

FORAN

MANAGEMENT INFORMATION CIRCULAR

GENERAL INFORMATION RESPECTING THE MEETING

Solicitation of Proxies

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Foran Mining Corporation (the “Company”) for use at the annual general and special meeting (the “Meeting”) of the shareholders (the “Shareholders”) of the Company to be held at 9:00 a.m. (Pacific time) on May 26, 2022 at Suite 904, 409 Granville Street, Vancouver, British Columbia, for the purposes set forth in the accompanying Notice of Annual General and Special Meeting of Shareholders. References in the Circular to the Meeting include any adjournment(s) or postponement(s) thereof. It is expected that the solicitation of proxies will be primarily by mail, however, proxies may also be solicited by the officers, directors and employees of the Company by telephone, electronic mail, telecopier or personally. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of soliciting proxies in connection with the Meeting will be borne directly by the Company.

The board of directors of the Company (the “Board”) has fixed the close of business on April 13, 2022 as the record date (the “Record Date”), being the date for the determination of the registered Shareholders entitled to receive notice of, and to vote at, the Meeting. All duly completed and executed proxies must be received by the Company’s registrar and transfer agent, Odyssey Trust Company (“Odyssey Trust”), Suite 350, 409 Granville Street, Vancouver, British Columbia, V6C 1T2 (Attn: Proxy Department) by no later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, British Columbia) prior to the time set for the Meeting or any adjournments or postponements thereof.

In this Circular, unless otherwise indicated, all dollar amounts “\$” are expressed in Canadian dollars.

Unless otherwise stated, the information contained in this Circular is as of April 13, 2022.

Voting of Proxies

The common shares in the capital stock of the Company (“Common Shares”) represented by the accompanying form of proxy (if same is properly executed and is received at the offices of Odyssey Trust at the address provided herein, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, British Columbia) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof), will be voted at the Meeting, and, where a choice is specified in respect of any matter to be acted upon, will be voted or withheld from voting in

accordance with the specification made on any ballot that may be called for. In the absence of such specification, proxies in favour of management will be voted in favour of all resolutions described below. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Annual General and Special Meeting of Shareholders and with respect to other matters which may properly come before the Meeting. At the time of printing of this Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the named proxies.

Appointment of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Company. A Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent him or her at the Meeting, may do so by inserting such person's name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy at the offices of Odyssey Trust, at the address provided herein, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, British Columbia) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof.

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the form of proxy submitted by a Shareholder will be voted in accordance with the directions, if any, given in the form of proxy.

To be valid, a form of proxy must be executed by a Shareholder or a Shareholder's attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney.

Revocation of Proxies

A proxy given pursuant to this solicitation may be revoked at any time prior to its use. A Shareholder who has given a proxy may revoke the proxy by:

- (i) completing and signing a proxy bearing a later date and depositing it at the offices of Odyssey Trust, Suite 350, 409 Granville Street, Vancouver, British Columbia, V6C 1T2 (Attn: Proxy Department);
- (ii) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney either with Odyssey Trust, Suite 350, 409 Granville Street, Vancouver, British

Columbia, V6C 1T2 at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; or

- (iii) in any other manner permitted by law.

Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

Voting by Non-Registered Shareholders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders are “non-registered” Shareholders (“**Non-Registered Shareholders**”) because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. Common Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (“**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the Common Shares; or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Company will have distributed copies of the Notice of Annual General and Special Meeting of Shareholders, this Circular, the form of proxy and a request card for interim and annual materials (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. The Company does not intend to pay for Intermediaries to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions* made by Intermediaries to “objecting beneficial owners”. As a result, such owners will not receive Meeting materials unless their Intermediary assumes the costs of delivery. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (i) be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. The 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, mails those forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the forms 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 the shares to be represented at the Meeting. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for this form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. **A Non-Registered Shareholder who receives a voting instruction form cannot use that form to vote his or her Common Shares at the Meeting; or**

- (ii) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Odyssey Trust, Suite 350, 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting, or any adjournment(s) or postponement(s) thereof, (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the voting instruction form and insert the Non-Registered Shareholder or such other person's name in the blank space provided. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the voting instruction form is to be delivered.**

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote, which is not received by the Intermediary at least seven (7) days prior to the Meeting.

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

Other than as disclosed herein, no director or executive officer of the Company who has held such position at any time since the beginning of the Company's most recently completed financial year ended December 31, 2021 ("Last Financial Year"), each proposed nominee for election as a director of the Company, and associates or affiliates

of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value, an unlimited number of Preference Shares without par value and an unlimited number of non-voting shares (“**Non-voting shares**”) without par value.

As at the date hereof, there are 210,998,587 Common Shares and 27,777,778 Non-voting Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. Holders of Non-voting Shares are not entitled to vote at the Meeting.

The Record Date for the determination of Shareholders entitled to receive notice of the Meeting was fixed at April 13, 2022. All such holders of record of Common Shares on the Record Date are entitled either to attend and vote thereat in person the Common Shares held by them or, provided a completed and executed proxy shall have been delivered to the Company’s transfer agent, Odyssey Trust, within the time specified in the attached Notice of Annual General and Special Meeting of Shareholders, to attend and to vote thereat by proxy the Common Shares held by them.

To the knowledge of the directors and executive officers of the Company, as of April 13, 2022 no person or company beneficially owns, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to all outstanding Common Shares other than Fairfax Financial Holdings Limited who holds 27,777,778 Common Shares (13.16%).

MATTERS TO BE ACTED UPON

A. Appointment of Auditors

Shareholders will be asked to approve the appointment of KPMG LLP (“**KPMG**”) of Vancouver, British Columbia, Canada as auditor of the Company to hold office until the next annual general meeting of Shareholders at a remuneration to be fixed by the Board of Directors.

KPMG was appointed as the Auditor of the Company on August 31, 2021. The Change of Auditor Reporting Package is attached as Schedule “A”.

Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be withheld or voted otherwise, the persons named in the accompanying proxy will vote FOR the appointment of KPMG LLP as auditor of the Company to hold office until the next annual meeting of Shareholders or until a successor is appointed and to authorize the Board to fix the remuneration of the auditors.

B. Number of Directors

Shareholders will be asked at the Meeting to approve an ordinary resolution to fix the number of directors elected for the ensuing year at five (5), subject to such increases as may be permitted by the articles of the Company and the provisions of the Business Corporations Act (British Columbia).

Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be withheld or voted otherwise, the persons named in the accompanying proxy will vote FOR the number of directors being set at five (5) for the ensuing year.

C. Election of Directors

At the Meeting, the following five (5) persons named hereunder will be proposed for election as directors of the Company. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve.

The term of office for each director is from the date of the Meeting at which they are elected until the close of the next annual meeting of Shareholders, or until their successor is elected or appointed unless they resign or their office becomes vacant by reason of death or other cause. The following table sets forth certain information regarding the nominees, their respective positions with the Company, principal occupations or employment during the last five years, the dates on which they became directors of the Company and the approximate number of Common Shares beneficially owned by them, directly or indirectly, or over which control or direction is exercised by them as of the date of this Information Circular.

Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be withheld or voted otherwise, the persons named in the accompanying proxy will vote FOR the election of each of the proposed nominees set forth below as directors of the Company.

Name, Province or State and Country of Residence	Director Since	Present Principal Occupation	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised ⁽¹⁾
Darren Morcombe <i>Lugano, Switzerland</i> Director	June, 2010	Principal of Springtide Capital Pty. Ltd.	17,874,527
Maurice Tagami, BASc., P.Eng. ⁽²⁾⁽³⁾⁽⁴⁾ <i>British Columbia, Canada</i> Director	February, 2011	Technical Ambassador, Wheaton Precious Metals Corp.	2,396,500

Name, Province or State and Country of Residence	Director Since	Present Principal Occupation	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised ⁽¹⁾
David Petroff, B. Math, M.B.A. ⁽²⁾⁽³⁾⁽⁴⁾ <i>Ontario, Canada</i> Director	April, 2012	Consultant	469,615
Daniel Myerson, MFin. <i>London, United Kingdom</i> Executive Chairman & Chief Executive Officer	November, 2020	Executive Chairman & Chief Executive Officer of the Company.	5,581,000
Wayne Wouters, PC OC ⁽²⁾⁽³⁾ <i>British Columbia, Canada</i> Director	September 28, 2021	Strategic & Policy Advisor to McCarthy Tétrault LLP; Corporate Director	Nil

Notes:

- (1) The information with respect to the Common Shares beneficially owned, controlled or directed is not within the direct knowledge of the Company and has been furnished by the respective individuals.
- (2) Member of the Audit & Risk Committee.
- (3) Member of the Governance & Corporate Compensation Committee.
- (4) Member of the Environmental, Health & Safety Committee.

