proxy**") is for use at the annual general meeting of the shareholders of the Company to be held on Friday, September 22, 2023 (the "**Meeting**"), at the

time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail but, may also be made by telephone.

APPOINTMENT AND REVOCATION OF PROXY

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. (“**Computershare**”) by 11:00 a.m. (local time in Vancouver, British Columbia) on Wednesday, September 20, 2023, or before 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting virtually and registering with the scrutineer as a shareholder present in person.

Provisions Relating to Voting of Proxies

The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company (the “Management”) knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a

broker, then those common shares will, in all likelihood, not be registered in the shareholder's name. Such common shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form ("**VIF**"), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of common shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

Pursuant to the provisions of NI 54-101, the Company is providing the Notice of Meeting, Circular and Proxy or VIF, as applicable, to both registered owners of the securities and non-registered

owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF. As a result, if you are a non-registered owner of the securities, you can expect to receive a scannable VIF from Broadridge. Please complete and return the VIF to Broadridge in the envelope provided or by facsimile. In addition, internet voting instructions can be found on the VIF. Broadridge will tabulate the results of the VIFs received from the Company's NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

The Company's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO's intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:00 a.m. (Vancouver time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company as maintained by the registrar and transfer agent of the Company, Computershare, unless specifically stated otherwise.

Financial Statements

The audited financial statements of the Company for the year ended December 31, 2022, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date of the accompanying Notice of Meeting, the Company's authorized capital consists of an unlimited number of common shares of which 63,538,029 common shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Shareholders registered as at August 18, 2023, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Company:

Name of Shareholder	Number of Shares	Percentage of Issued and Outstanding Shares
John Tognetti	11,063,818 ⁽¹⁾	17.4%
Sumitomo Metal Mining Canada Ltd.	6,336,541	10%

(1) Of which 9,714,500 shares are held directly, 812,175 shares are held through 4224973 Canada Inc. and 537,143 shares are held through San Jacopo Trading Inc.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. The Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors of the Company has been set at six.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of common shares of the Company beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾
Zachary Flood, British Columbia, Canada, Director	CEO of the Company and its subsidiaries from May 2016 to Present	May 29, 2018	4,079,502
Rick Trotman, British Columbia, Canada, Director	President and CEO of Barksdale Resources Corp. from December 2017 to Present	February 8, 2019	67,142
Jamie Levy, Ontario, Canada, Director ⁽²⁾	President, CEO and director of Generation Mining Ltd. from February 2018 to Present; President, CEO and director of Pine Point Mining Ltd. from February 2013 to February 2018	February 8, 2019	107,142
Jay Sujir, British Columbia, Canada, Director ⁽²⁾	Partner at Farris, LLP from May 2015 to Present	April 9, 2019	103,571
Jessica Van Den Akker, British Columbia, Canada, Director ⁽²⁾	Acting President & CEO, Association for Mineral Exploration BC June 2023 to Present, CFO, Spectrum Energy Company Ltd., from August 2022 to April 2023, CFO, KORE Mining Ltd from February 2019 to May 2022; CFO and Vice President of Corporate Finance at Fiore Management & Advisory Corp. (a private financial advisory firm) from January 2017 to January 2020	April 9, 2019	48,571
Yu Yamato, Tokyo, Japan, Director	President of Sumitomo Metal Mining Canada Ltd. from June 2023 to Present; Executive Vice President of Sumitomo Metal Mining Canada Ltd. from December 2022 to June 2023, Manager and Senior Geologist, Sumitomo Metal Mining Co Ltd. from May 2022 to December 2022, President of Sumiko Resources Exploration & Development Co. Ltd. from June 2019 to May 2022, Geology Manager of Cote Gold JV, SMM Gold Cote Inc. from April 2018 to June 2019	June 1, 2022	Nil

Notes:

(1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.

(2) A member of the audit committee.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Corporate Cease Trade Orders or Bankruptcies

Other than as described below, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular, has been a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Sujir was on the board of directors of Red Eagle Mining Corp. which owned and operated the Santa Rosa mine in Colombia. Due to start up issues, Red Eagle had difficulty servicing its project debt and the mine was only able to commence commercial production on the basis of forbearances from the secured lenders. In August 2018, Red Eagle obtained a firm commitment from a third party to refinance the debt with concessions and co-operation from the secured lenders, but in October 2018, the third party defaulted on its commitment and as a result, the secured lenders withdrew their forbearances and appointed a receiver-manager over the assets of Red Eagle. In addition, Red Eagle is subject to a cease trade order issued by the British Columbia Securities Commission on November 20, 2018 for failure to file interim financial statements, MD&A and certification of interim filings for the period ended September 30, 2018.

Individual Bankruptcies

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

No director or proposed director has, within the ten years prior to the date of this Circular, been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

EXECUTIVE COMPENSATION

Named Executive Officers

For the purpose of this statement of executive compensation:

“CEO” of the Company means an individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” of the Company means an individual who acted as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“Executive Officer” of an entity means an individual who is:

- a) the chair of the Company, if any;
- b) the vice-chair of the Company, if any;
- c) the president of the Company;
- d) a vice-president of the Company in charge of a principal business unit, division or function including sales, finance and production;
- e) an officer of the Company (or subsidiary, if any) who performs a policy-making function in respect of the Company; or
- f) any other individual who performs a policy-making function in respect of the Company;

“Named Executive Officers or NEOs” means:

- a) the CEO of the Company;
- b) the CFO of the Company;
- c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000;
- d) any additional individuals for whom disclosure would have been provided under paragraph (i) above except that the individual was not serving as an executive officer of the Company, nor in a similar capacity, as at the end of the most recently completed financial year end.

As of December 31, 2022, the Company had four “Named Executive Officers”, namely Zachary Flood, President and CEO; Enoch Kong, CFO and Corporate Secretary; Scott Smits, Vice President of Exploration; and Janek Wozniowski, Vice President of Operations. From January 1, 2022 until October 21, 2022, Francis McDonald was also a Named Executive Officer until his resignation.

Director and Named Executive Officer Compensation

The following table (presented in accordance with National Instrument Form 51-102F6V, is a summary compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company's two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position	Year ended December 31,	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Zachary Flood, President, CEO and Director ⁽¹⁾	2022	176,000	60,000	Nil	Nil	Nil	236,000
	2021	160,000	Nil	Nil	Nil	Nil	160,000
Enoch Kong, CFO and Corporate Secretary	2022	87,667	50,000	Nil	Nil	Nil	137,667
	2021	24,000	Nil	Nil	Nil	Nil	24,000
Francis MacDonald, Former President and former VP Exploration ⁽¹⁾	2022	134,167	Nil	Nil	Nil	Nil	134,167
	2021	140,000	Nil	Nil	Nil	Nil	140,000
Scott Smits, VP Exploration ⁽²⁾	2022	144,000	50,000	Nil	Nil	Nil	194,000
Janek Wozniowski, VP Operations ⁽³⁾	2022	143,000	65,000	Nil	Nil	Nil	208,000
Jamie Levy, Director	2022	12,000	Nil	Nil	Nil	Nil	12,000
	2021	12,000	Nil	Nil	Nil	Nil	12,000
Rick Trotman, Director	2022	12,000	Nil	Nil	Nil	Nil	12,000
	2021	12,000	Nil	Nil	Nil	Nil	12,000
Jay Sujir, Director	2022	15,000	Nil	Nil	Nil	Nil	15,000
	2021	15,000	Nil	Nil	Nil	Nil	15,000
Jessica Van Den Akker, Director	2022	15,000	Nil	Nil	Nil	Nil	15,000
	2021	15,000	Nil	Nil	Nil	Nil	15,000
Eiichi Fukuda, Director ⁽⁴⁾	2022	5,000	Nil	Nil	Nil	Nil	5,000
	2021	1,500	Nil	Nil	Nil	Nil	1,500
Yu Yamato, Director ⁽⁴⁾	2022	7,000	Nil	Nil	Nil	Nil	7,000
	2021	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Francis MacDonald held the title of Vice President of Exploration from December 31, 2020 until January 26, 2022, when he was appointed as President of the Company. Mr. MacDonald resigned on October 21, 2022. Zachary Flood assumed the title of President in addition to his role as CEO.
- (2) Scott Smits was appointed as Vice President of Exploration on January 26, 2022, replacing Mr. MacDonald. Mr. Smits was previously employed by the Company as Chief Geologist.

- (3) Janek Wozniewski was appointed as Vice President of Operations on January 26, 2022. Mr. Wozniewski was previously employed by the Company as Exploration Manager.
- (4) Eiichi Fukuda was appointed as a director on November 16, 2021 and resigned on June 1, 2022 and Yu Yamato was appointed in his stead as the nominee selected by Sumitomo Metal Mining Canada Ltd. in accordance with the terms of an investor rights agreement dated November 3, 2021.

On May 1, 2019, the Company entered into a consulting agreement with Mr. Flood pursuant to which Mr. Flood received, in his capacity as CEO of the Company, annual compensation of \$50,000 payable in monthly installments of \$4,166.67 on the first of each month. Effective September 1, 2019, the Company replaced and superseded the consulting agreement with an employment agreement on the same terms. On January 1, 2021, the Company amended the employment agreement to increase Mr. Flood's annual compensation to \$160,000 and amended and restated the terms of the employment agreement. On January 26, 2022, the board approved a further increase to Mr. Flood's annual compensation to \$176,000 per annum.

On May 1, 2019, the Company entered into a consulting agreement with a private company controlled by Enoch Kong (the "**Kong Agreement**") to provide, on an independent contractor basis, accounting, financial management and corporate secretarial services to the Company, at an annual base fee of \$12,000 (\$1,000 per month) to be reviewed annually. On January 1, 2021, the annual base fee was increased to \$24,000 (\$2,000 per month) and on January 26, 2022, the annual base fee was increase to \$36,000 (\$3,000 per month). On August 1, 2022, the Kong Agreement was replaced by an employment agreement between the Company and Mr. Kong providing for Mr. Kong to serve as an employee of the Company in his capacity as Chief Financial Officer and Corporate Secretary. Under the employment agreement, Mr. Kong receives an annual base salary of \$160,000 per annum.

On January 1, 2021, the Company entered into an employment agreement with Francis MacDonald, as Vice President of Exploration, pursuant to which Mr. MacDonald received annual base compensation of \$140,000 per annum. On January 26, 2022, Mr. MacDonald was replaced as Vice President of Exploration, the board appointed him as President of the Company and approved an increase in his annual base compensation to \$161,000 per annum. Mr. MacDonald resigned as President of the Company on October 21, 2022.

On January 1, 2021, the Company entered into an employment agreement with Scott Smits, as Chief Geologist, pursuant to which Mr. Smits received base compensation of \$120,000 per annum. On January 26, 2022, Mr. Smits was appointed as Vice President of Exploration to replace Mr. MacDonald and his base compensation was increased to \$144,000 per annum.

On January 21, 2021, the Company entered into an employment agreement with Janek Wozniewski, as Exploration Manager, pursuant to which Mr. Wozniewski received base compensation of \$130,000 per annum. On January 26, 2022, Mr. Wozniewski was appointed as Vice President of Operations and his base compensation was increased to \$143,000 per annum.

External Management Companies

Except as described below, none of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

As noted above, during the financial year ended December 31, 2021 and until July 31, 2022 when the Kong Agreement was replaced with an employment agreement, Mr. Enoch Kong provided his

services as the CFO and Corporate Secretary of the Company through the Kong Agreement as described above.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each NEO or director by the Company or its subsidiaries during the financial year ended December 31, 2022, for services provided, directly or indirectly to the Company or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of Issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year ended December 31, 2022 (\$)	Expiry date
Zachary Flood, President, CEO and Director ⁽¹⁾	Options	75,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Enoch Kong, CFO and Corporate Secretary	Options	100,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Francis MacDonald, Former President ⁽¹⁾	Options	75,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Scott Smits, VP Exploration ⁽²⁾	Options	150,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Janek Wozniowski, VP Operations ⁽³⁾	Options	150,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Jamie Levy, Director	Options	75,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Rick Trotman, Director	Options	75,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Jay Sujir, Director	Options	75,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Jessica Van Den Akker, Director	Options	75,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Eiichi Fukuda, Director ⁽⁴⁾	Options	75,000	Feb 14, 2022	\$0.70	\$0.70	\$0.78	Feb 14, 2027
Yu Yamato, Director ⁽⁴⁾	Options	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Francis MacDonald held the title of Vice President of Exploration from December 31, 2020 until January 26, 2022, when he was appointed as President of the Company. Mr. MacDonald resigned on October 21, 2022. Zachary Flood assumed the title of President in addition to his role as CEO.
- (2) Scott Smits was appointed as Vice President of Exploration on January 26, 2022, replacing Mr. MacDonald. Mr. Smits was previously employed by the Company as Chief Geologist.
- (3) Janek Wozniowski was appointed as Vice President of Operations on January 26, 2022. Mr. Wozniowski was previously employed by the Company as Exploration Manager.
- (4) Eiichi Fukuda was appointed as a director on November 16, 2021 and resigned on June 1, 2022 and Yu Yamato was appointed in his stead as the nominee selected by Sumitomo Metal Mining Canada Ltd. in accordance with the terms of an investor rights agreement dated November 3, 2021.

The following table discloses the total amount of compensation securities held by the NEOs and directors at the Company's financial year ended December 31, 2022.

Name and Position	Number of Options as at December 31, 2022	Number of RSUs as at December 31, 2022 ⁽¹⁾
Zachary Flood, CEO, President ⁽²⁾ and Director	1,760,714	Nil
Enoch Kong, CFO and Corporate Secretary	231,428	Nil
Francis MacDonald, Former President ⁽²⁾	1,335,000	Nil
Scott Smits, VP Exploration ⁽³⁾	850,000	Nil
Janek Wozniewski, VP Operations ⁽⁴⁾	480,000	Nil
Jamie Levy, Director	190,000	Nil
Rick Trotman, Director	190,000	Nil
Jay Sujir, Director	190,000	Nil
Jessica Van Den Akker, Director	190,000	Nil
Eiichi Fukuda, Director ⁽⁵⁾	Nil	Nil
Yu Yamato, Director ⁽⁵⁾	Nil	Nil

Notes:

- (1) All outstanding RSUs vested during the financial year ended December 31, 2022.
- (2) Francis MacDonald held the title of Vice President of Exploration from December 31, 2020 until January 26, 2022, when he was appointed as President of the Company. Mr. MacDonald resigned on October 21, 2022. Zachary Flood assumed the title of President in addition to his role as CEO.
- (3) Scott Smits was appointed as Vice President of Exploration on January 26, 2022, replacing Mr. MacDonald. Mr. Smits was previously employed by the Company as Chief Geologist.
- (4) Janek Wozniewski was appointed as Vice President of Operations on January 26, 2022. Mr. Wozniewski was previously employed by the Company as Exploration Manager.
- (5) Eiichi Fukuda was appointed as a director on November 16, 2021 and resigned on June 1, 2022 and Yu Yamato was appointed in his stead as the nominee selected by Sumitomo Metal Mining Canada Ltd. in accordance with the terms of an investor rights agreement dated November 3, 2021.

The following table discloses the value of the awards that vested for each NEO or director during the financial year ended December 31, 2022.