Majority Voting for Directors

The Board has adopted a policy requiring that in an uncontested election of directors, any nominee who receives a greater number of votes “withheld” than votes “for” will tender a resignation to the Chairman of the Board promptly following the Meeting. The Compensation Committee will consider the offer of resignation and, except in special circumstances, will recommend that the Board accept the resignation. The Board will make its decision and announce it in a press release within 90 days following the Meeting, including the reasons for rejecting the resignation, if applicable. The nominee will not participate in any Compensation Committee or Board deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No individual set forth in the above table is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while such individual was acting in the capacity as director, CEO or CFO; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities

legislation, that was in effect for a period of more than 30 consecutive days, that was issued after such individual ceased to be a director, CEO or CFO and which resulted from an event that occurred while such proposed director was acting in the capacity as director, CEO or CFO.

Other than as disclosed below, no individual set forth in the above table (or any personal holding company of any such individual) is, as of the date of this Circular, or has been within ten (10) years before the date of this Circular, a director or executive officer of any company (including the Company) that, while such individual was acting in that capacity, or 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.

David Petroff was a director of Jaguar Mining Inc. (“**Jaguar**”). On December 23, 2013, Jaguar commenced proceedings under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) in Ontario to complete a recapitalization and financing transaction in order to refinance and restructure its capital structure and related obligations. On April 23, 2014, Jaguar announced that it had successfully implemented its amended and restated plan of compromise and arrangement pursuant to the CCAA dated February 5, 2014 (as amended, the “**Plan**”) with an implementation date of April 22, 2014. The Plan was approved by 100% of the Affected Unsecured Creditors that voted, in person or by proxy, at the meeting of Affected Unsecured Creditors held on January 31, 2014. The Ontario Superior Court of Justice (Commercial List) granted an order approving the Plan on February 6, 2014. Mr. Petroff resigned as a director and officer of Jaguar Mines Inc. on April 23, 2014.

No individual as set forth in the above table (or any personal holding company of any such individual) has, within the ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 such individual.

No individual set forth in the above table (or any personal holding company of any such individual) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

D. Long-term Performance Incentive Plan (“LTIP”)

The Company maintains a LTIP, which was last approved by Shareholders at a meeting held on August 4, 2021. The TSX-V requires that all listed companies with a 10% rolling LTIP obtain annual shareholder approval, by ordinary resolution, of such a plan. Shareholders will be asked at the Meeting to vote on a resolution to approve the LTIP.

The purpose of the LTIP is to promote the long-term success of the Company and the creation of Shareholder value by: (a) encouraging the attraction and retention of eligible persons under the LTIP; (b) encouraging such eligible persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such eligible persons with the interests of the Company. To this end, this LTIP provides for the grant of restricted share units (“RSUs”), performance share units (“PSUs”), deferred share units (“DSUs”), stock options (“Options”) and stock appreciation rights (“SARs”, and together with RSUs, PSUs, DSUs and Options, the “Compensation Securities”) to eligible persons as further described in the LTIP (“Eligible Person”).

It is intended this LTIP will supersede the existing Long-Term Performance Incentive Plan to allow for increased flexibility towards awarding Compensation Securities and to reflect updated TSX-V Policy 4.4 requirements. The LTIP was approved by the Board on April 22, 2022 and is subject to the acceptance of the TSX-V.

The full text of the LTIP can be found attached as Schedule “B” to the Circular.

Some of the key provisions of the LTIP are as follows:

- (a) The aggregate maximum number of Common Shares available for issuance from treasury under the LTIP at any given time shall not exceed 10% of the outstanding Common Shares as at the date of grant of Compensation Securities under the LTIP, subject to adjustment or increase of such number pursuant to the terms of the LTIP. Any Common Shares subject to an Option which has been granted under the LTIP and which has been cancelled, repurchased, expired or terminated in accordance with the terms of the LTIP without having been exercised will again be available under the LTIP;
- (b) Unless disinterested shareholder approval is obtained, pursuant to the rules and policies of the TSX-V, the aggregate number of Common Shares for which Compensation Securities under the LTIP may be granted to any one participant under the LTIP in any twelve (12) month period shall not exceed five (5%) percent of the issued and outstanding Common Shares, calculated as of the grant date;
- (c) The aggregate number of Compensation Securities granted to any one consultant in a twelve (12) month period under the LTIP shall not exceed two (2%) percent of the issued and outstanding Common Shares, calculated as of the grant date;
- (d) In respect of Options, so long as it may be required by the rules and policies of the TSX-V the total number of Options issuable to entities performing investor

relations activities shall not exceed two (2%) percent of the issued and outstanding Common Shares in any twelve (12) month period;

- (e) The only Compensation Security that may be granted to persons retained to perform investor relations activities are Options.
- (f) Unless disinterested Shareholder approval is obtained, the maximum aggregate number of Common Shares for which Compensation Securities may be granted or issued to insiders of the Company (as a group) shall not exceed 10% of the issued and outstanding Common Shares of the Company at any point in time;
- (g) Unless disinterested Shareholder approval is obtained, the maximum aggregate number of Common Shares for which Compensation Securities may be granted or issued to insiders of the Company (as a group) in any twelve (12) month period under the LTIP, shall not exceed 10% of the issued and outstanding Common Shares, calculated as of the grant date;
- (h) All Options granted to entities retained to perform investor relations activities will vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Options vesting and becoming exercisable in any three (3) month period;
- (i) The exercise price of Compensation Securities, if applicable, shall be determined by the Board at the time each Compensation Security is granted, provided that such price shall not be less than (i) if the Common Shares are listed on the TSX-V, the last closing price of the Common Shares on the TSX-V; or (ii) if the Common Shares are not listed on the TSX-V, in accordance with the rules of the stock exchange on which the Common Shares are listed at the time of the grant; or (iii) if the Common Shares are not listed on any stock exchange, the minimum exercise price as determined by the Board, and which in no case may be less than the discounted market price permitted by the TSX-V;
- (j) The aggregate number of Common Shares reserved for issuance pursuant to Compensation Securities granted to insiders of the Company at any given time, or within a 12-month period, shall not exceed 10% of the total number of Common Shares then outstanding, unless disinterested shareholder approval is obtained. The aggregate number of Common Shares reserved for issuance pursuant to Compensation Securities granted to any one person or entity within any 12-month period shall not exceed 5% of the total number of Common Shares then outstanding unless disinterested shareholder approval is obtained;
- (k) Subject to the LTIP, the Board may determine when any Compensation Security will become exercisable and whether the Compensation Security will vest in instalments or pursuant to a vesting schedule, subject to the provision that no Compensation Security, except for Options, may vest before the date that is one year following the date the Compensation Security is granted or issued;
- (l) The maximum term of any Option cannot exceed ten years from the date of the

grant;

- (m) In lieu of the exercise price of each Common Share underlying an Option being paid in cash, the Option holder, except persons performing investor relation activities, may elect with the written permission of the Board and as permitted by the policies of the TSX-V or other stock exchange on which the Common Shares may be listed, for a broker-assisted cashless exercise in accordance with the terms of the LTIP;
- (n) In lieu of the exercise price of each Common Share underlying an Option being paid in cash, the Option may be exercised, except Options granted to persons performing investor relations activities, at the discretion of the Option holder and only with the written permission of the Board and as permitted by the policies of the TSX-V or other stock exchange on which the Common Shares are listed, by a net exercise whereby the Option holder will receive only the number of Common Shares underlying the Option that is the equal to the quotient obtained by dividing: (a) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options by, (b) the VWAP of the underlying Common Shares.
- (o) If an Eligible Person's employment or service is terminated, the Compensation Security granted or issued to such eligible person under the LTIP is subject certain termination and expiry provisions as further described in the LTIP, depending on whether the Eligible Person was terminated for cause, without cause or as a result of disability or death, and in no case shall the Compensation Security expire in a period greater than 12 months from the Termination or Cessation Date (as both terms are defined in the LTIP), as may be applicable; and
- (p) In the event of a change of control (as defined in the LTIP), pursuant to which an Eligible Person ceases to be an Eligible Person, all Compensation Securities outstanding shall be immediately exercisable, however, no vesting prescribed by the TSX-V, or other stock exchange on which the Common Shares are listed shall be removed without prior written approval of the TSX-V or other such stock exchange.