Incentive plan awards – value vested or earned during the year			
Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Zachary Flood, CEO, President ⁽³⁾ and Director	150,563	345,000	Nil
Enoch Kong, CFO and Corporate Secretary	750	Nil	Nil
Francis MacDonald, Former President ⁽³⁾	105,563	138,000	Nil
Scott Smits, VP Exploration ⁽⁴⁾	61,125	69,000	Nil
Janek Wozniewski, VP Operations ⁽⁵⁾	29,125	Nil	Nil
Jamie Levy, Director	563	Nil	Nil
Rick Trotman, Director	563	Nil	Nil
Jay Sujir, Director	563	Nil	Nil
Jessica Van Den Akker, Director	563	Nil	Nil
Eiichi Fukuda, Director ⁽⁶⁾	Nil	Nil	Nil
Yu Yamato, Director ⁽⁶⁾	Nil	Nil	Nil

Notes:

- (1) This amount is the aggregate dollar value that would have been realized if the options under option based awards had been exercised on the vesting date. It is determined by the difference between the exercise price of the option and the market price of the underlying Shares on the date of vesting. If the option was not in-the-money then a NIL value was assigned.
- (2) This amount is the aggregate dollar value realized upon vesting of the RSUs on the vesting date. It is determined by multiplying the number of vested RSUs by the market price of the underlying Shares on the date of vesting.
- (3) Francis MacDonald held the title of Vice President of Exploration from December 31, 2020 until January 26, 2022, when he was appointed as President of the Company. Mr. MacDonald resigned on October 21, 2022. Zachary Flood assumed the title of President in addition to his role as CEO.
- (4) Scott Smits was appointed as Vice President of Exploration on January 26, 2022, replacing Mr. MacDonald. Mr. Smits was previously employed by the Company as Chief Geologist.

- (5) Janek Wozniowski was appointed as Vice President of Operations on January 26, 2022. Mr. Wozniowski was previously employed by the Company as Exploration Manager.
- (6) Eiichi Fukuda was appointed as a director on November 16, 2021 and resigned on June 1, 2022 and Yu Yamato was appointed in his stead as the nominee selected by Sumitomo Metal Mining Canada Ltd. in accordance with the terms of an investor rights agreement dated November 3, 2021.

No compensation securities were re-priced, cancelled and replaced, had their term extended, or otherwise materially modified in the Company's financial year ended December 31, 2022.

There are no restrictions or conditions for converting, exercising or exchanging the compensation securities, provided that the Board determined that the stock options granted above vest over an 18-month period such that 25% of the options granted vested on grant and every six months thereafter and the RSUs vested, in accordance with their terms, on December 31, 2022, or as otherwise set forth in the Company's stock option plan and long term incentive plan, as applicable.

Stock option plans and other incentive plans

Stock option plan

At the Company's annual general meeting held December 2, 2022, the Shareholders ratified an incentive stock option plan for the Company (the "Fixed Plan") under which the Directors were authorized to grant options to purchase up to 11,504,618 (together with any other stock option plans or option grants of the Company or long term incentive awards) of the Company's common shares from time to time.

The Company is proposing the replacement of the Plan, together with the Incentive Plan (as defined below) with an omnibus share incentive plan, as further described below at "*Approval of Proposed Share Incentive Plan*".

Long Term Incentive Plan

At the Company's annual general meeting held October 28, 2021, the Shareholders also ratified the long term incentive plan of the Company (the "Incentive Plan") under which the Directors were authorized to grant up to 1,000,000 Stock appreciation rights ("SARs"), DSUs, RSUs and other share-based awards (each an "Award"). The Company is proposing the replacement of the Incentive Plan, together with the Plan (as defined above) with an omnibus share incentive plan, as further described below at "*Approval of Proposed Share Incentive Plan*".

Employment, consulting and management agreements

Except as described below, the Company does not have any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

As referenced above, the Company has entered into employment agreements dated January 1, 2021 with each of its President and Chief Executive Officer, Zachary Flood, its now former President, then Vice President Exploration, Francis MacDonald and an employment agreement dated May 31, 2022 with its Chief Financial Officer and Corporate Secretary, Enoch Kong (collectively the "**Flood, MacDonald and Kong Employment Agreements**"). Pursuant to the terms of the Flood, MacDonald and Kong Employment Agreements, in the event of a termination of the employee without cause, the Company shall be obligated to pay to the employee the greater of (i) the entitlements of such employment under the *Employment Standards Act* (British

Columbia) or (ii) 12 months' notice or pay in lieu of notice (the "**Severance Payment**"). In the event of a "Change of Control" of the Company, and provided that within six months of the effective date of such Change of Control, the employee is terminated by the Company without cause or by the employee for 'good reason', the Company shall pay to the employee an amount equal to 1.5 times the Severance Payment. In the case of the Kong Agreement, Mr. Kong is entitled to an additional payment calculated as the average bonus payment received in the two most recent years.

Mr. MacDonald resigned as President on October 21, 2022 and no termination payments were made to him.

As referenced above, the Company has entered into employment agreements dated January 1, 2021 with Scott Smits, Vice President of Exploration and Janek Wozniewski, Vice President of Operations (collectively the "**Smits and Wozniewski Employment Agreements**"). Pursuant to the terms of the Smits and Wozniewski Employment Agreements, in the event of a termination of the employee without cause, the Company shall be obligated to pay to the employee the greater of (i) the entitlements of such employment under the *Employment Standards Act* (British Columbia) or (ii) 6 months' notice or pay in lieu of notice (the "**Six Months Severance Payment**"). In the event of a "Change of Control" of the Company, and provided that within six months of the effective date of such Change of Control, the employee is terminated by the Company without cause or by the employee for 'good reason', the Company shall pay to the employee an amount equal to 1.5 times the Six Months Severance Payment.

The following table sets out the payments due to each NEO that would be triggered by, or result from, a change of control, severance, termination without cause as of December 31, 2022, including stock options, assuming the exercise of all unexercised options, vested and unvested, as of December 31, 2022.

	Zachary Flood \$	Enoch Kong \$	Scott Smits \$	Janek Wozniewski \$
Termination without cause				
Base salary	176,000	160,000	72,000	71,500
Annual incentives ⁽¹⁾	Nil	50,000	Nil	Nil
Long-term incentives	Nil	Nil	Nil	Nil
Stock option incentives ⁽²⁾	926,857	9,714	428,000	118,000
Pension benefits	Nil	Nil	Nil	Nil
Change of Control				
Base salary	264,000	240,000	108,000	107,250
Annual incentives ⁽¹⁾	Nil	75,000	Nil	Nil
Long-term incentives	Nil	Nil	Nil	Nil
Stock option incentives ⁽²⁾	926,857	9,714	428,000	118,000
Pension benefits	Nil	Nil	Nil	Nil

Note:

- (1) Based on the average discretionary bonuses paid to the Named Executive Officers by the Company for the financial years ended December 31, 2021 and 2022.
- (2) Assumes the exercise of all vested and unvested "in-the-money" options on December 31, 2022. Based on closing share price of \$0.78 on December 31, 2022.

For the purposes of the Employment Agreements, "Change of Control" is defined as any of the following:

- (i) the completion of a transaction the result of which is that a Person, or any group of two or more Persons acting jointly or in concert, acquires or becomes the holder of securities of

the Company representing 50% or more of the aggregate voting power of all of the Company's then issued and outstanding securities; or

- (ii) the consummation of an amalgamation, arrangement, merger or other transaction or series of related transactions resulting in the combination of the Company with or into another entity, where the shareholders of the Company immediately prior to such transaction or series of related transactions, directly or indirectly do not continue to hold securities representing 50% or more of the aggregate voting power of the securities of the continuing or surviving entity immediately following such transaction or series of related transactions;
- (iii) a sale, transfer or other disposition or series of related sales, transfers or other dispositions, of all or substantially all of the Company's assets (other than a sale, transfer or other disposition to a wholly-owned affiliate), including an exclusive irrevocable licensing of all or substantially all of the Company's intellectual property to a third party that would otherwise qualify as a sale of all or substantially all of the assets of the Company under applicable law (other than licensing to a wholly-owned affiliate of the Company);
- (iv) the sale of all or substantially all of the assets of the Company, provided that, unless otherwise determined by the Board, a "Change of Control" shall not include: (i) an amalgamation, merger or consolidation of the Company with or into an affiliate; (ii) a transaction undertaken solely for the purpose of changing the Company's place of domicile or jurisdiction of incorporation; or (iii) a bona fide equity financing of the Company.

For the purposes of the Employment Agreements, 'good reason' shall include, without the employee's consent, a decrease in base salary, a material decrease in the employee's position, a permanent relocation of the employee's primary place of employment to a location more than 50 kilometers away or any other circumstance that would constitute constructive dismissal under common law.

Oversight and Description of Director and Named Executive Officer Compensation

The objective of the Company's compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers based on their skill, qualifications, experience level, level of responsibility involved in their position, the existing stage of development of the Company, the Company's resources, industry practice and regulatory guidelines regarding executive compensation levels.

During the financial year ended December 31, 2021, the Board established a corporate governance and compensation committee (the "**CGNC Committee**") responsible for, inter alia, assessing and making recommendations to the Board with respect to the compensation (including long-term incentive in the form of stock options and other share based compensation) to be granted to the Company's executive officers and directors to ensure that such compensation reflects the responsibilities and risks associated with each position. The CGNC Committee is currently comprised of Jay Sujir (Chair), Rick Trotman, and Jessica Van Den Akker, all of whom are independent directors of the Company, and governed by a CGNC Committee Charter.

The CGNC Committee reviews, on an annual basis, the corporate goals and objectives relevant to executive compensation, evaluates each executive officer's performance in light of those goals

and objectives and recommends, in consultation with the CEO, each executive officer's compensation level based, in part, on such evaluation. The CEO does not make recommendations to the CGNC Committee in respect of his own compensation. The CGNC Committee takes into consideration the Company's overall performance including the advancement of existing mineral properties, acquisition of new projects and successful financing initiatives, shareholder returns and the awards given to executive officers in past years.

The CGNC Committee is also responsible for ensuring that the Company has in place an appropriate plan for executive compensation and for making recommendations to the Board with respect to the compensation of the Company's NEOs to ensure that total compensation paid to all NEOs is fair, reasonable, and consistent with the Company's compensation philosophy aimed at attracting and retaining quality and experienced people critical to the success of the Company and its commitment to delivering strong performance for the shareholders.

The Company compensates each non-executive director \$12,000 per annum plus an additional \$3,000 for each chair of a committee. Ms. Jessica Van Den Akker serves as chair of the audit committee and Mr. Jay Sujir serves as chair of the CGNC Committee. Mr. Zachary Flood does not receive compensation for his role as a director.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

Pension Disclosure

The Company does not have any pension or retirement plan which is applicable to the NEOs or directors. The Company has not provided compensation, monetary or otherwise, to any person who now or previously has acted as an NEO of the Company, in connection with or related to the retirement, termination or resignation of such person, and the Company has provided no compensation to any such person as a result of a change of control of the Company.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year, being December 31, 2022:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	7,979,997	\$0.36	3,524,621
Equity compensation plans not approved by the securityholders	Nil	N/A	Nil
Total	7,979,997	\$0.36	3,524,621

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors and the confirmation of the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

APPOINTMENT OF AUDITOR

Auditor

Management intends to nominate Davidson & Company LLP, Chartered Professional Accountants, for re-appointment as auditor of the Company. Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, as the auditor of the Company to hold office for the ensuing year with remuneration to be fixed by the directors.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no Management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

AUDIT COMMITTEE

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

The Audit Committee over sees the accounting and financial reporting practices and procedures of the Company and the audits of the Company's financial statements. The principal

responsibilities of the Audit Committee include: (i) overseeing the quality, integrity and appropriateness of the internal controls and accounting procedures of the Company, including reviewing the Company's procedures for internal control with the Company's auditors and chief financial officer; (ii) reviewing and assessing the quality and integrity of the Company's internal and external reporting processes, its annual and quarterly financial statements and related management discussion and analysis, and all other material continuous disclosure documents; (iii) establishing separate reviews with management and external auditors of significant changes in procedures or financial and accounting practices, difficulties encountered during auditing, and significant judgments made in management's preparation of financial statements; (iv) monitoring compliance with legal and regulatory requirements related to financial reporting; (v) reviewing and pre-approving the engagement of the auditor of the Company and independent audit fees; and (vi) assessing the Company's accounting policies, and considering, approving, and monitoring significant changes in accounting principles and practices recommended by management and the auditor.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The members of the Audit Committee are Jessica Van Den Akker, Jay Sujir and Jamie Levy, all of whom are considered independent pursuant to NI 52-110. All members of the Audit Committee are considered to be financially literate.

A member of the audit committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

A member of the audit committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

Relevant Education and Experience

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

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

(d) an understanding of internal controls and procedures for financial reporting, are as follows:

Jessica Van Den Akker: Ms. Van Den Akker is a Chartered Professional Accountant (CA) with experience in the resource sector and has worked in a Canadian audit firm providing reporting and accounting assurance services to publicly traded companies, primarily in natural resources. Ms. Van Den Akker currently serves as a CFO for a private company and as director for a number of public companies listed on the Exchange. Ms. Van Den Akker is a graduate of Simon Fraser University where she received a Bachelor of Business Administration

Jay Sujir: Mr. Sujir is a lawyer and Partner in Farris LLP's Mining and Securities groups. He has experience acting for mining and other natural resource companies. Mr. Sujir has served as, and is currently, a director of several junior exploration and mining companies and has experience as an audit committee member of several of these companies. Mr. Sujir holds his LLB and a B.A (Economic and Philosophy) from the University of Victoria.

Jamie Levy: Mr. Levy has experience in public markets and the mining industry. Mr. Levy has held various positions in Canadian listed companies and financial institutions and has served on the audit committee of several companies. Mr. Levy holds a B.A. (Economic) from Concordia University.

Each of the audit committee members has experience in dealing with financial statements, accounting issues, internal controls and other matters relating to public companies as well as experience serving on the audit committee of a public company.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to Davidson & Company LLP, Chartered Professional Accountants, for services rendered for the financial year ended December 31, 2021 and 2022:

	<u>December 31,</u> <u>2021</u>	<u>December 31,</u> <u>2022</u>
	(\$)	(\$)
Audit fees ⁽¹⁾	60,732	101,220
Audit related fees ⁽²⁾	Nil	Nil
Tax fees ⁽³⁾	Nil	Nil
All other fees ⁽⁴⁾	Nil	Nil
Total	<u>60,732</u>	<u>101,220</u>

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

Exemption in Section 6.1

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE DISCLOSURE

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore such guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders of the Company. Corporate governance also takes into account the role of the individual members of management appointed by the Board who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Composition of the Board

The Board facilitates its exercise of independent supervision over management by ensuring that the Board is composed of a majority of independent directors. Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material

relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. The Board has six directors, four of whom are considered to be independent. Messrs. Levy, Trotman, Sujir and Ms. Van Den Akker are considered to be independent directors for the purposes of NI 58-101. Mr. Flood is not considered to be independent due to his relationship to the Company as a senior officer and Mr. Yamato is not considered to be independent due to his relationship as an employee of Sumitomo Metal Mining Co. Ltd, the parent company of Sumitomo Metal Mining Canada Ltd., which holds 10% of the Company’s common shares and, among other things, the right to nominate a director of the Company pursuant to an investor rights agreement dated November 3, 2021 between the Company and Sumitomo Metal Mining Canada Ltd.