For further details on the LTIP, please see "*Executive Compensation – Compensation Securities*"

Shareholder Approval for the LTIP

At the Meeting, shareholders will be asked to vote on the following resolution, with or without variation:

1. The LTIP be and is hereby ratified, affirmed and approved until the next annual general meeting of the Company;

2. The form of the LTIP may be amended in order to satisfy the requirements or requests of any regulatory authorities or stock exchange without requiring further approval of the shareholders of the Company;
3. Any one director or officer of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolution.”

The Board recommends that Shareholders vote FOR the LTIP Resolution. Unless the Shareholder has specifically instructed in the form of proxy or voting instruction form that the Common Shares represented by such proxy or voting instruction form are to be voted against the LTIP Resolution, the persons named in the proxy or voting instruction form will vote FOR the LTIP Resolution.

E. ADVANCE NOTICE PROVISION

The Board is proposing that the articles of the Company (the “**Articles**”) are altered to include an advance notice provision (the “**Advance Notice Provision**”), which will: (i) facilitate orderly and efficient annual general or, where the need arises, special, meetings; (ii) ensure that all Shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allow Shareholders to register an informed vote. The full text of the proposed alteration of the Articles to include the Advance Notice Provision is set out in Schedule “C” to this Circular.

Purpose of the Advance Notice Provision

The purpose of the Advance Notice Provision is to provide shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors. The Advance Notice Provision is the framework by which the Company seeks to fix a deadline by which holders of record of Common Shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders and sets forth the information that a Shareholder must include in the notice to the Company for the notice to be in proper written form.

Effect of the Advance Notice Provision

Subject only to the Business Corporations Act (British Columbia) (the “**Act**”) and the Articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the Board may be made at any annual meeting of Shareholders, or at any special meeting of Shareholders if one of the purposes for which the special meeting was called was the election of directors: (a) by or at the direction of the Board, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more Shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of the shareholders made in accordance with the provisions of the Act; or (c) by any person (a “**Nominating Shareholder**”): (A) who, at the close of business on the

date of the giving of the notice provided for below in the Advance Notice Provision and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in the Advance Notice Provision.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company.

To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made: (a) in the case of an annual meeting of Shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of Shareholders is to be held on a date that is less than 40 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of Shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above. Notwithstanding the foregoing, the Board may, in its sole discretion, waive the time periods summarized above.

To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company must set forth: (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or Nominating Shareholder has a right to vote any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such

proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Provision; provided, however, that nothing in the Advance Notice Provision shall be deemed to preclude discussion by a Shareholder (as distinct from the nomination of directors) at a meeting of Shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

For purposes of the Advance Notice Provision: (a) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (b) "**Applicable Securities Laws**" means the Securities Act (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each applicable provinces and territories of Canada.

Notwithstanding any other provision of the Advance Notice Provision, notice or any delivery given to the Corporate Secretary of the Company pursuant to the Advance Notice Provision may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Company has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

The Advance Notice Provision will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

Under the Articles and the Act, the Company's governing statute, the alteration of the Company's Articles requires the approval of more than two-thirds of the votes cast in person or represented by proxy at the Meeting by the Shareholders by a special resolution.

Approval of the alteration of the Articles of the Company is subject to acceptance by the TSX-V.

Shareholder Approval for the Advance Notice Provision

At the Meeting, shareholders will be asked to vote on the following resolution, with or without variation:

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. subject to acceptance by the TSX Venture Exchange, the Articles of the Company be altered by adding the text substantially as set forth in Schedule “C” to this Circular as and at §14.12 of the Articles;
2. the Company be authorized to revoke this special resolution and abandon or terminate the alteration of the Articles if the Board deems it appropriate and in the best interest of the Company to do so without further confirmation, ratification or approval of the shareholders; and
3. any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions.

The Board recommends that Shareholders vote FOR the Advance Notice Provision Resolution. Unless the Shareholder has specifically instructed in the form of proxy or voting instruction form that the Common Shares represented by such proxy or voting instruction form are to be voted against the Advance Notice Provision Resolution, the persons named in the proxy or voting instruction form will vote FOR the Advance Notice Provision Resolution.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about the Company’s executive compensation philosophy, objectives, and processes and to discuss compensation decisions relating to:

- (a) each individual who acted as the Chief Executive Officer (“CEO”) or the Chief Financial Officer (“CFO”) or acted in a similar capacity for all or any portion of the Last Financial Year,
- (b) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and the CFO, at the end of the Last Financial Year whose total compensation was, individually, more than \$150,000 for that financial year, and

- (c) each individual who would have satisfied the criteria under paragraph (b) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the Last Financial Year, (collectively the "Named Executive Officers" or "NEOs").

The NEOs of the Company during the Last Financial Year are listed in the table below:

Name	Principal Position
Daniel Myerson	Executive Chairman & Chief Executive Officer ("CEO"); Director
James Steels ⁽¹⁾	Chief Financial Officer ("CFO")
Dave Bernier ⁽²⁾	Chief Operating Officer ("COO")
Denis Flood	Former Head of Mining and Innovation
Darren Morcombe ⁽³⁾	Former Interim CEO and former Executive Director; Director
Roger March ⁽⁴⁾	Senior Geoscientist
Tim Thiessen ⁽¹⁾	Former CFO & Former Corporate Secretary

Notes:

- (1) Mr. Steels was appointed as CFO on June 23, 2021 on Mr. Thiessen's resignation;
- (2) Mr. Bernier was promoted from Project Director to COO of the Company on January 1, 2022;
- (3) Mr. Morcombe was the Executive Director of the Company until December 31, 2021; and
- (4) Mr. March's title was changed from VP Exploration to Senior Geoscientist on May 12, 2021.

Compensation Committee

The Governance and Corporate Compensation Committee of the Board ("Compensation Committee") is currently comprised of three directors, namely Wayne Wouters (Chair), Maurice Tagami and David Petroff, all of whom are independent within the meaning of Canadian Securities Administrator's National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101").

The Compensation Committee's purpose is, among other things, to: (i) review and make recommendations to the Board at least annually regarding the Company's remuneration and compensation policies, including short and long-term incentive compensation plans and equity-based plans, bonus plans, pension plans (if any), executive stock option plans (including the Company's LTIP, and grants, and benefit plans; (ii) have the sole authority to retain and terminate any compensation consultant to assist in the evaluation of director compensation, including sole authority to approve fees and other terms of the retention; (iii) review and approve at least annually all compensation arrangements with the senior executives of the Company; (iv) review and approve at least annually all compensation arrangements with the directors of the Company; and (v) review the executive compensation sections disclosed in the Company's management proxy circular distributed to the Shareholders in respect of the Company's annual meetings of Shareholders.

All Compensation Committee members have direct or indirect experience that is relevant to their responsibilities in executive compensation. In their roles as members of the Compensation Committee, each member of the Compensation Committee has skills and experience in executive compensation issues which enable them as a group to make decisions on the suitability of the Company's compensation policies and practices.

Principles/Objectives of the Compensation Program

The objective of the compensation program is to retain executive and director talent that will manage the Company effectively and efficiently while recognizing the financial constraints of the Company. The Board strives to maintain a compensation program that balances short-term and long-term incentives and is competitive with similar companies' compensation programs.

The Company wishes to attract qualified, experienced and self-motivated senior executives who recognize the value of the Company's assets and buy into the Company's objective to develop these assets, thereby creating shareholder value. The Company strives to employ imaginative and creative individuals with high integrity who cultivate a positive corporate culture.

The Board recognizes that in order to attract and retain senior executives who fit the Company's corporate culture, a competitive compensation package needs to be offered. There are three main elements of executive compensation: salaries, short-term incentives, and long-term incentives. The Company maintains an RRSP program for employees, which became effective in early 2022. The Company does not provide any other form of deferred compensation program, other than as may be provided for in the LTIP.