The Board of the Company facilitates its exercise of supervision over Company’s management through frequent meetings of the Board.

Mandate of the Board

The Board has responsibility for the stewardship of the Company including responsibility for strategic planning, identification of the principal risks of the Company’s business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company’s internal control and management information systems.

The Board sets long term goals and objectives for the Company and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board delegates the responsibility for managing the day-to-day affairs of the Company to senior management but retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Company and its business. The Board is responsible for protecting shareholders’ interests and ensuring that the incentives of the shareholders and of management are aligned.

As part of its ongoing review of business operations, the Board reviews, as frequently as required, the principal risks inherent in the Company’s business including financial risks, through periodic reports from management of such risks, and assesses the systems established to manage those risks. Directly and through the Audit Committee, the Board also assesses the integrity of internal control over financial reporting and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve any material dispositions, acquisitions and investments outside the ordinary course of business, long-term strategy, and organizational development plans. Management of the Company is authorized to act without board approval, on all ordinary course matters relating to the Company’s business.

The Board also monitors the Company’s compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board is responsible for selecting the President and appointing senior management and for monitoring their performance.

Directorships

The following is a list of each director of the Company who is also a director of other reporting issuers (or equivalent) in a Canadian or foreign jurisdiction as of the date of this information circular:

Name of director	Other reporting issuer
Zachary Flood	N/A
Jamie Levy	Generation Mining Limited (TSX) Conquest Resources Ltd. (TSX-V) Montero Mining & Exploration Ltd. (TSX-V) Moon River Capital Ltd. (TSX-V)
Rick Trotman	Barksdale Resources Corp. (TSX-V) Kingfisher Metals Corp. (TSX-V) CMP Mining Inc. (CSE)
Jay Sujir	Audrey Capital Corporation (TSX-V) Baltic I Acquisition Corp. (TSX-V) Collingwood Resources Corp. (TSX-V) EarthLabs Inc. (TSX-V) Golden Lake Exploration Inc. (CSE) Gotham Resource Corp. (TSX-V) Intrepid Metals Corp. (TSX-V) KORE Mining Ltd. (TSX-V) Kraken Energy Corp. (CSE) Kutcho Copper Corp. (TSX-V) Libero Copper Corporation (TSX-V) Outcrop Silver and Gold Corporation (TSX-V) Vanadian Energy Corp. (TSX-V) Zacapa Resources Ltd. (TSX-V)
Jessica Van Den Akker	Tristar Gold Inc. (TSX-V) Blackwolf Copper and Gold Ltd. (TSX-V) JVR Ventures Inc. (TSX-V) Baltic I Acquisition Corp. (TSX-V)
Yu Yamato	N/A

Position Descriptions

The Board has not developed written position descriptions for the chair or the chair of any board committees or for the CEO. Given the size of the Company's infrastructure and the existence of only a small number of officers, the Board does not feel that it is necessary at this time to formalize position descriptions in order to delineate their respective responsibilities.

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties, business and industry and on the responsibilities of

directors. New directors also receive historical public information about the Company and the mandates of the committees of the Board. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, new directors are encouraged to visit and meet with management on a regular basis and to pursue continuing education opportunities where appropriate.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

Under applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interest of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction is a director or officer (or an individual acting in a similar capacity) of a party to the contract or voting on the contract or transaction, unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid, and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

Nomination of Directors

The Board will consider its size each year when it considers the number of directors to recommend to the shareholders of the Company for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. As well, the number of options to be granted is determined by the Board as a whole, which allows any independent directors to have input into compensation decisions. The Company has approved the formation of a Corporate Governance and Compensation Committee of which the current members are Jay Sujir, Rick Trotman and Jessica Van Den Akker.

Assessments

The Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing to mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between the Board and Management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

Other Board Committees

At the present time, in addition to the the Audit Committee and the Corporate Governance and Compensation Committee, each as described above, the only other standing committee of the Board is the Environmental Social Governance Committee (the "ESG Committee"). The ESG Committee's mandate is to ensure that management develops and monitors standards for ensuring a safe, healthy work environment and sustainable development, encompassing both environmental matters and community relations with all stakeholders. The ESG Committee's function is one of oversight. The ESG Committee is currently comprised of Zachary Flood, Jessica Van Den Akker and Rick Trotman, the majority of whom are independent directors of the Company, and governed by an EGC Committee Charter.

The written charter of the Audit Committee, as required by NI 52-110, is contained in Schedule "A" to this Circular, the charter for the Corporate Governance and Compensation Committee is and the charter for the ESG Committee are available on the Company's website at www.kenorlandminerals.com.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Proposed Share Incentive Plan

At the Company's annual general meeting held October 28, 2021, the Shareholders ratified the Incentive Plan under which the Directors were authorized to grant up to 1,000,000 share-based awards. Additionally, at the Company's annual general meeting held December 2, 2022, the Shareholders ratified the Plan (together with the Incentive Plan, the "**Historical Plans**") under

which the Directors were authorized to grant options to purchase up to 11,504,618 (together with any other stock option plans or option grants of the Company or long term incentive awards) of the Company's common shares from time to time.

Following a review by the Board of the Company's Historical Plan, the Board concluded that it was advisable to replace the Historical Plan, subject to the receipt of the requisite regulatory and shareholder approvals, with a new omnibus share incentive plan (the "**Proposed Share Incentive Plan**"), providing for the grant of options ("**Options**"), restricted share units ("**RSUs**"), performance share units ("**PSUs**" and together with the RSUs, "**Share Units**") and deferred share units ("**DSUs**" and together with the Options and Share Units, "**Awards**").

The Proposed Share Incentive Plan is a 'fixed' incentive plan that sets the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the exercise of Awards granted under the Proposed Share Incentive Plan at 12,707,605, representing, as of the date of the Circular, 20% of the number common shares of the Company currently outstanding.

Subject to the requisite regulatory and shareholder approvals for the Proposed Share Incentive Plan, the Historical Plans will be terminated and any outstanding stock options or share-based awards granted thereunder shall remain in effect in accordance with the terms and conditions of the Proposed Share Incentive Plan.

Pursuant to the policies of the TSX Venture Exchange, the Company is required to obtain disinterested shareholder approval of the Proposed Share Incentive Plan in connection with the implementation thereof. Accordingly, at the Meeting, the disinterested shareholders of the Company will be asked to pass a resolution to approve the Proposed Share Incentive Plan. For this purpose, disinterested shareholders will include all shareholders of the Company other than insiders of the Company to whom Awards may be granted under the Proposed Share Incentive Plan and each of their respective associates.

Summary of the Proposed Share Incentive Plan

The following is a summary of the key provisions of the Proposed Share Incentive Plan. The following summary is qualified in all respects by the full text of the Proposed Share Incentive Plan, a copy of which is attached hereto as Schedule "B" and will be filed on the Company's profile on SEDAR+. All terms used but not defined in this section have the meaning ascribed thereto in the Proposed Share Incentive Plan.

Purpose

The purpose of the Proposed Share Incentive Plan is:

- (a) to increase the interest in the Company's welfare of those employees, officers, directors and consultants (who are considered "Eligible Participants" under the Proposed Share Incentive Plan) who share responsibility for the management, growth and protection of the business of the Company or a subsidiary of the Company;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Company or a subsidiary of the Company and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company or a subsidiary of the Company are necessary or essential to its success, image, reputation or activities;

- (c) to reward Eligible Participants for their performance of services while working for the Company or a subsidiary of the Company; and
- (d) to provide a means through which the Company or a subsidiary of the Company may attract and retain able persons to enter its employment or service.

Plan Administration

The Proposed Share Incentive Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. Subject to the terms of the Proposed Share Incentive Plan, applicable law and the policies of the TSX Venture Exchange, the Board (or its delegate) will have the power and authority to: (i) designate the Eligible Participants who will receive Awards (an Eligible Participant who receives an Award, a "Participant"), (ii) designate the types and amount of Awards to be granted to each Participant, (iii) determine the terms and conditions of any Award, including any vesting conditions or conditions based on performance of the Company or of an individual ("Performance Criteria"); (iv) interpret and administer the Proposed Share Incentive Plan and any instrument or agreement relating to it, or any Award made under it; and (v) make such amendments to the Proposed Share Incentive Plan and Awards as are permitted by the Proposed Share Incentive Plan and the policies of the TSX Venture Exchange.

Shares Available for Awards

Subject to adjustment as provided for under the Proposed Share Incentive Plan, and as may be approved by the TSX Venture Exchange and the shareholders of the Company from time to time, the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the exercise of Awards granted under the Proposed Share Incentive Plan shall be equal to 12,707,605.

Shares covered by Awards which have been settled in cash, and Awards which expire or are forfeited, surrendered, cancelled or otherwise terminated or lapse for any reason without having been exercised, will be available for subsequent grant under the Proposed Share Incentive Plan, subject to the participation limits outlined below. Shares of the Company covered by Awards which have been exercised or settled in Shares, as applicable, are not available for subsequent grant under the Proposed Share Incentive Plan and the Proposed Share Incentive Plan will not be replenished as a result of same.

Participation Limits

The Proposed Share Incentive Plan provides the following limitations on grants:

- (a) In no event shall the Proposed Share Incentive Plan, together with all other previously established and outstanding Share Compensation Arrangements of the Company, permit at any time:
 - (i) the aggregate number of Shares reserved for issuance under Awards granted to Insiders (as a group) at any point in time exceeding 10% of the issued and outstanding Shares on a non-diluted basis; or
 - (ii) the grant to Insiders (as a group), within any 12 month period, of an aggregate number of Awards exceeding 10% of the issued and outstanding Shares on a

non-diluted basis, calculated at the date an Award is granted to any Insider,

unless the Company has obtained the requisite disinterested shareholder approval.

- (b) The maximum aggregate number of Awards granted to any one person (and companies wholly-owned by that person) in any 12 month period shall not exceed 5% of the issued and outstanding Shares on a non-diluted basis, calculated on the date an Award is granted to the person, unless the Company has obtained the requisite disinterested shareholder approval.
- (c) The maximum aggregate number of Awards granted to any one Consultant in any 12 month period shall not exceed 2% of the issued and outstanding Shares on a non-diluted basis, calculated at the date an Award is granted to the Consultant.
- (d) The maximum aggregate number of Options granted to all persons retained to provide Investor Relations Activities shall not exceed 2% of the issued and outstanding Shares on a non-diluted basis in any 12 month period, calculated at the date an Option is granted to any such person.
- (e) In the event that any dividend equivalents are awarded in respect of a Share Unit or DSU or any DSU or Share Unit granted has payout multiplier features which would cause the number of Shares reserved for issuance under the Proposed Share Incentive Plan to exceed 10% of the issued and outstanding Shares or otherwise cause any of the participation limits in the proposed Share Incentive Plan not to be met, the Board shall be permitted to satisfy such dividend equivalent or payout multiplier through the payment of cash.

Eligible Participants

In respect of a grant of Options, an Eligible Participant is any director, executive officer, employee or Consultant of the Company or any of its subsidiaries. In respect of a grant of Share Units, an Eligible Participant is any director, executive officer, employee or Consultant of the Company or any of its subsidiaries other than persons retained to provide Investor Relations Activities. In respect of a grant of DSUs, an Eligible Participant is any non-employee director of the Company or any of its subsidiaries other than persons retained to provide Investor Relations Activities.

Description of Awards

Options

An Option is an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at a specified exercise price (the "Option Price"). Options are exercisable over a period established by the Board from time to time and reflected in the Participant's Option Agreement, which period shall not exceed 10 years from the date of grant. Notwithstanding the expiration provisions set forth in the Proposed Share Incentive Plan, if the date on which an Option expires falls within a Blackout Period (as defined in the Proposed Share Incentive Plan), the expiration date of the Option will be the date that is ten (10) Business Days after the Blackout Period Expiry Date. The Option Price shall not be set at less

than the Market Value of a Share (as defined in the Proposed Share Incentive Plan) as of the date of the grant, less any discount permitted by the TSX Venture Exchange.

At the time of grant of an Option, the Board may establish vesting conditions in respect of each Option grant, which may include performance criteria related to corporate or individual performance. Notwithstanding the foregoing, Options granted to persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one-quarter (1/4) of the Options vesting in any three month period.

No acceleration of the vesting provisions of Options granted to persons retained to provide Investor Relations Activities is allowed without the prior acceptance of the TSX Venture Exchange.

The Proposed Share Incentive Plan also permits the Board to grant an option holder, at any time, the right to deal with such Option on a cashless exercise basis or to receive a cash payment equal to the difference between the market price of the shares on the day immediately prior to the date of the exercise of the cashless exercise right, and the Option Price (less applicable withholding taxes), subject to the rules of the applicable stock exchange on which the shares are listed from time to time.

Share Units

A Share Unit is an Award that is a bonus for services rendered in the year of grant that, upon settlement, entitles the recipient Participant to receive a cash payment equal to the Market Value of a Share or, at the sole discretion of the Board, a Share. The right of a holder to have their Share Units redeemed is subject to such restrictions and conditions on vesting as the Board may determine at the time of grant. Restrictions and conditions on vesting conditions may, without limitation, be based on the passage of time during continued employment or other service relationship (commonly referred to as an RSU), the achievement of specified Performance Criteria (commonly referred to as a PSU) or both.

The Board shall have sole discretion to determine if any vesting conditions with respect to a Share Unit, including any Performance Criteria, or other vesting conditions with respect to a Share Unit, have been met and shall communicate to a Participant as soon as reasonably practicable the date on which all such applicable vesting conditions or Performance Criteria have been satisfied and the Share Units have vested. Subject to the vesting and other conditions and provisions in the Proposed Share Incentive Plan and in the applicable Share Unit Agreement, each Share Unit awarded to a Participant shall entitle the Participant to receive, on settlement, a cash payment equal to the Market Value of a Share, or, at the discretion of the Board, one Share or any combination of cash and Shares as the Board in its sole discretion may determine, in each case less any applicable withholding taxes. The Company (or the applicable subsidiary) may, in its sole discretion, elect to settle all or any portion of the cash payment obligation by the delivery of Shares issued from treasury or acquired in the secondary market by a trustee or administrative agent appointed by the Board, on behalf of the Participant. Subject to the terms and conditions in the Proposed Share Incentive Plan, vested Share Units shall be redeemed by the Company (or the applicable subsidiary) as described above on the earlier of the expiry date of the Share Units or the 15th day following the vesting date.

Notwithstanding the foregoing, if the date on which any Share Units would otherwise vest falls within a Blackout Period or within nine Business Days after a Blackout Period expiry date, the

vesting date of such Share Units will be deemed to be the date that is the earlier of ten (10) Business Days after the Blackout Period expiry date and the Share Unit expiry date.

Dividend equivalents may, as determined by the Board in its sole discretion, be awarded as a bonus for services rendered in the year in respect of unvested Share Units in a Participant's account on the same basis as cash dividends declared and paid on Shares as if the Participant was a holder of record of Shares on the relevant record date. In the event that the Participant's applicable Share Units do not vest, all dividend equivalents, if any, associated with such Share Units will be forfeited by the Participant.

Deferred Share Units

A DSU is an Award for services rendered, or for future services to be rendered, and that, upon settlement, entitles the recipient Participant to receive cash or acquire Shares, as determined by the Company in its sole discretion.

A Participant is only entitled to redemption of a DSU when the Participant ceases to be a director of the Company for any reason, including termination, retirement or death. The Board does not have the right to alter the vesting conditions of DSUs, which conditions will immediately vest upon termination of employment, provided that no DSU vest on a date earlier than the date which is one year following issuance subject to a Change of Control or, at the discretion of the Board, in the case of the death of Participant.

Subject to the vesting and other conditions and provisions in the Proposed Share Incentive Plan and in any DSU Agreement, each DSU awarded to a Participant shall entitle the Participant to receive on settlement a cash payment equal to the Market Value of a Share, or, at the discretion of the Board, one Share or any combination of cash and Shares as the Company in its sole discretion may determine.

DSUs shall be redeemed and settled by the Company as soon as reasonably practicable following the Participant's termination date, but in any event not later than, and any payment (either in cash or in Shares) in respect of the settlement of such DSUs shall be made no later than, December 15th of the first calendar year commencing immediately after the Participant's termination date. The Company will have, at its sole discretion, the ability to elect to settle all or any portion of the cash payment obligation by the delivery of Shares issued from treasury or acquired in the secondary market by a trustee or administrative agent appointed by the Board on behalf of the Participant.

Dividend equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's account on the same basis as cash dividends declared and paid on Shares as if the Participant was a holder of record of Shares on the relevant record date. In the event that the Participant's applicable DSUs do not vest, all dividend equivalents, if any, associated with such DSUs will be forfeited by the Participant.

Effect of Termination on Awards

Except as otherwise provided in any Employment Agreement or Consulting Agreement or in any Award Agreement, Awards are subject to the following conditions:

- (a) Resignation: Upon a Participant ceasing to be an Eligible Participant as a result of his or her resignation from the Company or a subsidiary (other than by reason of

retirement):

- (i) each unvested Option granted to such Participant shall terminate and become void immediately upon such resignation;
 - (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days after the Participant's termination date (or such later date as the Board may, in its sole discretion, determine, provided that in no case shall such date exceed 12 months following termination) and (B) the expiry date of such Option as set forth in the applicable Option Agreement, after which such vested Option will expire; and
 - (iii) the Participant's participation in the Proposed Share Incentive Plan shall be terminated immediately, and all Share Units credited to such Participant's account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested Share Units shall be forfeited and cancelled on the termination date.
- (b) Termination for Cause: Upon a Participant ceasing to be an Eligible Participant for Cause (as determined by the Company, which determination shall be binding on the Participant for purposes of the Proposed Share Incentive Plan):
 - (i) any vested or unvested Options granted to such Participant shall terminate automatically and become void immediately; and
 - (ii) the Participant's participation in the Proposed Share Incentive Plan shall be terminated immediately, and all Share Units credited to such Participant's account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested Share Units shall be forfeited and cancelled on the termination date.
- (c) Termination not for Cause: Upon a Participant ceasing to be an Eligible Participant as a result of his or her employment or service relationship with the Company or a subsidiary being terminated without Cause:
 - (i) each unvested Option granted to such Participant shall terminate and become void immediately;
 - (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days after the Participant's termination date (or such later date as the Board may, in its sole discretion, determine, provided that in no case shall such date exceed 12 months following termination) and (B) the expiry date of such Option as set forth in the applicable Option Agreement, after which such vested Option will expire; and
 - (iii) all unvested Share Units in the Participant's account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled (unless the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of such unvested Share Units).
- (d) Termination Due to Retirement or Permanent Disability: Upon a Participant ceasing to

be an Eligible Participant by reason of retirement or permanent disability:

- (i) each unvested Option granted to such Participant shall terminate and become void immediately;
 - (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any subsidiary by reason of permanent disability (or such later date as the Board may, in its sole discretion, determine) and (B) the expiry date of such Option as set forth in the applicable Option Agreement, after which such vested Option will expire; and
 - (iii) all unvested Share Units in the Participant's account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled (unless the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of such unvested Share Units).
- (e) Termination Due to Death: Upon a Participant ceasing to be an Eligible Participant by reason of death:
- (i) each unvested Option granted to such Participant shall terminate and become void immediately;
 - (ii) each vested Option held by such Participant at the time of death may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant, provided that any such vested Option shall cease to be exercisable on the earlier of (A) the date that is twelve (12) months after the Participant's death and (B) the expiry date of such Option as set forth in the applicable Option Agreement, after which such vested Option will expire; and
 - (iii) all unvested Share Units in the Participant's account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled (unless the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of such unvested Share Units).
- (f) Termination in Connection with a Change of Control: If the Company completes a transaction constituting a Change of Control and within 12 months following the Change of Control, a Participant who was also an officer or employee of, or a Consultant to, the Company prior to the Change of Control has their employment agreement or consulting agreement terminated:
- (i) all unvested Options granted to such Participant shall immediately vest and become exercisable, and remain open for exercise until the earlier of (A) their expiry date as set out in the applicable Option Agreement and (B) the date that is ninety (90) days after such termination or dismissal; and
 - (ii) all unvested Share Units shall become vested, and the date of such Participant's termination date shall be deemed to be the vesting date.

Change of Control

In the event of a Change of Control, the Board will have the power, in its sole discretion, to accelerate the vesting of Options to assist the Participants to tender into a take-over bid or participate in any other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or any other transaction leading to a Change of Control, the Board shall have the power, in its sole discretion, to (a) provide that any or all Options shall thereupon terminate, provided that any such outstanding Options that have vested shall remain exercisable until consummation of such Change of Control, and (b) permit Participants to conditionally exercise their vested Options immediately prior to the consummation of the take-over bid and the Shares issuable under such Options to be tendered to such bid, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control). In the event of a Change of Control, the Board may also exercise its discretion to accelerate the vesting of, or waive the Performance Criteria or other vesting conditions applicable to, outstanding Share Units, and the date of such action shall be the vesting date of such Share Units.

Assignment

Except as set forth in the Proposed Share Incentive Plan, each Award granted under the Proposed Share Incentive Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of descent and distribution.

Amendment or Discontinuance

The Board may amend the Proposed Share Incentive Plan or any Award at any time without the consent of the Participants, provided that such amendment shall not adversely alter or impair the rights of any Participant without the consent of such Participant (except as permitted by the provisions of the Proposed Share Incentive Plan), is in compliance with applicable law, and subject to any regulatory approvals including, where required, the approval of the TSX Venture Exchange (or any other stock exchange on which the Shares are listed) and is subject to shareholder approval to the extent such approval is required by applicable law or the requirements of the TSX Venture Exchange (or any other stock exchange on which the Shares are listed), provided that the Board may, from time to time, in its absolute discretion and without approval of the shareholders of the Company, make the following amendments:

- (a) any amendment necessary to comply with applicable law (including taxation laws) or the requirements of the TSX Venture Exchange (or any other stock exchange on which the Shares are listed) or any other regulatory body to which the Company is subject;
- (b) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Proposed Share Incentive Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Proposed Share Incentive Plan that is inconsistent with any other provision of the Proposed Share Incentive Plan, correcting grammatical or typographical errors and amending the definitions contained within the Proposed Share Incentive Plan; or
- (c) any amendment regarding the administration of the Proposed Share Incentive Plan.

Notwithstanding the foregoing, the Board shall be required to obtain shareholder approval, including, if required by the applicable stock exchange, disinterested shareholder approval, to make the following amendments:

- (a) any amendment to the maximum percentage or number of Shares that may be reserved for issuance pursuant to the exercise or settlement of Awards granted under the Proposed Share Incentive Plan, including an increase to the fixed maximum percentage of Shares or a change from a fixed maximum number of Shares to a fixed maximum percentage of Shares or vice versa, except in the event of a permitted adjustment arising from a reorganization of the Company's share capital or certain other transactions;
- (b) any amendment which reduces the exercise price of any Award, as applicable, after such Award has been granted or any cancellation of an Award and the replacement of such Award with an Award with a lower exercise price or other entitlements, except in the event of a permitted adjustment arising from a reorganization of the Company's share capital or certain other transactions; provided, however, that, for greater certainty, disinterested shareholder approval will be required for any amendment which reduces the exercise price of any Option if the Participant is an Insider of the Company at the time of the proposed amendment;
- (c) any amendment which extends the expiry date of any Award, or the Restriction Period of any Share Unit beyond the original expiry date or Restriction Period, except in the event of an extension due to a Blackout Period;
- (d) any amendment which would permit Awards granted under the Proposed Share Incentive Plan to be transferable or assignable other than for normal estate settlement purposes;
- (e) any amendment to the definition of an Eligible Participant under the Proposed Share Incentive Plan;
- (f) any amendment to the participation limits set out in the Proposed Share Incentive Plan;
or
- (g) any amendment to the amendment provisions of the Proposed Share Incentive Plan.

The Board may, subject to regulatory approval, discontinue the Proposed Share Incentive Plan at any time without the consent of the Participants, provided that any such discontinuance does not materially and adversely affect any Awards previously granted to a Participant under the Proposed Share Incentive Plan.

Shareholder Approval of the Proposed Share Incentive Plan

At the Meeting, the disinterested shareholders of the Company will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution (the "Share Incentive Plan Resolution") confirming and approving the Proposed Share Incentive Plan as described below.

In order to be passed, the Share Incentive Plan Resolution requires the approval of a majority of the votes cast thereon by shareholders of the Company present in person or represented by proxy at the Meeting, excluding the votes attaching to Shares beneficially owned by insiders of the Company to whom Awards may be granted under the Proposed Share Incentive Plan and

each of their respective associates. In determining whether such approval has been obtained, the votes attaching to the approximately 23,220,572 Shares collectively held, directly or indirectly, by the insiders of the Company to whom Awards may be granted under the Proposed Share Incentive Plan, and each of their respective associates, will be excluded. The directors of the Company unanimously recommend that shareholders vote in favour of the Share Incentive Plan Resolution. **The persons named in the form of proxy accompanying this Circular intend to vote FOR the Share Incentive Plan Resolution, unless the shareholder of the Company who has given such proxy has directed that the Shares represented by such proxy be voted against the Share Incentive Plan Resolution.**

"BE IT RESOLVED AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

1. the existing stock option plan and long term incentive plan of the Company be terminated;
2. the omnibus share incentive plan of the Company attached as Schedule B to the management information circular of the Company dated August 18, 2023 be, and the same hereby is, authorized, approved, ratified and confirmed as the share incentive plan of the Company, subject to regulatory approvals;
3. the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the exercise of Awards (as defined in the omnibus share incentive plan) granted under the Proposed Share Incentive Plan shall be equal to 12,707,605;
4. the directors of the Company be expressly authorized to revoke this resolution and not proceed with the termination of the existing Historical Plans of the Company or the adoption of the omnibus share incentive plan of the Company without requiring further approval of the shareholders in that regard; and
5. any one officer or any one director of the Company be, and each of them hereby is, authorized and empowered, acting for, in the name of and on behalf of the Company, to execute or to cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such agreements, instruments, certificates, undertakings and other documents, and to do or to cause to be done all such other acts and things, as any one of them shall consider necessary or desirable to give effect to the intent of this resolution."

General Matters

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company's audited annual financial statements for the year ended December 31, 2022, which is available on the Company's SEDAR profile at www.sedar.com. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company at 604-568-6005.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 18th day of August 2023.

ON BEHALF OF THE BOARD

(signed) "*Zachary Flood*"

Zachary Flood
President, CEO and Director

KENORLAND MINERALS LTD.

Schedule "A"
Audit Committee Charter

1.0 Purpose of the Committee

1.1 The Audit Committee represents the Board in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and auditing activities and legal compliance of the Company and its subsidiaries.

2.0 Members of the Committee

2.1 The Audit Committee shall consist of no less than three Directors a majority of whom shall be "independent" as defined under NI 52-110, while the Company is in the developmental stage of its business. The members of the Committee shall be selected annually by the Board and shall serve at the pleasure of the Board.

2.2 At least one Member of the Audit Committee must be "financially literate" as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

3.0 Meeting Requirements

3.1 The Audit Committee will, where possible, meet on a regular basis at least once every quarter, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically and shall be at such times and places as the Audit Committee determines. Without meeting, the Audit Committee may act by unanimous written consent of all members which shall constitute a meeting for the purposes of this charter.

3.2 A majority of the members of the Audit Committee shall constitute a quorum.

4.0 Duties and Responsibilities

4.1 The Audit Committee's function is one of oversight only and shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and conditions or the responsibilities of the external auditors relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) have the authority with respect to the appointment, retention or discharge of the independent public accountants as auditors of the Company (the "auditors") who perform the annual audit in accordance with applicable securities laws, and who shall be ultimately accountable to the Board through the Audit Committee;
- (b) review with the auditors the scope of the audit and the results of the annual audit examination by the auditors, including any reports of the auditors prepared in connection with the annual audit;
- (c) review information, including written statements from the auditors, concerning any relationships between the auditors and the Company or any other relationships that may adversely affect the independence of the auditors and assess the independence of the auditors;

- (d) review and discuss with management and the auditors the Company's audited financial statements and accompanying MD&A, including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles and report on them to the Board;
- (e) review and discuss with management the Company's interim financial statements and interim MD&A and report on them to the Board;
- (f) pre-approve all auditing services and non-audit services provided to the Company by the auditors to the extent and in the manner required by applicable law or regulation. In no circumstances shall the auditors provide any non-audit services to the Company that are prohibited by applicable law or regulation;
- (g) evaluate the external auditor's performance for the preceding fiscal year, reviewing their fees and making recommendations to the Board;
- (h) periodically review the adequacy of the Company's internal controls and ensure that such internal controls are effective;
- (i) review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditors that may have a significant impact on the Company's financial reports, and report on them to the Board;
- (j) oversee and annually review the Company's Code of Business Conduct and Ethics;
- (k) approve material contracts where the Board of Directors determines that it has a conflict;
- (l) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding the audit or other accounting matters;
- (m) where unanimously considered necessary by the Audit Committee, engage independent counsel and/or other advisors at the Company's expense to advise on material issues affecting the Company which the Audit Committee considers are not appropriate for the full Board;
- (n) satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulation relating to insider trading, continuous disclosure and financial reporting;
- (o) review and monitor all related party transactions which may be entered into by the Company;
and
- (p) periodically review the adequacy of its charter and recommending any changes thereto to the Board.

5.0 Miscellaneous

5.1 Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Audit Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Audit Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

KENORLAND MINERALS LTD.

Schedule "B"
Omnibus Share Incentive Plan

KENORLAND MINERALS LTD.

OMNIBUS SHARE INCENTIVE PLAN

Kenorland Minerals Ltd. (the “**Company**”) hereby establishes an omnibus share incentive plan for certain qualified directors, executive officers, employees or Consultants of the Company or any of its Subsidiaries.

**Article I.
INTERPRETATION**

Section 1.01 Definitions.