Independent Compensation Consultant and Benchmarking

The Company engaged the Bedford Consulting Group Inc ("Bedford") in late 2021 to assist with a peer company comparison of executive compensation. More specifically, Bedford was asked to address the following:

- (i) Develop an appropriate compensation peer group for the Company
- (ii) Based on the peer group, benchmark the following:
 - a. Executive management cash compensation, including base salary and short-term incentives
 - b. Executive management LTIP awards, and total compensation
 - c. Executive management LTIP composition breakdown (options, RSUs, PSUs)
 - d. Director compensation
 - e. Develop recommendations around a Short-Term Incentive Plan scorecard

The peer group recommended by Bedford was based on the following criteria (amongst others):

- (i) Operations in the America's
- (ii) Entities with market capitalizations at approximately 64.7% to 229.9% of the Company's
- (iii) Companies with a primary focus on exploration and/or development
- (iv) Companies with a primary focus on base metal or precious metals
- (v) Entities headquartered in Canada or the United States

The peer group recommended by Bedford included the following companies:

Arizona Metals Corp.	Marathon Gold Corp..	Sabina Gold and Silver Corp.
Artemis Gold Inc.	Northern Dynasty Minerals Ltd.	Skeena Resources Ltd.
Ascot Resources Ltd.	Polymet Mining Corp.	Trilogy Metals Inc.
Josemaria Resources Inc.	Probe Metals Inc.	Wallbridge Mining Company Ltd.

The Compensation Committee reviewed the comparative compensation data prepared by Bedford in determining the appropriate level for executive base salaries and overall compensation approach. The Compensation Committee used this data as part of its overall assessment to ensure individual executive and director pay appropriately reflects the value and current contributions of each executive and director, as well as the breadth and complexity of each executive's and director's role.

Any amendments to individual director and executive compensation as a result of the data prepared by the Bedford group will be reflected in the Company's compensation program effective as of January 1, 2022.

Base Salary

The base salary component of executive compensation is a short-term incentive intended to provide a fixed level of cash compensation to executives for performing their daily responsibilities and to reward those executives for providing the services within their job descriptions in a competent and professional manner.

Salary determinations for the executive officers are made by the Board which relies on marketplace salary ranges, comparisons to similar companies and annual trends data.

Compensation Securities

The Company has in place the LTIP which consists of five types of awards including Options, DSUs, RSUs, PSUs and SARs. A brief summary of the features of all five types of Compensation Securities is provided below. In determining individual grants, the Board considers the experience, responsibilities and performance of each recipient of an award under the LTIP. Previous grants are also taken into consideration during the grant process.

Options

The executive officers, as well as directors, employees and consultants, are eligible to receive grants of options to acquire shares of the Company at the time of employment, if applicable, and thereafter as determined by the Board. The Board believes the granting of Options creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of options is intended to reward those executives who are responsible for the management and growth of the Company and to encourage such executives to develop a long-term vision for the Company to operate in a manner to maximize Shareholder value. By using vesting periods for option grants, this compensation element is also designed to support long-term retention of valuable employees. During the Last Financial Year, a total of 4,450,000 Options were granted to directors, officers, employees and consultants.

RSUs

The executive officers, as well as directors, employees and consultants, are eligible to receive grants of RSUs, entitling the holder to receive one Common Share for each RSU, subject to restrictions as the Board may, in its sole discretion, establish in the applicable award agreement. The Board believes the granting of RSUs creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of RSUs is intended to reward those executives who are responsible for the management and growth of the Company and to encourage such executives to develop a long-term vision for the Company to operate in a manner to maximize Shareholder value. By using vesting periods for RSUs in addition to other restrictions, this compensation element is also designed to support long-term retention of valuable employees as well as provide an incentive for the achievement of specific milestones, if applicable. During the Last Financial Year, there were no RSUs issued.

PSUs

Executive officers, as well as employees and consultants, are eligible to receive grants of PSUs, entitling the holder to receive one Common Share for each PSU, subject to the achievement or attainment of specific performance criteria ("Performance Criteria") within a specified period ("Performance Cycle"). The number of PSUs, the Performance Criteria which must be satisfied in order for the PSUs to vest and the Performance Cycle in respect of such PSUs shall be specified in the applicable award agreement. The Board believes the granting of PSUs incentives the attainment of specific goals which support the overall strategies of the Company, and creates a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of PSUs is intended to reward those executives who are responsible for the management and growth of the Company and to encourage such executives to develop a long-term vision for the Company to operate in a manner to maximize Shareholder value. By using vesting periods for PSUs in addition to other Performance Criteria, this compensation element is also designed to support long-term retention of valuable employees as well as provide an incentive for the achievement of specific milestones, if applicable. During the Last Financial Year, there were no PSUs issued.

DSUs

Directors are eligible to receive grants of DSUs. Directors may elect to receive any part or all of their fees payable in respective of their position as a director and/or award as DSUs. Each holder of a DSU is entitled to receive, at the sole discretion of the holder, either one Common Share for each DSU, or a cash payment in an amount equal to the prevailing market price of one Common Share as calculated in accordance with the LTIP ("Current Market Price") multiplied by the quantity of DSUs in that participant's account. The Board believes the granting of DSUs creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of DSUs is intended to reward directors who are responsible for oversight of the management and growth of the Company and to encourage such directors to maintain a long-term vision for the Company to operate in a manner to maximize Shareholder value. During the Last Financial Year, there were a total of 695,977 DSUs awarded to directors.

SARs

The executive officers, as well as directors, employees and consultants, are eligible to receive grants of SARs, entitling the recipient to receive a payment in Common Shares equal the Current Market Price less the grant price of the SAR as determined by the Board at the time of the grant, for each SAR. Notwithstanding the foregoing, the Board may, in its sole discretion, satisfy the payment of the entitlement in cash rather than in Common Shares. The granting of SARs is intended to reward those executives who are responsible for the management and growth of the Company and to encourage such executives to develop a long-term vision for the Company to operate in a manner to maximize Shareholder value. By using vesting periods for SARs, this compensation element is also designed to support long-term retention of valuable employees as well as provide an incentive for the achievement of specific milestones, if applicable. During the Last Financial Year, there were no SARs issued.

Short-Term Incentives

Short-term incentives consist of cash bonuses which, if awarded, recognize extraordinary contributions to achieving the Company's objectives. Bonus payments are not determined by a precise formula but are based on the Company's performance and realization of its goals as well as the achievements and contributions of individual employees and officers, with the objective that such remuneration is appropriate and equitable.

The Board considers the approval of bonus payments pursuant to the analysis and recommendation of the Compensation Committee.

Summary Compensation Table

The following table provides information for the Last Financial Year as well as the fiscal years ended December 31, 2020 and December 31, 2019 regarding compensation earned by each of the following NEOs:

Name and principal position	Period Ended	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Short-Term incentive plans	Long-term incentive plans			
Daniel Myerson <i>Executive Chairman, CEO; Director⁽²⁾</i>	2021	Nil	250,000 ⁽³⁾	1,134,959	Nil	Nil	Nil	Nil	1,384,959
	2020	Nil	62,500 ⁽³⁾	116,579	Nil	Nil	Nil	Nil	179,079
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
James Steels <i>CFO⁽⁴⁾</i>	2021	145,833	Nil	301,752	125,000	Nil	Nil	Nil	572,585
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dave Bernier <i>COO⁽⁵⁾</i>	2021	185,582	Nil	335,427	Nil	Nil	Nil	Nil	521,009
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Name and principal position	Period Ended	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Short-Term incentive plans	Long-term incentive plans			
Denis Flood <i>Former Head of Mining and Innovation</i>	2021	156,250	Nil	229,946	Nil	Nil	Nil	Nil	386,196
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Darren Morcombe <i>Director; Former Interim CEO and Former Executive Director⁽⁶⁾</i>	2021	200,550	419,630	123,310	200,000	Nil	Nil	6,522 ⁽¹⁰⁾	950,012
	2020	Nil	115,625	31,343	Nil	Nil	Nil	14,827 ⁽¹⁰⁾	161,795
	2019	Nil	125,000	83,758	Nil	Nil	Nil	13,821 ⁽¹⁰⁾	222,579
Tim Thiessen <i>Former CFO⁽⁷⁾</i>	2021	91,016	Nil	44,393	Nil	Nil	Nil	Nil	135,409
	2020	64,673	Nil	20,427	Nil	Nil	Nil	5,539 ⁽⁹⁾	90,639
	2019	152,308	Nil	53,198	Nil	Nil	Nil	6,750 ⁽⁹⁾	212,256
Roger March <i>Senior Geoscientist</i>	2021	172,500	Nil	62,159	Nil	Nil	Nil	Nil	234,659
	2020	98,402	Nil	16,189	Nil	Nil	Nil	4,308 ⁽⁹⁾	118,899
	2019	166,051	Nil	36,742	Nil	Nil	Nil	9,214 ⁽⁹⁾	212,007
Patrick Soares <i>Former President & CEO⁽⁸⁾</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	109,135	Nil	25,289	Nil	Nil	Nil	12,019 ⁽⁹⁾	146,443
	2019	250,000	Nil	60,250	Nil	Nil	Nil	12,049 ⁽⁹⁾	322,299

Notes:

- (1) The grant date fair value for the options was calculated using the Black-Scholes Model. The fair value per option was determined using the following weighted average assumptions: risk-free interest rate ranging from 0.27% to 1.47%, expected life of 5 years, volatility ranging from 81% to 90% and expected dividend yield of zero.
- (2) Mr. Myerson was appointed as Executive Chairman and CEO on November 9, 2020.
- (3) Mr. Myerson's annual compensation is \$250,000 payable in DSUs on a quarterly basis.
- (4) Mr. Steels was appointed CFO of the Company on June 23, 2021.
- (5) Mr. Bernier was the Project Director from April 5, 2021 to December 31, 2021. He was appointed as COO on January 1, 2022.
- (6) Mr. Morcombe assumed the position of interim CEO on September 30, 2020 following Mr. Soares's resignation, and held the position until November 9, 2020. For the years ended December 31, 2019, 2020 and period ended March 1, 2021, pursuant to a consulting agreement between the Company and Mr. Morcombe, dated May 4, 2015, and amended in August 2018, the Company paid Mr. Morcombe a daily rate of \$1,042 per day, up to a maximum of 10 days per month, payable monthly in DSUs. From March 1, 2021, pursuant to a consulting agreement between the Company and Mr. Morcombe, dated March 1, 2021, the Company paid Mr. Morcombe a daily rate of \$1,050, up to a maximum of 20 days per month, payable monthly in cash. These consulting agreements were concluded on December 31, 2021.
- (7) Mr. Thiessen resigned as CFO of the Company on June 23, 2021.
- (8) Mr. Soares resigned as President, CEO and a director of the Company on September 30, 2020. Mr. Soares' compensation was not related to his role as a director of the Company.
- (9) All Other Compensation consisted of unused vacation day payouts.
- (10) All Other Compensation for Mr. Morcombe consisted of office rent.

Compensation Risk Considerations

The Compensation Committee is responsible for considering, establishing and reviewing executive compensation programs, and whether the programs encourage unnecessary or excessive risk taking. The Company believes the programs are balanced and do not motivate unnecessary or excessive risk taking.

The Company does not currently have a policy that restricts directors or NEOs from purchasing financial instruments, including, for greater certainty, prepaid variable forward

contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of the Company's equity. However, to the knowledge of the Company as of the date of hereof, no director or NEO of the Company has participated in the purchase of such financial instruments.

Base salaries are fixed in amount thus do not encourage risk taking. While annual incentive awards focus on the achievement of short-term or annual goals and short-term goals may encourage the taking of short-term risks at the expense of long-term results, the Company's annual incentive award program represents a small percentage of an employee's compensation opportunities. Annual incentive awards are based on various personal and company-wide achievements. Such performance goals are subjective and include achieving individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities. The determination as to whether a target has been met is ultimately made by the Board (after receiving recommendations of the Compensation Committee) and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate. Funding of the annual incentive awards is capped at the company level and the distribution of funds to the executive officers is at the discretion of the Compensation Committee.

Awards of Compensation Securities are important to further align employees' interests with those of the Shareholders. The ultimate value of the awards is tied to the Company's stock price and since awards are staggered and may be subject to long-term vesting schedules and the achievement of specific goals or milestones, they help ensure that NEOs have significant value tied in long-term stock price performance.

Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each NEO outstanding as of December 31, 2021:

Name	Option-based Awards				Share-based Awards		
	Number of common shares underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽²⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Daniel Myerson	6,000,000 ⁽³⁾ 200,000 ⁽⁶⁾	0.20 1.05	November 7, 2025 April 21, 2026	13,980,000 296,000	Nil	Nil	1,710,852
James Steels	600,000 ⁽⁴⁾	1.33	May 5, 2026	720,000	N/A	N/A	N/A
Dave Bernier	500,000 ⁽⁵⁾	1.15	April 5, 2026	690,000	N/A	N/A	N/A
Denis Flood	500,000 ⁽⁷⁾ 100,000 ⁽⁶⁾	1.15 1.05	April 20, 2026 April 21, 2026	690,000 148,000	N/A	N/A	N/A

	Option-based Awards				Share-based Awards		
Name	Number of common shares underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽²⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Darren Morcombe	180,000 350,000 350,000 250,000 200,000 ⁽⁶⁾	0.40 0.57 0.34 0.09 1.05	March 9, 2022 January 31, 2023 March 27, 2024 April 3, 2025 April 21, 2026	383,400 686,000 766,500 610,000 296,000	Nil	Nil	Nil
Tim Thiessen	175,000 66,667	0.09 1.05	June 21, 2022 June 21, 2022	427,000 98,667	N/A	N/A	N/A
Roger March	180,000 150,000 150,000 175,000 100,000 ⁽⁶⁾	0.40 0.57 0.34 0.09 1.05	March 9, 2022 January 31, 2023 March 27, 2024 April 3, 2025 April 21, 2026	383,400 294,000 328,500 427,000 148,000	N/A	N/A	N/A

Notes:

- (1) At December 31, 2021, Mr. Myerson had 676,226 DSUs with a value of \$1,710,852 using the closing price of the Company's Common Shares on the TSX-V as of December 31, 2021 of \$2.53.
- (2) Calculated using the closing price of the Company's Common Shares on the TSX-V as of December 31, 2021 of \$2.53 and subtracting the exercise price of in-the-money Options.
- (3) Mr. Myerson's stock options vested on August 4, 2021, upon the Company's stock prices closing above \$1.50 for more than 90 days.
- (4) Mr. Steels stock options vest on the Company meeting certain milestones: 200,000 stock options will vest on the successful completion of a feasibility study prepared in accordance with National Instrument 43-101, 200,000 stock options will vest on the signing of a definitive agreement for debt-based project finance on the Company's McIlvenna Bay project and 200,000 stock options will vest on the successful up-listing of the Company to the TSX.
- (5) Mr. Bernier's stock options vest on the Company meeting certain milestones: 250,000 stock options will vest on the successful completion of a feasibility study prepared in accordance with National Instrument 43-101, 125,000 stock options will vest on the receipt of permits pertaining to the advanced exploration program and 125,000 stock options will vest on the receipt of all remaining permits pertaining to the Company's McIlvenna Bay Project.
- (6) These stock options vest over a three-year period with 1/3 vesting on the grant date, 1/3 vesting on the first anniversary of the grant date and the remaining 1/3 vesting on the second anniversary of the grant date.
- (7) These stock options vest over a three-year period with 1/3 vesting on the first anniversary of the grant date, 1/3 vesting on the second anniversary of the grant date and the remaining 1/3 vesting on the third anniversary of the grant date.

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 (\$) ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year (\$)
Daniel Myerson	6,011,333	55,216	N/A
James Steels	Nil	N/A	125,000
Dave Bernier	Nil	N/A	N/A
Denis Flood	5,667	N/A	N/A
Darren Morcombe	202,833	20,664	200,000
Tim Thiessen	68,667	N/A	N/A

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested (\$) ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year (\$)
Roger March	112,167	N/A	N/A

Notes:

- (1) Aggregate dollar value that would have been realized if the options had been exercised on the vesting date (computed based on the difference between the closing market price of the Company's Common Shares on the vesting date and the exercise price of the options).
- (2) Aggregate dollar value that would have been realized if the DSUs had been exercised on the vesting date (computed based on the difference between the closing market price of the Company's Common Shares on the vesting date and the exercise price of the DSUs).

Pension Plan Benefits

During 2021, the Company had no pension plans nor are there any pension plan benefits in place for the NEOs.

Defined Contributions Plans

During the Last Financial Year, the Company had no defined contribution plan. In 2022, the Company implemented an RRSP program for eligible employees which entitle eligible employees with up to a 6% contribution match from the Company. The Company will assess the terms of its RRSP program on an annual basis.

Termination and Change of Control Benefits

Employment and Consulting Agreements

Other than as described below, there are no agreements, compensation plans, contracts or arrangements whereby a NEO is entitled to receive payments from the Company in the event of the resignation, retirement or other termination of the NEO's employment with the Company, change of control of the Company or a change in the NEO's responsibilities following a change in control. The definition of "**Change of Control**" in the employment agreements is defined below.