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

“**Account**” means a notional account maintained for each Participant on the books of the Company which will be credited with Share Units or DSUs. As applicable, in accordance with the terms of this Plan;

“**Affiliates**” has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*;

“**Award**” means any of an Option, DSU or Share Unit granted to a Participant pursuant to the terms of the Plan;

“**Award Agreement**” means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement, a DSU Agreement, a Share Unit Agreement, an Employment Agreement or a Consulting Agreement;

“**Black-Out Period**” means a period of time during which the Company prohibits Participants from trading securities of the Company, which is formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information (which for greater certainty, does not include a period during which a Participant or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company’s securities);

“**Board**” means the board of directors of the Company as constituted from time to time;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Vancouver, British Columbia for the transaction of banking business;

“**Canadian Participant**” means a Participant who is a resident of Canada and/or who is granted an Award in respect of, or by virtue of, employment services rendered in Canada, provided that for greater certainty, a Participant may be both a Canadian Participant and a U.S. Taxpayer;

“**Cash Equivalent**” means the amount of money equal to the Market Value multiplied by the number of vested Share Unit or DSUs, as applicable, in the Participant’s Account, net of any applicable taxes in accordance with Section 8.02, on the Settlement Date or the DSU Redemption Date, as applicable;

“**Cashless Exercise Right**” has the meaning ascribed thereto in Section 3.06(3) hereof;

“Cause” has the meaning ascribed thereto in Section 6.02(1) hereof;

“Change of Control” means, unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:

- (i) any transaction (other than a transaction described in clause (iii) below) pursuant to which any Person or group of Persons acting jointly or in concert acquires for the first time the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company’s then issued and outstanding securities entitled to vote in the election of directors of the Company, other than any such acquisition that occurs upon the exercise or settlement of options or other securities granted by the Company under any of the Company’s share incentive plans;
- (ii) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Company immediately prior thereto do not beneficially own, directly or indirectly, either outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such transaction;
- (iii) the sale, lease, exchange, license or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Company or any of its Subsidiaries which have an aggregate book value greater than 50% of the book value of the assets, rights and properties of the Company and its Subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned Subsidiary of the Company in the course of a reorganization of the assets of the Company and its wholly-owned Subsidiaries;
- (iv) the passing of a resolution by the Board or shareholders of the Company to substantially liquidate the assets of the Company or wind up the Company’s business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a *bona fide* reorganization of the Company in circumstances where the business of the Company is continued and the shareholdings remain substantially the same following the re-arrangement);
- (v) individuals who, on the Effective Date, are members of the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board; or
- (vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

“Code” means the U.S. Internal Revenue Code of 1986, as amended from time to time and the Treasury Regulations promulgated thereunder;

“Code Section 409A” means Section 409A of the Code and applicable regulations and guidance issued thereunder;

“Company” means Kenorland Minerals Ltd., a corporation existing under the Business Corporations Act of British Columbia, as amended from time to time;

“Consultant” means a person, other than an employee, executive officer or director of the Company or a Subsidiary, that that: (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to a Subsidiary, other than services provided in relation to a distribution; (b) provides the services under a written contract between the Company or the Subsidiary and the individual or company, as the case may be; (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or a Subsidiary; and (d) has a relationship with the Company or a Subsidiary that enables the person to be knowledgeable about the business and affairs of the Company; and includes for an individual Consultant, a corporation of which the individual Consultant is an employee or shareholder, or a partnership of which the individual Consultant is an employee or partner;

“Consulting Agreement” means, with respect to any Participant, any written consulting agreement between the Company or a Subsidiary and such Participant;

“Designated Broker” means a broker who is independent of, and deals at arm’s length with, the Company and its Subsidiaries and is designated by the Company;

“Dividend Equivalent” means additional Share Units or DSUs credited to a Participant’s Account as a dividend equivalent pursuant to Section 4.07 or Section 5.06, respectively;

“DSU” or **“Deferred Share Unit”** means a right awarded to a Participant to receive a payment as provided in Article 5 and subject to the terms and conditions of this Plan;

“DSU Agreement” means a written document evidencing the grant of DSUs and the terms and conditions thereof;

“DSU Settlement Amount” means the amount of Shares, Cash Equivalent, or combination thereof, calculated in accordance with Section 5.05, to be paid to settle a DSU after the DSU Redemption Date;

“DSU Redemption Date” means, with respect to a particular DSU, the date on which such DSU is redeemed in accordance with the provisions of this Plan;

“Eligible Participants” means any director, executive officer, employee or Consultant of the Company or any of its Subsidiaries, but for the purposes of Article 5, this definition shall be limited to Non-Employee Directors and for the purposes of Articles 4 and 5, shall not include any Persons retained to provide Investor Relations Activities;

“Employment Agreement” means, with respect to any Participant, any written employment agreement between the Company or a Subsidiary and such Participant;

“Exercise Notice” means a notice in writing signed by a Participant and stating the Participant’s intention to exercise a particular Option, if applicable;

“Existing Option” means an option grant made under the Existing Option Plan;

“Existing Option Plan” means the 2022 Stock Option Plan, including any amendments or supplements thereto made after the effective date thereof;

“Insider” has the meaning in section 1.2 of Policy 1.1 – *Interpretation* of the Corporate Finance Manual of the TSXV;

“Investor Relations Activities” has the meaning ascribed thereto in Section 1.2 of Policy 1.1 – *Interpretation* of the Corporate Finance Manual of the TSXV;

“Market Value” means, with respect to any particular date as of which the Market Value of a Share is required to be determined, (i) if the Shares are listed on the TSXV, the closing price of the Shares on the TSXV on the last Trading Day prior to such particular date; (ii) if the Shares are not then listed on the TSXV, the closing price of the Shares on any other stock exchange on which the Shares are then listed (and if more than one, then using the stock exchange on which a majority of trading in the Shares occurs) on the last Trading Day prior to such particular date; or (iii) if the Shares are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith and such determination shall be conclusive and binding on all Persons;

“Non-Employee Director” means a member of the Board who is not otherwise an employee or executive officer of the Company or a Subsidiary;

“Option” means an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price;

“Option Agreement” means a written document evidencing the grant of Options and the terms and conditions thereof;

“Option Price” has the meaning ascribed thereto in Section 3.02 hereof;

“Option Term” has the meaning ascribed thereto in Section 3.04 hereof;

“Outstanding Issue” means the number of Shares that are issued and outstanding as at a specified time, on a non- diluted basis;

“Participants” means Eligible Participants that are granted Awards under the Plan;

“Performance Criteria” means specified criteria, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Award;

“Performance Period” means the period determined by the Board at the time any Award is granted or at any time thereafter during which any Performance Criteria and any other vesting conditions specified by the Board with respect to such Award are to be measured;

“Person” means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

“Plan” means this Omnibus Share Incentive Plan, including any amendments or supplements hereto made after the effective date hereof;

“Restriction Period” means, with respect to a particular grant of Share Units, the period between the date of grant of such Share Units and the Vesting Determination Date in respect of any portion of such Share Units;

“**SEC**” means the U.S. Securities and Exchange Commission;

“**Separation from Service**” has the meaning ascribed to it under Code Section 409A;

“**Settlement Date**” has the meaning ascribed thereto in Section 4.05(1) hereof;

“**Share Compensation Arrangement**” means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, directors, officers, Insiders, or Consultants of the Company or a Subsidiary provided, however, that any such arrangements that do not involve the issuance from treasury or potential issuance from treasury of Shares of the Company are not “Share Compensation Arrangements” for the purposes of this Plan;

“**Share Unit**” means a right awarded to a Participant to receive a payment as provided in Article 5 hereof and subject to the terms and conditions of this Plan;

“**Share Unit Agreement**” means a written document evidencing the grant of Share Units and the terms and conditions thereof;

“**Share Unit Outside Expiry Date**” has the meaning ascribed thereto in Section 4.05(4) hereof;

“**Shares**” means the common shares in the share capital of the Company;

“**Stock Exchange**” means the TSXV or, if the Shares are not listed and posted for trading on the TSXV as at a particular date, such other stock exchange or trading platform upon which the Shares are listed and posted for trading and which has been designated by the Board;

“**Subsidiary**” means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;

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

“**Tax Act Regulations**” means the regulations promulgated under the Tax Act, as amended from time to time;

“**Termination**” means that a Participant has ceased to be an Eligible Participant, including for greater certainty, the earliest date on which both of the following conditions are met: (i) the Participant has ceased to be employed by the Company or has ceased providing ongoing services as a Consultant to the Company or any Subsidiary thereof for any reason whatsoever; and (ii) the Participant is not a member of the Board nor a director of the Company or any of its Subsidiaries;

“**Termination Date**” means (i) in the event of a Participant’s resignation, the date on which such Participant ceases to be a director, executive officer, employee or Consultant of the Company or one of its Subsidiaries and (ii) in the event of the termination of the Participant’s employment, or position as director, executive or officer of the Company or a Subsidiary, or Consultant, the effective date of the termination as specified in the notice of termination provided to the Participant by the Company or the Subsidiary, as the case may be, and, for greater certainty, without regard to any period of notice, pay in lieu of notice, or severance that may follow the Termination Date pursuant to the terms of the Participant’s employment or services agreement (if any), the applicable employment standards legislation or the common law (if applicable), and regardless of whether the Termination was lawful or unlawful, except as may otherwise be required to meet minimum standards prescribed by the applicable standards legislation, and (c) in the event of a Participant’s death, the date of death, provided that in all cases, in applying the

provisions of this Plan to DSUs granted to a Canadian Participant, the "Termination Date" shall be the latest date on which the Participant is neither a director, executive officer or employee of the Company or any affiliate of the Company (where "affiliate" has the meaning ascribed thereto by the Canada Revenue Agency for the purposes of paragraph 6801(d) of the Tax Act Regulations;

"**Trading Day**" means a day which the applicable Stock Exchange is open for trading;

"**TSXV**" means the TSX Venture Exchange;

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

"**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended;

"**U.S. Taxpayer**" means any Participant who is a U.S. citizen, a U.S. permanent resident or other person who is subject to taxation on their income or in respect of Awards under the U.S. Tax Code, provided that, for greater certainty, a Participant may be both a Canadian Participant and a U.S. Taxpayer;

"**Vesting Determination Date**" has the meaning ascribed thereto in Section 4.04 hereof;

"**Vested Awards**" has the meaning ascribed thereto in Section 6.02(5) hereof; and

"**VWAP**" has the meaning ascribed thereto in Policy 4.4 *Securities Based Compensation* of the Corporate Finance Manual of the TSXV.

Section 1.02 Interpretation.

- (1) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term "discretion" or "authority" means the sole and absolute discretion of the Board.
- (2) The provision of a table of contents, the division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.
- (3) In this Plan, words importing the singular shall include the plural, and vice versa and words importing any gender include any other gender.
- (4) The words "including", "includes" and "include" and any derivatives of such words mean "including (or includes or include) without limitation".
- (5) As used herein, the expressions "Article", "Section" and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.
- (6) Unless otherwise specified in the Participant's Award Agreement, all references to money amounts are to Canadian currency.
- (7) For purposes of this Plan, the legal representatives of a Participant shall only include the administrator, the executor or the liquidator of the Participant's estate or will.

- (8) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

**Article II.
PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS**

Section 2.01 Purpose of the Plan.

The purpose of the Plan is to permit the Company to grant Awards to Eligible Participants, subject to certain conditions as hereinafter set forth, for the following purposes:

- (a) to increase the interest in the Company's welfare of those Eligible Participants, who share responsibility for the management, growth and protection of the business of the Company or a Subsidiary;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Company or a Subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company or a Subsidiary are necessary or essential to its success, image, reputation or activities;
- (c) to reward Participants for their performance of services while working for the Company or a Subsidiary; and
- (d) to provide a means through which the Company or a Subsidiary may attract and retain able Persons to enter its employment or service.

Section 2.02 Implementation and Administration of the Plan.

- (1) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee or plan administrator appointed by the Board. If such committee or plan administrator is appointed for this purpose, all references to the "Board" herein will be deemed references to such committee or plan administrator. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements, subject to any required approval.
- (2) Subject to Article 7 and any applicable rules of a Stock Exchange, the Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations or vary the terms of this Plan and/or any Award hereunder for carrying out the provisions and purposes of the Plan and/or to address tax or other requirements of any applicable jurisdiction.
- (3) Subject to the provisions of this Plan, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration and operations of the Plan as it may deem necessary or advisable. The interpretation, administration, construction and application of the Plan and any provisions hereof made by the Board, or by any officer, manager, committee or any other Person to which the Board delegated authority to perform such functions, shall be final and binding on the Company, its Subsidiaries and all Eligible Participants.
- (4) No member of the Board or any Person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder. Members of the Board or and any person acting at the direction or on behalf of the Board, shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination.

- (5) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issuance of any Shares or any other securities in the capital of the Company. For greater clarity, the Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or varying or amending its share capital or corporate structure.

Section 2.03 Participation in this Plan.

- (1) The Company makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant of an Award, the exercise of an Option or transactions in the Shares or otherwise in respect of participation under the Plan. Neither the Company, nor any of its directors, officers, employees, shareholders or agents shall be liable for anything done or omitted to be done by such Person or any other Person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant (or any Person with whom the Participant does not deal at arm's length within the meaning of the Tax Act) under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant (or any Person with whom the Participant does not deal at arm's length within the meaning of the Plan) to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Company and its Subsidiaries do not assume and shall not have responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with his or her own tax advisors.
- (2) Participants (and their legal representatives) shall have no legal or equitable right, claim, or interest in any specific property or asset of the Company or any of its Subsidiaries. No asset of the Company or any of its Subsidiaries shall be held in any way as collateral security for the fulfillment of the obligations of the Company or any of its Subsidiaries under this Plan. Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company.
- (3) Unless otherwise determined by the Board, the Company shall not offer financial assistance to any Participant in regards to the exercise of any Award granted under this Plan.
- (4) The Board may also require that any Eligible Participant in the Plan provide certain representations, warranties and certifications to the Company to satisfy the requirements of applicable laws, including, without limitation, exemptions from the registration requirements of the U.S. Securities Act, and applicable U.S. state securities laws.
- (5) In connection with an Award to be granted to any Eligible Participant, it shall be the responsibility of such person and the Company to confirm that such person is a bona fide Eligible Participant for the purposes of participation under the Plan.

Section 2.04 Shares Subject to the Plan.

- (1) Subject to adjustment pursuant to Article 7 hereof, and as may be approved by the Stock Exchange and the shareholders of the Company from time to time, the securities that may be acquired by Participants under this Plan shall consist of authorized but unissued Shares, provided that in the case of Share Units and DSUs, the Company (or applicable Subsidiary) may, at its sole discretion elect to settle such Share Units or DSUs in Shares acquired in the open market by a Designated Broker for the benefit of a Participant.

- (2) The maximum number of Shares issuable at any time pursuant to outstanding Awards under this Plan shall be equal to 12,707,605.
- (3) For the purposes of calculating the number of Shares reserved for issuance under this Plan:
 - (a) each Option shall be counted as reserving one Share under the Plan; and
 - (b) notwithstanding that the settlement of any Share Unit or DSU in Shares shall be at the sole discretion of the Company as provided herein, each Share Unit and each DSU shall, in each case, be counterbalanced as reserving one Share under the Plan.
- (4) No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the above-noted total numbers of Shares reserved for issuance pursuant to the settlement of Awards.
- (5) No new grants of options will be made under the Existing Option Plan.
- (6) Shares of the Company covered by Awards which have been settled in cash, and Awards which expire or are forfeited, surrendered, cancelled or otherwise terminated or lapse for any reason without having been exercised, will be available for subsequent grant under the Plan, subject to the limits set forth in Section 2.05 below. Shares of the Company covered by Awards which have been exercised or settled in Shares, as applicable, are not available for subsequent grant under the Plan and the Plan will not be replenished.

Section 2.05 Participation Limits.