Daniel Myerson

Pursuant to a consulting agreement between the Company, Daniel Myerson, and Myerson Holdings AG dated November 7, 2020, Mr. Myerson's consulting relationship with the Company may be terminated by the Company for just cause, upon the mutual agreement of both the Company and Mr. Myerson or upon the expiry of the term of the consulting agreement by providing at least 30 days written notice prior to expiry.

James Steels

Pursuant to an employment agreement between the Company and James Steels dated May 4, 2021 and amended on May 19, 2021, in the event that Mr. Steels' employment is terminated by the Company other than for just cause, the Company shall pay Mr. Steels three months salary. Further, in the event of a Change of Control, Mr. Steels is entitled to receive from the Company a payment equal to three months salary. In addition, under

both scenarios, any unvested stock options and RSUs shall vest immediately, and Mr. Steels will be entitled to exercise the stock options and RSU's on the earlier of (i) expiry date, and (ii) ninety days from the date he ceased to be employed.

"Change of Control" is defined in Mr. Steels employment agreement to mean the occurrence of any of the following:

- (i) The purchase by a third party of 50% or more of the Company's shares;
- (ii) If at any time within any a period of twelve months, individuals who at the beginning of such period constituted the board of directors of the Company and any new directors whose appointment by the board of directors or nomination for election by shareholders of the Company was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the period or whose appointment or nomination for election was previously so approved, cease for any reason to constitute a majority of the members of the Board;
- (iii) A merger, consolidation, combination or reorganization after which the Company's prior shareholders no longer have direction or control over more than 50% of the outstanding Common Shares of the Company; and/or
- (iv) The sale of all or substantially all of the Company's assets or the liquidation of the Company except where the sale is to an affiliate of the Company.

Dave Bernier

Pursuant to an employment agreement between the Company and Dave Bernier dated March 31, 2021, in the event that Mr. Bernier's employment is terminated by the Company other than for cause, the Company shall pay Mr. Bernier three months salary. In the event of a Change of Control, Mr. Bernier is entitled to receive from the Company a payment equal to three months salary and all unvested stock options shall vest subject to the approval of the board of directors of the Company. "Change of Control" is defined in Mr. Bernier's employment agreement to mean whether through takeover bid, private purchase, merger, amalgamation, corporate reorganization or any other form of business combination, more than 50% of the Company is acquired.

Denis Flood

Pursuant to an employment agreement between the Company and Denis Flood dated April 12, 2021, in the event of a Change of Control, all unvested stock options shall vest subject to the approval of the board of directors of the Company. "Change of Control" is defined in Mr. Flood's employment agreement to mean whether through takeover bid, private purchase, merger, amalgamation, corporate reorganization or any other form of business combination, more than 50% of the Company is acquired. The employment agreement between Mr. Flood and the Company ended on April 19, 2022.

Darren Morcombe

Pursuant to a consulting agreement between the Company and its Executive Director, Darren Morcombe, dated March 1, 2021, the Company pays Mr. Morcombe a daily rate of \$1,050, payable monthly in cash, to maximum of 20 days per month unless approved in advance by the Governance and Corporate Compensation Committee and/or the Board. The Company may in its sole discretion, pay Mr. Morcombe a bonus from time to time. Payment of the bonus and the amount of the bonus will be gratuitous and will be wholly within the discretion of the Board.

In the event that Mr. Morcombe's consulting agreement is terminated by the Company other than for cause, the Company shall pay Mr. Morcombe equal to 120 days of the monthly fee.

In the event of a Change of Control of the Company, Mr. Morcombe is entitled to receive from the Company the following

- (i) An amount equal to \$250,000, payable in cash;
- (ii) An unpaid reimbursable business expenses;
- (iii) Any unvested incentive awards shall vest immediately.

"Change of Control" is defined in Mr. Morcombe's consulting agreement to mean the occurrence of any of the following:

- (i) the occurrence of one transaction or a series of transactions which results in one Person, together with any affiliates of such Person, exercising direction or control over 50% or more of the Company's Common Shares. "Person" for the purpose of this provision includes any individual, partnership, limited partnership joint venture, syndicate, sole proprietorship, company or corporation or other entity however designated or constituted;
- (ii) a change in the majority of the Company's Board of Directors taking place over a period of six months or less; and/or
- (iii) the sale of all or substantially all of the Company's assets or the liquidation of the Company, except where the sale is to an affiliate of the Company.

The consultant agreement between Mr. Morcombe and the Company ended on December 31, 2021.

Roger March

Pursuant to an employment agreement between the Company and Roger March dated February 11, 2011, in the event that Mr. March's employment is terminated by the Company other than for cause, the Company shall pay Mr. March six months' salary. In the event of a Change of Control, Mr. March is entitled to receive from the Company a payment equal to one year's salary. In addition, under both scenarios, any unvested stock options shall

vest immediately and Mr. March will be entitled to exercise the stock options on the earlier of (i) expiry date of the stock options, and (ii) two years from the date he ceased to be employed. "Change of Control" is defined in Mr. March's employment agreement to mean the occurrence of any of the following:

- (i) The acquisition (whether in one transaction or a series of transactions), directly or indirectly and by any means whatsoever, by any person, or by a group of persons acting jointly or in concert, of beneficial ownership of, or control or direction over, that number of Common Shares which is greater than 35% of the total outstanding Common Shares immediately after such acquisition unless another person or group of persons acting jointly or in concert has previously acquired and continues to beneficially own, or exercise control or direction over, a number of Common Shares which represents a greater percentage than the first-mentioned person or group of persons;
- (ii) The replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent members of the Board by any holder of Common Shares, or by any group of holders of Common Shares acting jointly or in concert, unless such election or appointment is approved by 50% or more of the directors in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy circulation, whether actual or threatened;
- (iii) Any transaction or series of transactions, whether by way of reconstruction, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, whereby all or substantially all of the assets of the Company, on a consolidated basis, become, directly or indirectly, the property of or controlled by, any other person (other than a subsidiary or a company formed upon the amalgamation of the Company with another company which is a subsidiary of the Company) (the "Successor Entity") unless: (a) persons who were holders of Common Shares immediately prior to such transaction hold, in the aggregate, at least 35% of the voting securities of the Successor Entity after such transaction or series of transactions; (b) a majority of the members of the board of directors of the Successor Entity is comprised of individuals who were members of the Board immediately prior to such transaction; and (c) after such transaction, no person, or group of persons acting jointly or in concert, holds more than 35% of the voting securities of the Successor Entity, unless such person or group of persons acting jointly or in concert, held more than 35% of the Common Shares immediately prior to giving effect to such transaction or series of transactions;
- (iv) Any acquisition of assets (including securities) by the Company pursuant to which the Company issues Common Shares from treasury unless: (x) persons who were holders of Common Shares immediately prior to such acquisition hold, in the aggregate, at least 35% of the Common Shares immediately after such acquisition; (y) after such acquisition, a majority of the members of the Board is comprised of individuals who were members of the Board of Directors immediately prior to such acquisition; and (z) after such acquisition, no person, or

group of persons acting jointly or in concert, holds more than 35% of the Common Shares, unless such person or group of persons acting jointly or in concert, held more than 35% of the Common Shares immediately prior to giving effect to such transaction or series of transactions; or (v) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in paragraphs (i) to (iv) above.

Estimated Incremental Payments

The estimated incremental payments from the Company to the NEOs (i) on termination without cause or (ii) on a Change of Control, assuming the triggering event occurred on December 31, 2021, are as set out in the following table:

NEO	Termination Without Cause (\$)	Change of Control (\$)
James Steels	Salary Bonus Options	62,500 Nil Nil
Dave Bernier	Salary Bonus Options	62,500 Nil Nil ⁽¹⁾
Denis Flood	Salary Bonus Options	Nil Nil Nil ⁽¹⁾
Darren Morcombe	Salary Bonus Options	126,000 Nil Nil
Roger March	Salary Bonus Options	90,000 Nil Nil

Notes:

(1) Upon a Change of Control, all stock options granted will vest.

Other than as stated above, there are no compensatory plans or arrangements, with respect to any NEO resulting from the resignation, retirement or any other termination of employment of an officer's employment or from a change of an NEO's responsibilities following a change in control.

Director Compensation

The Board determines the level of compensation for directors based on recommendations from the Compensation Committee. The Board reviews directors' compensation as needed, taking into account time commitment, risks and responsibilities to ensure that the amount of compensation adequately reflects the responsibilities and risks of being a director and makes adjustments as deemed necessary.

Directors are reimbursed for all reasonable out-of-pocket expenses incurred in attending Board, committee or shareholder meetings and otherwise incurred in carrying out their duties as directors of the Company.

There are four elements of director compensation pursuant to the LTIP: Options, RSUs, DSUs and SARs. Directors may receive Option and SAR grants as determined by the Board pursuant to the LTIP. The exercise price of such Option or SAR is determined by the Board, but shall in no event be less than the lowest exercise price permitted by the TSX-V at the time of the grant of the options.

The LTIP enables the Board to award DSUs as well as RSUs. The Board believes that in order to reward directors for their continued efforts, including them as participants in the LTIP is a constructive way to complement Option awards (as well as SAR awards available under the LTIP).

The independent directors of the Company received compensation of \$5,000 per quarter in 2021, payable in the form of DSUs. Up until February 28, 2021, the Executive Director earned a maximum of \$10,420 per month in DSUs for his services. Effective March 1, 2021, the Executive Director earned a maximum of \$21,000 per month in cash, based on a daily rate of \$1,050 to a maximum 20 days per month.

During 2021, Messrs. Myerson and Morcombe did not receive compensation in their capacity as directors of the Company.

Director Compensation Table

The following table provides information regarding compensation earned by the Company's directors, other than the NEOs, during the Last Financial Year:

Name ⁽⁵⁾	Fees earned (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Maurice Tagami	Nil	20,000	60,997	Nil	Nil	Nil	80,997
David Petroff	Nil	20,000	60,997	Nil	Nil	Nil	80,997
Jean Rogers ⁽³⁾	Nil	15,400	104,266	Nil	Nil	Nil	119,666
Wayne Wouters ⁽⁴⁾	Nil	5,109	123,668	Nil	Nil	Nil	128,777
TOTAL	Nil	60,509	349,928	Nil	Nil	Nil	410,437

Notes:

- (1) In 2021, independent directors of the Company received their director fees in the form of DSUs in an amount of \$5,000 per quarter. Upon separation from the Company, a holder of DSUs may elect to receive either one Common Share for every DSU, or the cash equivalent of the fair market value of the DSUs based on the market value of one Common Share, as calculated in accordance with the LTIP, multiplied by the quantity of DSUs in that participant's account.
- (2) The grant date fair value for the options was calculated using the Black-Scholes Model. The fair value per option was determined using the following weighted average assumptions: risk-free interest rate ranging from 0.38% to 1.47%, expected life of 5 years, volatility ranging from 81% to 88% and expected dividend yield of zero.
- (3) Dr. Rogers was appointed as a director on March 23, 2021.
- (4) Mr. Wouters was appointed as a director on September 28, 2021.

Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each director outstanding as of December 31, 2021:

Outstanding Share Awards and Options Awards

Name	Option-based Awards				Share-based Awards		Market or payout value of vested share-based awards not paid out or distributed (\$) ⁽²⁾
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	
Maurice Tagami	180,000	0.40	March 9, 2022	383,400	Nil	Nil	798,058
	200,000	0.57	January 31, 2023	392,000			
	100,000	0.34	March 27, 2024	219,000			
	125,000	0.09	April 3, 2025	305,000			
	100,000	1.05	April 21, 2026	148,000			
David Petroff	260,000	0.40	March 9, 2022	553,800	Nil	Nil	798,058
	200,000	0.57	January 31, 2023	392,000			
	100,000	0.34	March 27, 2024	219,000			
	125,000	0.09	April 3, 2025	305,000			
	100,000	1.05	April 21, 2026	148,000			
Jean Rogers	200,000	1.05	March 24, 2026	296,000	Nil	Nil	18,345
Wayne Wouters	200,000	2.02	September 28, 2026	102,000	Nil	Nil	5,151

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSX-V as of December 31, 2021 of \$2.53 and subtracting the exercise price of in-the-money stock options.
- (2) The value of each of Messrs. Tagami and Petroff's 315,438 DSUs was \$798,058, the value of Ms. Roger's 7,251 DSUs was \$18,345, and the value of Mr. Wouters' 2,036 DSUs was \$5,151 using the closing price of the Company's common shares on the TSX-V on December 31, 2021 of \$2.53. Upon separation from the Company, or as the LTIP allows, the Directors will be entitled to a cash payment, and/or Common Shares of the Company.

The following table provides information regarding the value vested or earned on incentive plan awards for each director during the Last Financial Year:

Incentive Plan Awards – Value Vested or Earned During the Last Financial Year

Name ⁽³⁾	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 (\$)
Maurice Tagami	79,667	Nil	N/A
David Petroff	79,667	Nil	N/A
Jean Rogers	667	Nil	N/A
Wayne Wouters	10,000	Nil	N/A

Notes:

- (1) Aggregate dollar value that would have been realized if the options had been exercised on the vesting date (computed based on the difference between the closing market price of the Common Shares on the vesting date and the exercise price of the options).
- (2) Aggregate dollar value that would have been realized if the DSUs had been exercised on the vesting date (computed based on the difference between the closing market price of the Common Shares on the vesting date and the exercise price of the options).

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides details of the equity securities of the Company authorized for issuance as of December 31, 2021 pursuant to the Company's equity compensation plan currently in place:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	15,150,390 ⁽²⁾	\$0.52 ⁽²⁾	8,604,180 ⁽¹⁾
Equity compensation plans not approved by security holders	N/A	N/A	N/A
TOTAL	15,150,390	\$0.52	8,604,180

Notes:

- (1) The Company's LTIP allows for the issuance of a rolling 10% of the issued and outstanding Common Share. As at December 31, 2021, the Company had a total of 237,545,698 Common Shares issued and outstanding.
- (2) This balance is comprised of 13,834,001 Options and 1,316,389 DSUs. The Options have a weighted average exercise price of \$0.52 per share and the DSUs do not have an exercise price.
- (3) This balance represents approximately 6.38% of the issued and outstanding Common Shares as at December 31, 2021, comprised of Options representing 5.82% and DSUs representing 0.55%.

CORPORATE GOVERNANCE

Board of Directors

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company. The Board is committed to a high standard of corporate governance practices and believes that this commitment is not only in the best interest of the Shareholders, but that it also promotes effective decision making at the Board level.

NI 58-101 defines an “independent director” as a director who has no direct or indirect “material relationship” with the issuer. A “material relationship” is as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. The Board maintains the exercise of independent supervision over management by ensuring that the majority of its directors are independent.

The Board is currently comprised of the following directors:

Name of Director	Independent ⁽¹⁾
Daniel Myerson	No
Darren Morcombe	No
Maurice Tagami	Yes
David Petroff	Yes
Jean Rogers	Yes
Wayne Wouters	Yes

Mr. Myerson is not considered independent as he is the Executive Chairman and CEO of the Company. Mr. Morcombe is not considered independent as he is the former Interim CEO of the Company.

The Board believes that it functions independently of management and reviews its procedures on an ongoing basis to ensure that it is functioning independently of management. The Board meets without management present, as circumstances require. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest. The Board convenes meetings, as deemed necessary, of the independent directors, at which non-independent directors and members of management are not in attendance.

Mandate

The Board is responsible for the development and adoption of the strategic direction of the Company, taking into account the business opportunities and business risks of the Company. Pursuant to the Mandate for the Board of Directors, the Board is responsible for reviewing the strategic planning environment, the emergence of new opportunities, trends and risks and the implications of these developments with management for the strategic direction of the Company. The Board also reviews and approves the Company's financial objectives, plans and actions, including significant capital allocations and expenditures and monitors the Company's corporate performance against the strategic and business plans, including assessing operating results to evaluate whether the business is being properly managed. The Board identifies the principal business risks of the Company and ensures that there are appropriate systems put in place to manage these risks and monitors and ensures the integrity of the internal controls and procedures (including adequate management information systems) within the Company and the financial reporting procedures of the Company. The Board is also responsible for ensuring appropriate standards of corporate conduct and monitors compliance with the Company's Code of Business Conduct & Ethics.

Directorships

The following members of the Board are also directors of other reporting issuers:

Name of Director	Name of Reporting Issuer	Market
Darren Morcombe	CVW Clean Tech Inc.	TSX-V
David Petroff	Pancontinental Resources Corporation	TSX-V
Maurice Tagami	Maple Gold Mines Ltd.	TSX-V
Wayne Wouters	BlackBerry Limited Canadian Utilities Limited Champion Iron Limited	TSX TSX TSX

Orientation and Continuing Education of Board Members

The Board is responsible for providing a comprehensive orientation and education program for new directors which fully sets out:

- the role of the Board and its committees;
- the nature and operation of the business of the Company; and
- the contribution which individual directors are expected to make to the Board in terms of both time and resource commitments.