- (1) The maximum number of Shares issuable pursuant to this Plan, the Existing Option Plan and any other Share Compensation Arrangement shall not exceed 12,707,605.
- (2) The maximum aggregate number of Shares reserved for issuance under Awards granted to Insiders (as a group), at any time, under this Plan, the Existing Option Plan and any other Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue, unless the Company has obtained the requisite disinterested shareholder approval.
- (3) The maximum number of Shares reserved for issuance under awards granted to Eligible Participants who are Insiders (as a group), within any 12 month period, under this Plan, the Existing Option Plan and any other Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue, calculated at the date any Award is granted to any Insider, unless the Company has obtained the requisite disinterested shareholder approval.
- (4) The maximum aggregate number of Awards granted to any one Person (and companies wholly-owned by that Person) in any 12 month period shall not exceed 5% of the Outstanding Issue, calculated on the date any Award is granted to the Person, unless the Company has obtained the requisite disinterested shareholder approval.
- (5) The maximum aggregate number of Awards granted to any one Consultant in any 12 month period shall not exceed 2% of the Outstanding Issue, calculated at the date any Award is granted to the Consultant.
- (6) The maximum aggregate number of Options granted to all Persons retained to provide Investor Relations Activities shall not exceed 2% of the Outstanding Issue in any 12 month period, calculated at the date any Option is granted to such Person. No other form of Award other than Options may be granted to any Person retained to provide Investor Relations Activities.
- (7) In the event that any Dividend Equivalent is awarded in respect of Share Unit or DSU which

would cause the number of Shares reserved for issuance under this Plan to 12,707,605 or otherwise cause any of the limits in this section 2.5 not to be met, the Board shall be permitted to satisfy such Dividend Equivalent through the payment of a Cash Equivalent.

- (8) The participation limits set forth in in this Section 2.05 shall apply to any payout multiplier features determined in relation to the issuance or grant of any Share Unit. In the event that any such multiplier feature would cause the number of Shares reserved for issuance under this Plan to exceed 12,707,605 or otherwise cause any of the limits in this section 2.5 not to be met, the Board shall be permitted to satisfy such obligation through the payment of a Cash Equivalent.

Section 2.06 Granting of Awards.

Any Award granted under the Plan shall be subject to the requirement that, if at any time the Company shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any stock exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant of such Awards or exercise of any Option or the issuance or purchase of Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval.

Article III. OPTIONS

Section 3.01 Nature of Options.

An Option is an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof. For the avoidance of doubt, no Dividend Equivalents shall be granted in connection with an Option.

Section 3.02 Option Awards.

- (1) Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted (which shall not be prior to the date of the resolution of the Board), (iii) subject to Section 3.03, determine the price per Share to be payable upon the exercise of each such Option (the "**Option Price**"), (iv) determine the relevant vesting provisions (including Performance Criteria, if applicable) and (v) determine the Option Term, the whole subject to the terms and conditions prescribed in this Plan or in any Option Agreement, and any applicable rules of a Stock Exchange.
- (2) All Options granted herein shall vest in accordance with the terms of the Option Agreement entered into in respect of such Options. Notwithstanding the foregoing, Options granted to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one quarter (1/4) of the Options vesting in any three month period and not sooner than three months after the Options were granted. No acceleration of vesting provisions of Options granted to Person retained to provide Investor Relations Activities is permitted without the prior acceptance of the TSXV.

Section 3.03 Option Price.

The Option Price for Shares that are the subject of any Option shall be determined and approved by the Board when such Option is granted, but shall not be less than the Market Value of such Shares at the date of the grant, less any discounted permitted by the Exchange. A minimum exercise price cannot be established unless the Options are allocated to particular Participants.

Section 3.04 Option Term.

- (1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten (10) years from the date the Option is granted (“**Option Term**”).
- (2) Should the expiration date for an Option fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding anything else herein contained, the ten (10) Business Day period referred to in this Section 3.4 may not be further extended by the Board.

Section 3.05 Exercise of Options.

Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, any exercise of Options by a Participant shall be made in accordance with any insider trading policies implemented by the Company.

Section 3.06 Method of Exercise and Payment of Purchase Price.

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.05 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Corporate Secretary of the Company (or the individual that the Corporate Secretary of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by payment, in full, of (a) the Option Price multiplied by the number of Shares specified in such Exercise Notice, and (b) such amount in respect of withholding taxes and other applicable source deductions as the Company may require under Section 8.02. Such payment shall be in the form of cash, certified cheque, bank draft or any other form of payment deemed acceptable by the Board.
- (2) Upon the exercise of an Option, the Company shall, as soon as practicable after such exercise and receipt of all payments required to be made by the Participant to the Company in connection with such exercise, but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares either to:
 - (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
 - (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate

number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.

- (3) Subject to the rules and policies of the Stock Exchange, the Board may, in its discretion and at any time, determine to grant a Participant the alternative, when entitled to exercise an Option, to deal with such Option on a “cashless exercise” basis, on such terms as the Board may determine in its discretion (the “**Cashless Exercise Right**”). Without limitation, the Board may determine in its discretion that such Cashless Exercise Right, if any, grant a Participant the right to receive, without payment of any cash other than pursuant to Section 8.02, that number of Shares, disregarding fractions, which is equal to quotient obtained by dividing (i) the product of that number of Options being exercised multiplied by the difference between the VWAP on the day immediately prior to the exercise of the Cashless Exercise Right and the Option Price by the VWAP of the underlying Shares. The Cashless Exercise Right shall not be available in respect of Options granted to Participants providing Investor Relations Activities.
- (4) In the event the Company determines to accept the Participant’s request pursuant to a Cashless Exercise Right, the Company shall make an election pursuant to subsection 110(1.1) of the Tax Act.
- (5) No fractional Shares will be issued upon the exercise of Options granted under the Plan and accordingly, if a Participant would become entitled to a fractional Share upon the exercise of an Option, or from an adjustment pursuant to Section 7.01, such Participant will only have the right to acquire the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

Section 3.07 Option Agreements.

Options shall be evidenced by an Option Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine. The Option Agreement may contain any such terms that the Company considers necessary in order that the Option will comply with any provisions respecting options in the income tax (including, in respect of Canadian Participants, such terms and conditions so as to ensure that the Option shall be continuously governed by section 7 of the ITA) or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Company.

Article IV. RESTRICTED AND PERFORMANCE SHARE UNITS

Section 4.01 Nature of RSUs.

A Share Unit is an Award that is a bonus for services rendered, that, upon settlement, entitles the recipient Participant to acquire Shares as determined by the Board or to receive the Cash Equivalent or a combination thereof, as the case may be, pursuant and subject to such restrictions and conditions as the Board may determine at the time of grant, unless such Share Unit expires prior to being settled.

Restrictions and conditions on vesting may, without limitation, be based on the passage of time during continued employment (or other service relationship) (sometimes referred to as a “**Restricted Share Unit**” or “**RSU**”), the achievement of Performance Criteria, which criteria may be based upon the achievement of individual goals or corporate goals and may be applied relative to performance relative to an index or comparator group, or any other basis (sometimes referred to as a “**Performance Share Unit**” or “**PSU**”).

Unless otherwise provided in the applicable Share Unit Agreement, it is intended that Share Units awarded to U.S. Taxpayers will be exempt from Code Section 409A under U.S. Treasury Regulation section 1.409A1(b)(4), and accordingly such Share Units will be settled/redeemed by March 15th of the year following the year in which such Share Units are not, or are no longer, subject to a substantial risk of forfeiture (as such term is interpreted under Code Section 409A). For greater certainty, upon the satisfaction or waiver or deemed satisfaction of all Performance Criteria and other vesting conditions, the Share Units of U.S. Taxpayers will no longer be subject to a substantial risk of forfeiture, and will be settled/redeemed by March 15th of the following year (the "**U.S. Share Unit Outside Expiry Date**"). It is intended that, in respect of Share Units granted to Canadian Participants as a bonus for services rendered in the year of grant, neither the Plan nor any Share Units granted hereunder will constitute a "salary deferral arrangement" as defined in subsection 248(1) of the Tax Act, by reason of the exemption in paragraph (k) thereof. All Share Units granted hereunder shall be in addition to, and not in substitution for or in lieu of, ordinary salary and wages received or receivable by any Canadian Participant in respect of his or her services to the Company or a Subsidiary, as applicable

Section 4.02 Share Unit Awards.

- (1) Subject to the provisions herein and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Share Units under the Plan, (ii) fix the number of Share Units, if any, to be granted to each Eligible Participant and the date or dates on which such Share Units shall be granted, (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the Restriction Period of such Share Units, (provided, however, that no such Restriction Period shall be less than 12 months and shall not exceed the three years referenced in Section 4.03) and (iv) any other terms and conditions applicable to the granted Share Units, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan and in any Share Unit Agreement.
- (2) All Share Units granted herein shall vest in accordance with the terms of the Share Unit Agreement in respect of such Share Units, provided that no Share Unit will vest on a date earlier than the date which is one year following issuance, subject to Section 7.02 or, at the discretion of the Board, in the case of the death of Participant.
- (3) Subject to the vesting and other conditions and provisions in this Plan and in the applicable Share Unit Agreement, each Share Unit awarded to a Participant shall entitle the Participant to receive, on settlement, one Share, the Cash Equivalent or any combination thereof as the Board in its sole discretion may determine, in each case less any applicable withholding taxes. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any Share Unit, and notwithstanding any discretion by the Board to settle any Share Unit, or a portion thereof, in the form of Shares, the Board reserves the right to change such form of payment at any time until payment is actually made.
- (4) For greater certainty, Share Units that are subject to Performance Criteria may not become fully vested by the last day of the Restriction Period.

Section 4.03 Share Unit Agreements.

- (1) Share Units shall be evidenced by a Share Unit Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. The Share Unit Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions which are not inconsistent with this Plan and which the Board deems appropriate for inclusion, which may contain any such terms that the Company considers necessary in order that the Share Unit will comply with any provisions respecting share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company. The

provisions of the various Share Unit Agreements under this Plan need not be identical.

- (2) The Share Unit Agreement shall contain such terms that the Company considers necessary in order that the Share Units granted to U.S. Taxpayers will comply with Code Section 409A and any provisions respecting restricted share units in the income tax laws (including, in respect of Canadian Participants, such terms and conditions so as to ensure that the Share Units shall not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the Tax Act, by reason of the exemption in paragraph (k) thereof) or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Company.

Section 4.04 Vesting Conditions.

The Board shall have the sole discretion to (a) determine if any vesting conditions with respect to a Share Unit, including any Performance Criteria or other vesting conditions contained in the applicable Share Unit Agreement, have been met, (b) waive the vesting conditions applicable to Share Units (or deem them to be satisfied) and (c) extend the Restriction Period with respect to any grant of Share Units, provided that any such extension shall not result in the Restriction Period for such Share Units extending beyond the Share Unit Outside Expiry Date. The Company shall communicate to a Participant, as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of Share Units to the Participant have been satisfied, waived or deemed satisfied and such Share Units have vested (the "**Vesting Determination Date**"). Notwithstanding the foregoing, if the date on which any Share Units would otherwise vest falls within a Blackout Period, the Vesting Date of such Share Units will be deemed to be the date that is the earlier of (i) ten Business Days after the date on which a Blackout Period expires (which ten Business Day period may not be further extended by the Board) and (ii) the Share Unit Outside Expiry Date in respect of such Share Units, provided that in no event will the redemption and settlement of any Share Units of a Participant who is a U.S. Taxpayer be delayed beyond March 15th of the calendar year immediately following the year in which such Share Units are not, or are no longer, subject to a substantial risk of forfeiture (as such term is interpreted under Code Section 409A). All unvested Share Units shall be cancelled on the Vesting Determination Date and, in any event, all unvested Share Units shall be cancelled no later than the last day of the Restriction Period.

Section 4.05 Settlement of RSUs.

- (1) Except as otherwise provided in the Share Unit Agreement, all of the vested Share Units covered by a particular grant shall be settled as soon as practicable and in any event within the earliest of (a) the 15th day following the applicable Vesting Determination Date for such vested Share Units (or, if such day is not a Business Day, on the immediately following Business Day), (b) the Share Unit Outside Expiry Date, and (c) in the case of a Participant who is a U.S. Taxpayer, the U.S. Share Unit Outside Expiry Date (the "**Settlement Date**").
- (2) Subject to the provisions of this Section 4.05 and Section 4.06, during the period between the Vesting Determination Date and the Settlement Date in respect of a Participant's vested Share Units, the Company (or any Subsidiary that is party to an Employment Agreement or Consulting Agreement with the Participant whose vested Share Units are to be settled) shall, at its sole discretion, be entitled to elect to settle all or any portion of the vested Share Units for their Cash Equivalent, for Shares or any combination thereof.
- (3) Settlement of a Participant's vested Share Units shall take place on the Settlement Date, shall be subject to Section 8.02 and shall take place through:
 - (a) in the case of settlement of Share Units for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
 - (b) in the case of settlement of Share Units for Shares (which may include Shares

purchased from all or any portion of the Cash Equivalent in the secondary market by a Designated Broker):

- (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 8.02; or
 - (ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 8.02, which Shares shall be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or
- (c) in the case of settlement of the Share Units for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (d) where the Company or a Subsidiary has elected to settle a portion, but not all, of the Participant's vested Share Units in Shares, the Participant shall be deemed to have instructed the Company or Subsidiary, as applicable, to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 8.2 and to remit such withheld amount to the applicable taxation authorities on account of any withholding tax obligations, and the Company or Subsidiary, as applicable, shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the legal representative of the Participant, if applicable) as soon as reasonably practicable. In the event that the cash portion payable to settle a Participant's Share Units in the foregoing circumstances is not sufficient to satisfy the withholding obligations of the Company or a Subsidiary pursuant to Section 8.2, the Company or Subsidiary, as applicable, shall be entitled to satisfy any remaining withholding obligation by any other mechanism as may be required or determined by the Company or Subsidiary as appropriate;
- (4) Notwithstanding any other provision of this Article 4, no payment, whether the Cash Equivalent or Shares, shall be made in respect of the settlement of any Share Units later than December 15th of the third (3rd) calendar year following the end of the calendar year in respect of which such Share Unit is granted (the "**Share Unit Outside Expiry Date**").

Section 4.06 Determination of Amounts.

- (1) For purposes of determining the Cash Equivalent of Share Units to be made pursuant to Section 4.05, such calculation will be made on the Settlement Date based on the Market Value on the Settlement Date multiplied by the number of vested Share Units in the Participant's Account to settle in cash.
- (2) For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of Share Units pursuant to Section 4.05, such calculation will be made on the Settlement Date based on the whole number of Shares equal to the whole number of vested Share Units then recorded in the Participant's Account to settle in Shares.
- (3) All such amounts shall be subject to any adjustments in accordance with Section 7.01 and any

withholding required pursuant to Section 8.02. Where, as a result of such adjustment pursuant to Section 7.01 and/or any withholding required pursuant to Section 8.02, the aggregate number of Shares to be received by a Participant, upon an election by the Company, to settle all or a portion of the Participant's vested Share Units in Shares includes a fractional Share, the aggregate number of Shares to be received by the Participant shall be rounded down to the nearest whole number of Shares.

Section 4.07 Award of Dividend Equivalents.

- (1) Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of unvested Share Units in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional Share Units, the number of which shall be equal to a fraction where the numerator is the product of (i) the number of Share Units in such Participant's Account on the date that dividends are paid multiplied by (ii) the dividend paid per Share and the denominator of which is the Market Value of one Share calculated on the date that dividends are paid. Any additional Share Units credited to a Participant's Account as a Dividend Equivalent pursuant to this Section 4.08 shall have a Vesting Determination Date which is the same as the Vesting Determination Date for the Share Units in respect of which such additional Share Units are credited.
- (2) In the event that the Participant's applicable Share Units do not vest, all Dividend Equivalents, if any, associated with such Share Units will be forfeited by the Participant and returned to the Company's account.

Article V. DEFERRED SHARE UNITS

Section 5.01 Nature of DSUs.

A DSU is an Award for services rendered, or for future services to be rendered, and that, upon settlement, entitles the recipient Participant to receive Shares (which may include Shares purchased in the secondary market by a Designated Broker) as determined by the Board in its sole discretion, or to receive the Cash Equivalent or a combination thereof, as the case may be, and is payable after Termination of the Participant unless such DSU expires prior to being settled.

For greater certainty, the aggregate of all amounts each of which may be received in respect of a DSU shall depend, at all times, on the fair market value of shares in the capital of the Company or any corporation related (within the meaning of the Tax Act) thereto within the period that commences one year prior to the Participant's Termination Date and ends at the time the amount is received

Section 5.02 DSU Awards.

- (1) Subject to the provisions of this Plan, any shareholder or regulatory approval which may be required, and the requirements of paragraph 6801(d) of the Tax Act Regulations and Code Section 409A, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive DSUs under the Plan, (ii) fix the number of DSUs, if any, to be granted to any Eligible Participant and the date or dates on which such DSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions for such DSUs, subject to the terms and conditions prescribed in this Plan and in any DSU Agreement, as applicable.
- (2) All DSUs granted herein shall vest in accordance with the terms of the DSU Agreement entered into in respect of such DSUs. Notwithstanding any express or implied term of this Plan to the contrary, the Board does not have the right to alter the vesting conditions of DSUs, which

conditions will immediately vest upon termination of employment, provided that no DSU will vest on a date earlier than the date which is one year following issuance, subject to Section 7.02 or, at the discretion of the Board, in the case of the death of Participant

- (3) Subject to the vesting and other conditions and provisions in this Plan and in any DSU Agreement, each DSU awarded to a Participant shall entitle the Participant to receive on settlement the Cash Equivalent, or, at the discretion of the Board, one Share or any combination thereof as the Board in its sole discretion may determine. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any DSU, and, notwithstanding any discretion exercised by the Company to settle any DSU, or portion thereof, in the form of Shares, the Company reserves the right to change such form of payment at any time until payment is actually made.

Section 5.03 DSU Agreements.

- (1) DSUs shall be evidenced by a DSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. Such DSU Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a DSU Agreement. The provisions of the various DSU Agreements issued under this Plan need not be identical.
- (2) Each DSU Agreement may contain any such terms that the Company considers necessary in order that the DSU granted thereunder to U.S. Taxpayers will comply with Code Section 409A and comply with any provisions respecting deferred share units in the income tax (including, in respect of Canadian Participants, such terms and conditions so as to ensure that the DSUs shall not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the Tax Act by reason of the exemption in paragraph 6801(d) of the Tax Act Regulations) or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Section 5.04 Settlement of DSUs.

- (1) Except as otherwise provided in this Section 5.04 or Section 8.08 of this Plan, (i) DSUs of a Participant who is a U.S. Taxpayer shall be redeemed and settled by the Company as soon as reasonably practicable following the Participant's Separation from Service, and (ii) DSUs of a Participant who is a Canadian Participant (or who is neither a U.S. Taxpayer nor a Canadian Participant) shall be redeemed and settled by the Company as soon as reasonably practicable following the Participant's Termination Date, but in any event not later than, and any payment (whether in Cash Equivalent or in Shares) in respect of the settlement of such DSUs shall be made no later than, December 15th of the first (1st) calendar year commencing immediately after the Participant's Termination Date (the "**Filing Date**"). Notwithstanding the foregoing, if a payment in settlement of DSUs of a Participant who is both a U.S. Taxpayer and a Canadian Participant:
 - (a) is required as a result of his or her Separation from Service in accordance with clause (i) above, but such payment would result in such DSUs failing to satisfy the requirements of paragraph 6801(d) of the Tax Act Regulations, and the Board determines that it is not practical to make such payment in some other manner or at some other time that complies with both Code Section 409A and paragraph 6801(d) of the Tax Act Regulations, then such payment will be made to a trustee to be held in trust for the benefit of the Participant in a manner that causes the payment to be included in the Participant's income under the Code but does not contravene the requirements of paragraph 6801(d) of the Tax Act Regulations, and the amount shall thereafter be paid out of the trust at such time and in

such manner as complies with the requirements of paragraph 6801(d) of the Tax Act Regulations; or

- (b) is required pursuant to clause (ii) above, but such payment would result in such DSUs failing to satisfy the requirements of Code Section 409A because the Participant has not experienced a Separation from Service, and if the Board determines that it is not practical to make such payment in some other manner or at some other time that satisfies the requirements of both Code Section 409A and paragraph 6801(d) of the Tax Act Regulations, then the Participant shall forfeit such DSUs without compensation therefor.
- (2) In the event of the death of a Participant, the Company will, subject to Section 8.02, make payment of the DSU Settlement Amount within two months of the Participant's death to or for the benefit of the legal representative of the deceased Participant. For the purposes of the calculation of the Settlement Amount, the Filing Date shall be the date of the Participant's death. The entitlement of a deceased Participant's legal representative to make a claim in relation to the DSU Settlement Amount shall not exceed 12 months following the Participant's death.
 - (3) For greater certainty, the Company shall not pay any DSU Settlement Amount prior to the Company being satisfied, in its sole discretion, that all applicable withholding taxes and other applicable source deductions under Section 8.02 will be timely withheld or received and remitted to the appropriate taxation authorities in respect of any particular Participant and any particular DSUs.
 - (4) Subject to the terms of the DSU Agreement, including the satisfaction or, at the discretion of the Board, waiver of any vesting conditions, settlement of DSUs shall take place promptly following the Filing Date, and take the form as determined by the Board, in its sole discretion. Settlement of DSUs shall be subject to Section 8.02 and shall take place through:
 - (a) in the case of settlement of DSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the DSU Settlement Amount subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.02;
 - (b) in the case of settlement of DSUs for Shares (which may include Shares purchased from all or any portion of the Cash Equivalent in the secondary market by a Designated Broker):
 - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
 - (ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or
 - (c) in the case of settlement of the DSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above. Where the Company has elected to settle a portion, but not all, of the Participant's DSUs in Shares, the Participant shall be deemed to have instructed the Company to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 8.02 and to remit such withheld amount to the applicable taxation authorities on account of any withholding obligations of the Company, and the

Company shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) as soon as reasonably practicable. In the event that the cash portion elected by the Company to settle the Participant's DSUs is not sufficient to satisfy the withholding obligations of the Company pursuant to Section 8.02, any remaining amounts shall be satisfied by the Company by any other mechanism as may be required or determined by the Company as appropriate.

Section 5.05 Determination of Amount.

- (1) For purposes of determining the Cash Equivalent of DSUs to be made pursuant to Section 5.04 such calculation will be made on the Filing Date based on the Market Value on the Filing Date multiplied by the number of vested DSUs in the Participant's Account to settle in cash. For the avoidance of doubt, the Cash Equivalent to be paid to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) in respect of a particular settlement of the Participant's DSUs shall subject to any adjustment in accordance with Section 7.01 and any withholding required pursuant to Section 8.02.
- (2) For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of DSUs pursuant to Section 5.04, such calculation will be made on the Filing Date based on the whole number of Shares equal to the whole number of vested DSUs then recorded in the Participant's Account to settle in Shares, such that each DSU elected to be settled in Shares shall be paid through the issuance of one Share.
- (3) For the avoidance of doubt, the Cash Equivalent or any Shares to be paid to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) in respect of a particular settlement of the Participant's DSUs shall subject to any adjustment in accordance with Section 7.01 and any withholding required pursuant to Section 8.02. Where, as a result of any adjustment in accordance with Section 7.01 and/or any withholding required pursuant to Section 8.02, the aggregate number of Shares to be received by a Participant upon an election by the Company to settle all or a portion of the Participant's DSUs includes a fractional Share, the aggregate number of Shares to be received by the Participant shall be rounded down to the nearest whole number of Shares.

Section 5.06 Award of Dividend Equivalents.

- (1) Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional DSUs, the number of which shall be equal to a fraction where the numerator is the product of (i) the number of DSUs in such Participant's Account on the date that dividends are paid multiplied by (ii) the dividend paid per Share and the denominator of which is the Market Value of one Share calculated on the date that dividends are paid. Any additional DSUs credited to a Participant's Account as a Dividend Equivalent pursuant to this Section 5.08 shall be subject to the same terms and conditions (including vesting conditions) as the underlying DSU in respect of which such DSUs are credited.
- (2) In the event that the Participant's applicable DSUs do not vest, all Dividend Equivalents, if any, associated with such DSUs will be forfeited by the Participant.

Article VI.
GENERAL CONDITIONS

Section 6.01 General Conditions Applicable to Awards.

Each Award, as applicable, shall be subject to the following conditions:

- (1) **Vesting Period.** Each Award granted hereunder shall vest in accordance with the terms of this Plan and the Award Agreement entered into in respect of such Award. Subject to Section 5.02(2), the Board has the right to accelerate the vesting of any Award, or to deem any Performance Criteria or other vesting conditions to be satisfied, notwithstanding the vesting schedule set forth for such Award, regardless of any adverse or potentially adverse tax consequence resulting from such acceleration. No acceleration of the vesting provisions of Options granted to Persons retained to provide Investor Relations Activities is allowed without the prior acceptance of the TSXV. No acceleration of the vesting of Shares Units or DSUs will occur that would cause the vesting of such Share Units or DSUs to occur earlier than one year following the date of issuance or grant, subject to Section 7.02 below or in the case of the death of a Participant.
- (2) **Employment.** Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee by the Company or a Subsidiary to the Participant of employment or another service relationship with the Company or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Company or any of its Affiliates in connection with the employment, retention or termination of any such Participant. The loss of existing or potential profit in Shares underlying Awards granted under this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.
- (3) **Grant of Awards.** Eligibility to participate in this Plan does not confer upon any Eligible Participant any right to be granted Awards pursuant to this Plan. Granting Awards to any Eligible Participant does not confer upon any Eligible Participant the right to receive nor preclude such Eligible Participant from receiving any additional Awards at any time. The extent to which any Eligible Participant is entitled to be granted Awards pursuant to this Plan will be determined in the sole discretion of the Board. Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship or employment with the Company or any Subsidiary.
- (4) **Rights as a Shareholder.** Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Subject to Without in any way limiting the generality of the foregoing and except as provided under this Plan, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.
- (5) **Conformity to Plan.** In the event that an Award is granted or an Award Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.

- (6) **Non-Transferability.** Except as set forth herein, each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of descent and distribution. Awards may be exercised only by:
- (a) the Participant to whom the Awards were granted;
 - (b) upon the Participant's death, by the legal representative of the Participant's estate; or
 - (c) upon the Participant's incapacity, the legal representative having authority to deal with the property of the Participant;

provided that any such legal representative shall first deliver evidence satisfactory to the Company of entitlement to exercise any Award. A Person exercising an Award may subscribe for Shares only in the Person's own name or in the Person's capacity as a legal representative.

- (7) **Participant's Entitlement.** Except as otherwise provided in this Plan (including, without limiting the generality of the foregoing, pursuant to Section 6.02), or unless the Board permits otherwise, upon any Subsidiary of the Company ceasing to be a Subsidiary of the Company, Awards previously granted under this Plan that, at the time of such change, are held by a Person who is a director, executive officer, employee or Consultant of such Subsidiary of the Company and not of the Company itself, whether or not then exercisable, shall automatically terminate on the date of such change.

Section 6.02 General Conditions Applicable to Options.

Except as otherwise provided in any Employment Agreement or Consulting Agreement or in any Award Agreement, each Option shall be subject to the following conditions:

- (1) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for Cause, any vested or unvested Option granted to such Participant shall terminate automatically and become void immediately. For the purposes of the Plan, the determination by the Company that the Participant was discharged for Cause shall be binding on the Participant. "**Cause**" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Company's codes of conduct and any other reason determined by the Company to be cause for termination.
- (2) **Termination not for Cause.** Upon a Participant ceasing to be an Eligible Participant as a result of his or her employment or service relationship with the Company or a Subsidiary being terminated without Cause, (including, for the avoidance of doubt, as a result of any Subsidiary of the Company ceasing to be a Subsidiary of the Company, as contemplated by Section 6.01(7)), (i) each unvested Option granted to such Participant shall terminate and become void immediately upon such termination and (ii) each vested Option granted to such Participant may be exercised by such Participant. Unless otherwise determined by the Board, in its sole discretion, such Option shall only be exercisable within the earlier of ninety (90) days after the Termination Date, or the expiry date of the Option set forth in the Award Agreement, after which the vested Option will expire, provided that in no case shall such period exceed 12 months following the Termination Date.
- (3) **Resignation.** Upon a Participant ceasing to be an Eligible Participant as a result of his or her resignation from the Company or a Subsidiary, (i) each unvested Option granted to such Participant shall terminate and become void immediately upon resignation and (ii) unless otherwise determined by the Board, in its sole discretion, each vested Option granted to such Participant will cease to be exercisable on the earlier of the ninety (90) days following the Termination Date and the expiry date of the Option set forth in the Award Agreement, after which

the vested Option will expire, , provided that in no case shall such period exceed 12 months following the date of resignation

- (4) **Permanent Disability/Retirement.** Upon a Participant ceasing to be an Eligible Participant by reason of retirement (in accordance with any retirement policy implemented by the Company from time to time) or permanent disability, (i) each unvested Option shall terminate and become void immediately, and (ii) each vested Option will cease to be exercisable on the earlier of the ninety (90) days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any Subsidiary by reason of permanent disability, and the expiry date of the Option set forth in the Award Agreement, after which the vested Option will expire.
- (5) **Death.** Upon a Participant ceasing to be an Eligible Participant by reason of death, each vested Option granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares only which such Participant was entitled to acquire under the respective Options (the “**Vested Awards**”) on the date of such Participant’s death. Such Vested Awards shall only be exercisable within twelve (12) months after the Participant’s death or prior to the expiration of the original term of the Options whichever occurs earlier.
- (6) **Leave of Absence.** Upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, the Board may determine, at its sole discretion but subject to applicable laws, that such Participant’s participation in the Plan shall be terminated, provided that all vested Options shall remain outstanding and in effect until the applicable exercise date, or an earlier date determined by the Board at its sole discretion, provided that in no case shall such period exceed 12 months following a leave of absence exceeding 12 months.

Section 6.03 General Conditions Applicable to Share Units.

Except as otherwise provided in any Employment Agreement or Consulting Agreement or in any Award Agreement, each Share Unit shall be subject to the following conditions:

- (1) **Termination for Cause and Resignation.** Upon a Participant ceasing to be an Eligible Participant for Cause or as a result of his or her resignation from the Company or a Subsidiary, the Participant’s participation in the Plan shall be terminated immediately, all Share Units credited to such Participant’s Account that have not vested shall be forfeited and cancelled, and the Participant’s rights that relate to such Participant’s unvested Share Units shall be forfeited and cancelled on the Termination Date. The Participant shall not receive any payment in lieu of cancelled Share Units that have not vested.
- (2) **Death, Leave of Absence or Termination of Service.** Except as otherwise determined by the Board from time to time, at its sole discretion, upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, or upon a Participant ceasing to be Eligible Participant as a result of (a) death, (b) retirement, (c) Termination of Service for reasons other than for Cause, (d) his or her employment or service relationship with the Corporation or a Subsidiary being terminated by reason of injury or disability or (e) becoming eligible to receive long-term disability benefits, all unvested Share Units in the Participant’s Account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled not later than 12 months following a leave exceeding 12 months or a Participant otherwise have ceased to be an Eligible Participant. Notwithstanding the foregoing, if the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested Share Units, the date of such action is the Vesting Determination Date, which date shall not be earlier than 12 months following the grant or issuance of the Award, other than pursuant to Section 7.02 or in the case of the death of a Participant. The Participant shall not receive any payment in lieu of cancelled Share Units. The

entitlement of a deceased Participant's legal representative to make a claim in relation to the unsettled but vested Share Unit shall not exceed 12 months following the Participant's death.

- (3) **General.** For greater certainty, where (i) a Participant's employment or service relationship with the Company or a Subsidiary is terminated pursuant to Section 6.03(1) or Section 6.03(2) hereof, or (ii) a Participant elects for a voluntary leave of absence pursuant to Section 6.03(2) hereof, following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the Participant shall remain entitled to such distribution or payment.

Article VII. ADJUSTMENTS AND AMENDMENTS

Section 7.01 Adjustment to Shares.

At any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award or the forfeiture or cancellation of such Award, in the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the Company with or into another corporation, or (v) any distribution to all holders of Shares or other securities in the capital of the Company, of cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or Shares, but including for greater certainty shares or equity interests in a Subsidiary or business unit of the Company or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit) or any transaction or change having a similar effect, then the Board shall in its sole discretion, subject to the required approval of any Stock Exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such occurrence or change, including, without limitation:

- (a) adjustments to the exercise price of such Award without any change in the total price applicable to the unexercised portion of the Award;
- (b) adjustments to the number of Shares or Cash Equivalent to which the Participant is entitled upon exercise or settlement of such Award; or
- (c) adjustments to the number or kind of Shares reserved for issuance pursuant to the Plan.

Section 7.02 Change of Control.

- (1) In the event of a potential Change of Control, the Board shall have the power, in its sole discretion, to accelerate the vesting of Options to assist the Participants to tender into a takeover bid or participate in any other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or any other transaction leading to a Change of Control, the Board shall have the power, in its sole discretion, to (a) provide that any or all Options shall thereupon terminate, provided that any such outstanding Options that have vested shall remain exercisable until the consummation of such Change of Control, and (b) permit Participants to conditionally exercise their vested Options immediately prior to the consummation of the take-over bid and the Shares issuable under such Options to be tendered to such bid, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such takeover bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the potential Change of Control referred to in this Section 7.02 is not completed within the time specified therein (as the same may be extended), then notwithstanding this Section 7.02 or the definition of "Change of Control": (i) any conditional exercise of vested Options shall be deemed to be null, void and of no effect, and such conditionally exercised Options shall for all purposes be deemed not to have

been exercised, (ii) Shares which were issued pursuant to the exercise of Options which vested pursuant to this Section 7.02 shall be returned by the Participant to the Corporation and reinstated as authorized but unissued Shares, and (iii) the original terms applicable to Options which vested pursuant to this Section 7.02 shall be reinstated. In the event of a Change of Control, the Board may exercise its discretion to accelerate the vesting of, or waive the Performance Criteria or other vesting conditions applicable to, outstanding Share Units, and the date of such action shall be the Vesting Determination Date of such Share Units.

- (2) If the Company completes a transaction constituting a Change of Control and within twelve (12) months following the Change of Control (i) a Participant who was also an officer or employee of, or Consultant to, the Company prior to the Change of Control has their position, employment or Consulting Agreement terminated, or the Participant is constructively dismissed, or (ii) a director ceases to act in such capacity, then (a) all unvested Options granted to such Participant shall immediately vest and become exercisable, and remain open for exercise until the earlier of (i) their expiry date as set out in the applicable Award Agreement, and (ii) the date that is 90 days after such termination or dismissal; and (b) all unvested Share Units shall become vested, and the date of such Participant's Termination Date shall be deemed to be the Vesting Determination Date.

Section 7.03 Amendment or Discontinuance of the Plan.

- (1) The Board may amend the Plan or any Award at any time without the consent of the Participants, provided that such amendment shall:
- (a) not adversely alter or impair the rights of any Participant, without the consent of such Participant, except as permitted by the provisions of the Plan;
 - (b) be in compliance with applicable law (including Code Section 409A and the provisions of the Tax Act, to the extent applicable), and subject to any regulatory approvals including, where required, the approval of the TSXV (or any other stock exchange on which the Shares are listed); and
 - (c) be subject to shareholder approval to the extent such approval is required by applicable law or the requirements of the TSXV (or any other stock exchange on which the Shares are listed), provided that the Board may, from time to time, in its absolute discretion and without approval of the shareholders of the Corporation, make the following amendments:
 - (i) any amendment necessary to comply with applicable law (including taxation laws) or the requirements of the TSXV (or any other stock exchange on which the Shares are listed) or any other regulatory body to which the Company is subject;
 - (ii) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correcting grammatical or typographical errors and amending the definitions contained within the Plan; or
 - (iii) any amendment regarding the administration or implementation of the Plan.
- (2) Notwithstanding Section 7.03(1)(c), the Board shall be required to obtain shareholder approval, including, if required by the applicable Stock Exchange, disinterested shareholder approval, to make the following amendments:
- (a) any amendment to the maximum number of Shares that may be reserved for issuance

pursuant to the exercise or settlement of Awards granted under the Plan, including an increase to the fixed maximum number of Shares or a change from a fixed maximum number of Shares to a fixed maximum percentage of Shares or vice versa, except in the event of an adjustment pursuant to Section 7.01;

- (b) any amendment which reduces the exercise price of any Award, as applicable, after such Award has been granted or any cancellation of an Award and the replacement of such Award with an Award with a lower exercise price or other entitlements, except in the event of an adjustment pursuant to Section 7.01; provided, however, that, for greater certainty, disinterested shareholder approval will be required for any amendment which reduces the exercise price of any Option if the Participant is an Insider of the Company at the time of the proposed amendment;
 - (c) any amendment which extends the expiry date of any Award, or the Restriction Period of any Share Unit beyond the original expiry date or Restriction Period, except in the event of an extension due to a Blackout Period;
 - (d) any amendment which would permit Awards granted under the Plan to be transferable or assignable other than for normal estate settlement purposes as allowed by Section 6.01(6);
 - (e) any amendment to the definition of an Eligible Participant under the Plan;
 - (f) any amendment to the participation limits set out in Section 2.5; or
 - (g) any amendment to this Section 7.03 of the Plan;
- (3) The Board may, by resolution, but subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment or engagement shall not apply for any reason acceptable to the Board.
- (4) The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan.
- (5) Notwithstanding the foregoing, any amendment of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the Tax Act Regulations or any successor to such provision.

Article VIII. MISCELLANEOUS

Section 8.01 Use of an Administrative Agent and Trustee.

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent or trustee to administer the Awards granted under the Plan, including for the purposes of making secondary market purchases of Shares for delivery on settlement of an Award, if applicable, and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

Section 8.02 Tax Withholding.

Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a

Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable withholdings, including in respect of applicable taxes and source deductions, as the Company determines. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding may be satisfied in such manner as the Company determines, including by (a) having the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 8.01 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being used to satisfy any withholding and remittance obligations of the Company (and any remaining proceeds, following such withholding and remittance, to be paid to the Participant), (b) by requiring the Participant, as a condition of receiving such Shares, to pay to the Company an amount in cash sufficient to satisfy such withholding, or (c) any other mechanism as may be required or determined by the Company as appropriate.

Section 8.03 Securities Law Compliance.

- (1) The Plan (including any amendments to it), the terms of the grant of any Award under the Plan, the grant of any Award and exercise of any Option, the delivery of any Shares upon exercise of any Option, or the Company's election to deliver Shares in settlement of any Share Units or DSUs, shall be subject to all applicable federal, provincial, state and foreign laws, rules and regulations, the rules and regulations of applicable Stock Exchanges and to such approvals by any regulatory or governmental agency as may, as determined by the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any Award or exercise of any Option hereunder to issue, sell or deliver Shares in violation of such laws, rules and regulations or any condition of such approvals.
- (2) No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of the Plan or of the Shares under the securities laws of any jurisdiction or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void.
- (3) Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws.
- (4) If Shares cannot be issued to a Participant upon the exercise of an Option due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares shall terminate and any funds paid to the Corporation in connection with the exercise of such Option will be returned to the applicable Participant as soon as practicable.
- (5) With respect to Awards granted in the United States or to U.S. Persons (as defined under Regulation S under the U.S. Securities Act) or at such time as the Company ceases to be a "foreign private issuer" (as defined under Regulation S under the U.S. Securities Act), unless the Shares which may be issued upon the exercise or settlement of such Awards are registered under the U.S. Securities Act and any applicable state securities laws, the Awards granted hereunder and any Shares that may be issuable upon the exercise or settlement of such Awards will be considered "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act) or under applicable state securities, as the case may be. Accordingly, any such Awards or Shares issued prior to an effective registration statement filed with the SEC or qualification under applicable state securities laws may not be transferred, sold, assigned, pledged, hypothecated or otherwise disposed by the Participant, directly or indirectly, without registration under the U.S. Securities Act and applicable state securities laws, as the case may be, or unless in compliance with an available exemption therefrom. Certificate(s) representing the Awards and any Shares issued upon the exercise or settlement of such Awards prior to an effective registration statement filed with the SEC, and all certificate(s) issued in exchange therefor or in substitution thereof, will be endorsed with the following or a similar legend until

such time as it is no longer required under the applicable requirements of the U.S. Securities Act:

THE SECURITIES REPRESENTED HEREBY [and for Awards, the following will be added: AND ANY SECURITIES ISSUABLE UPON EXERCISE OR SETTLEMENT HERETO] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY (1) RULE 144 THEREUNDER, IF AVAILABLE, OR (2) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN CONNECTION WITH ANY TRANSFERS PURSUANT TO (C)(1) OR (D) ABOVE, THE SELLER HAS FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE, IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY, TO THAT EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

Any Participant that is in the United States or is a U.S. Person shall by acceptance of an Award under this Plan be deemed to represent, warrant, acknowledge and agree with the Company that: (A) the Participant is acquiring the Award for his or her own account, as principal, (B) unless otherwise notified by the Company, the Award and the Shares underlying the Award, if any, have not been registered under the U.S. Securities Act and are "restricted securities" under Rule 144 under the U.S. Securities Act, (C) the certificates representing the Award and any Shares issued upon exercise or settlement thereof will bear the restrictive legend set forth above, and (D) the Company is relying on these representations and warranties to support the conclusion of the Company that the granting of the Award and any Shares issuable upon exercise or settlement thereof do not require registration under the U.S. Securities Act or any applicable state securities laws.

Section 8.04 Reorganization of the Company.

The existence of any Awards shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, reclassification, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Section 8.05 Quotation of Shares.

So long as the Shares are listed on one or more Stock Exchanges, the Company must apply to such Stock Exchange or Stock Exchanges for the listing or quotation, as applicable, of the Shares underlying the Awards granted under the Plan, however, the Company cannot guarantee that such Shares will be listed or quoted on any Stock Exchange.

Section 8.06 No Fractional Shares.

No fractional Shares shall be issued upon the exercise or vesting of any Award granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise or

settlement of such Award, or from an adjustment permitted by the terms of this Plan, such Participant shall only have the right to purchase or receive, as the case may be, the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

Section 8.07 Governing Laws.

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 8.08 Code Section 409A

It is intended that any payments under the Plan to U.S. Taxpayers shall be exempt from or comply with Code Section 409A, and all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Code Section 409A. Solely to the extent that Awards of a U.S. Taxpayer are determined to be subject to Code Section 409A, the following will apply with respect to the rights and benefits of U.S. Taxpayers under the Plan:

- (1) Except as permitted under Code Section 409A, any deferred compensation (within the meaning of Code Section 409A) payable to or for the benefit of a U.S. Taxpayer may not be reduced by, or offset against, any amount owing by the U.S. Taxpayer to the Company or any of its Affiliates.
- (2) If a U.S. Taxpayer becomes entitled to receive payment in respect of any Share Units or any DSUs that are subject to Code Section 409A, as a result of his or her Separation from Service and the U.S. Taxpayer is a "specified employee" (within the meaning of Code Section 409A) at the time of his or her Separation from Service, and the Board makes a good faith determination that (a) all or a portion of the Share Units or DSUs constitute "deferred compensation" (within the meaning of Code Section 409A) and (b) any such deferred compensation that would otherwise be payable during the six-month period following such Separation from Service is required to be delayed pursuant to the six-month delay rule set forth in Code Section 409A in order to avoid taxes or penalties under Code Section 409A, then payment of such "deferred compensation" shall not be made to the U.S. Taxpayer before the date which is six months after the date of his or her Separation from Service (and shall be paid in a single lump sum on the first day of the seventh month following the date of such Separation from Service) or, if earlier, the U.S. Taxpayer's date of death.
- (3) A U.S. Taxpayer's status as a "specified employee" (within the meaning of Code Section 409A) shall be determined by the Company as required by Code Section 409A on a basis consistent with Code Section 409A and such basis for determination will be consistently applied to all plans, programs, contracts, agreements, etc. maintained by the Corporation that are subject to Code Section 409A.
- (4) Although the Company intends that Share Units will be exempt from Code Section 409A or will comply with Code Section 409A, and that DSUs will comply with Code Section 409A, the Company makes no assurances that the Share Units will be exempt from Code Section 409A or will comply with it. Each U.S. Taxpayer, any beneficiary or the U.S. Taxpayer's estate, as the case may be, is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Taxpayer in connection with this Plan (including any taxes and penalties under Code Section 409A), and neither the Company nor any Subsidiary shall have any obligation to indemnify or otherwise hold such U.S. Taxpayer or beneficiary or the U.S. Taxpayer's estate harmless from any or all of such taxes or penalties.
- (5) In the event that the Board determines that any amounts payable hereunder will be taxable to a Participant under Code Section 409A prior to payment to such Participant of such amount, the Company may (a) adopt such amendments to the Plan and Share Units and appropriate policies

and procedures, including amendments and policies with retroactive effect, that the Board determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by the Plan and Share Units hereunder and/or (b) take such other actions as the Board determines necessary or appropriate to avoid or limit the imposition of an additional tax under Code Section 409A.

- (6) In the event the Company amends, suspends or terminates the Plan or Share Units as permitted under the Plan, such amendment, suspension or termination will be undertaken in a manner that does not result in adverse tax consequences under Code Section 409A.

Section 8.09 Severability.

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

Section 8.10 Effective Date of the Plan

The Plan was adopted by the Board on August 22, 2023, and approved by the shareholders of the Company and shall take effect on September 22, 2023.

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