In addition, the Board is also responsible for providing continuing education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Company remains current.

Ethical Business Conduct

The Board encourages ethical business conduct through the nomination of Board members it considered experienced in ethical business standards. In addition to those matters which, by law, must be approved by the Board, the approval of the Board is required for:

- the Company's annual business plan and budget;
- material transactions not in the ordinary course of business; and
- transactions which are outside of the Company's existing business.

To ensure the directors exercise independent judgment in considering transactions and agreements in which a director or officer has a material interest, all such matters are considered and approved by the independent directors. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

The Company believes it has adopted corporate governance policies and procedures that encourage ethical behaviour by the Company's directors, officers and employees.

Position Descriptions

The Board has developed written position descriptions for each of the Board Chair and the CEO.

Committees of the Board

The Board has established the following standing committees to assist in discharging its responsibilities: (i) Audit & Risk Committee, (ii) Governance & Corporate Compensation Committee and (iii) Environmental, Health & Safety Committee. The following are the members of each committee:

Audit & Risk Committee	Governance & Corporate Compensation Committee	Environmental, Health & Safety Committee
David Petroff (Chair) Maurice Tagami Wayne Wouters	Wayne Wouters (Chair) Maurice Tagami David Petroff	Maurice Tagami (Chair) David Petroff Jean Rogers

Audit & Risk (A&R") Committee

The A&R Committee assists the Board in fulfilling its oversight responsibilities with respect to financial reporting and disclosure requirements, the overall maintenance of the systems of internal controls that management has established; the overall responsibility for the Company's external and internal audit processes; and review of the Company's principal business risks and exposures so that such risks and exposures are effectively managed, monitored and controlled.

The A&R Committee is accountable to the Board and in the course of fulfilling its specific responsibilities hereunder, the A&R Committee shall maintain an open communication between the Company's outside auditor and the Board. The A&R Committee:

- has the duty to determine whether the Company's financial disclosures are complete, accurate, are in accordance with applicable reporting standards and fairly present the financial position and risks of the organization;
- should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor,
- review compliance with laws and regulations and the Company's own policies;
- provide the Board with such recommendations and reports with respect to the financial disclosures of the Company as it deems advisable.
- has the power to conduct or authorize investigations into any matter within the scope of its charter and may request any officer or employee of the Company, its external legal counsel or external auditor to attend a meeting of the Committee or to meet with any member(s) of the A&R Committee.

Governance & Corporate Compensation ("GCC") Committee

The GCC Compensation Committee assists the Board in fulfilling its oversight responsibilities with respect to the Company's compensation philosophy and strategy, the Company's LTIP Plan, recommending nominees for the Board, maintaining an overview of and evaluating the Board, reviewing the corporate governance of the Company and maintaining the Company's global human resource strategy, policies and programs.

The GCC Committee assists the Board in its oversight with respect to the review of compensation for the officers based on industry standards and the Company's financial condition. The GCC Committee assists the Board with its review of the LTIP and any grants to the Board members or officers as well as:

- reviews and makes recommendations to the Board at least annually regarding the Company's remuneration and compensation policies, including short and long-term incentive compensation plans and equity-based plans, bonus plans, pension plans (if any), executive stock option plans and grants and benefit plans;

- has sole authority to retain and terminate any compensation consultant to assist in the evaluation of director compensation, including sole authority to approve fees and other terms of the retention;
- reviews and approves at least annually all compensation arrangements with the senior executives of the Company (if any);
- reviews and approves at least annually all compensation arrangements with the directors of the Company (if any); and
- reviews the executive compensation sections disclosed in annual management proxy circular distributed to the shareholders in respect of the Company's annual meetings of shareholders.

The GCC Committee is also responsible for recommending candidates for nomination to the Board of Directors. The Company seeks to achieve a balance of knowledge, experience and capability among the members of the Board. The recruitment, appointment and assessment of new directors has generally resulted from recommendations made by directors and stakeholders.

When considering candidates for director, the GCC Committee as well as the Board take into account a number of factors, including the following (although candidates need not possess all of the following characteristics and not all factors are weighted equally):

- Personal qualities and characteristics, accomplishments and reputation in the business community;
- Current knowledge and contacts in the countries and/or communities in which the Company does business and in the Company's industry sectors or other industries relevant to the Company's business; and
- Ability and willingness to commit adequate time to Board and committee matters, and be responsive to the needs of the Company.

The GCC Committee will periodically assess the appropriate number of directors on the Board and whether any vacancies on the Board are expected due to retirement or otherwise. If vacancies are anticipated, or otherwise arise, or the size of the Board is expanded, the GCC Committee and the Board will consider various potential candidates for appointment as a director.

Environmental, Health & Safety Committee

The Board also has an Environmental, Health & Safety Committee. The Environmental, Health & Safety Committee is responsible for formulating guidelines and policies for the Company with respect to ensuring the health and safety of all of the Company's employees at its properties and for working to ensure the health and safety of the communities surrounding its properties by monitoring compliance by the Company with all applicable environmental and workplace health and safety guidelines of the Provinces of Saskatchewan and Manitoba.

Assessments

On an annual basis, the Board members conduct formal self-assessments of the Board which are forwarded to the Chair of the Governance & Corporate Compensation Committee and then discussed at the next Board meeting. In addition, the Chairman of the Board meets annually with each director individually, which facilitates a discussion of his contribution and that of other directors. When needed, time is set aside at a meeting of the Board for a discussion regarding the effectiveness of the Board and its committees. If appropriate, the Board then considers procedural or substantive changes to increase the effectiveness of the Board and its committees. On an informal basis, the Chairman of the Board is also responsible for reporting to the Board on areas where improvements can be made. Any agreed upon improvements required to be made are implemented and overseen by the Board.

AUDIT & RISK COMMITTEE INFORMATION

The A&R Committee's Charter

The directors of the Company have adopted an Audit & Risk Committee Charter, which sets out the A&R Committee's mandate, organization, powers and responsibilities. The full text of the A&R Committee Charter is attached hereto as Schedule "D" to this Circular.

Composition of the A&R Committee

The members of the A&R Committee are all independent and financially literate (as defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110") adopted by the Canadian Securities Administrators): "An individual is 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 issuer's financial statements."

Relevant Education and Experience

David Petroff: Mr. Petroff has over 40 years of experience in the mining and investment industry, including holding senior management and financial positions with several prominent, publicly-traded mining companies and working in Investment Banking with a major Canadian investment dealer. Mr. Petroff was President, CEO and Director of TSX-listed Jaguar Mining Inc. from September 2012 to April 2014. From 2009 until its acquisition by Nyrstar NV in mid-2011, he held the role of President, CEO and Director of zinc producer Breakwater Resources Ltd. Mr. Petroff, who holds a B. Math from the University of Waterloo and an MBA from the Schulich School of Business, also sits on the Board of Pancontinental Gold Corporation.

Maurice Tagami: Mr. Tagami has over 40 years' experience in mining development and operations. Mr. Tagami holds a degree in Metallurgical Engineering from the University of British Columbia and is a Professional Engineer with APEGBC. During his career, he has played a significant role in the metallurgical and project management of numerous open

pit, underground and heap leach projects worldwide. Mr. Tagami is formerly the Vice President, Mining Operations and is currently the Technical Ambassador at TSX-listed Wheaton Precious Metals Corp., one of the world's largest precious metals streaming companies. Previously, he held the positions of President and CEO with Keegan Resources Inc. and Senior Project Manager (Onca Puma Project) with Canico Resource Corp. (acquired by CVRD in 2005). Mr. Tagami served on the Board of Brett Resources Inc. (acquired by Osisko Mining Corp. in 2010), on the Board of SnipGold Corp. (acquired by Seabridge Gold Inc. in 2016) and on the Board of Northair Silver Corp. (acquired by Kootenay Silver Inc. in 2016). Mr. Tagami currently sits on the Board of Maple Gold Mines Ltd.

Wayne Wouters: Mr. Wouters has an Honours Bachelor of Commerce degree from the University of Saskatchewan and a Master's degree in Economics from Queen's University. He is currently Strategic and Policy Advisor to McCarthy Tétrault LLP and a director of Champion Iron Limited, Canadian Utilities Limited and BlackBerry. From 2009 to 2014, Mr. Wouters was the Clerk of the Privy Council of Canada and in that capacity, held the roles of Deputy Minister to the Prime Minister, Secretary to the Cabinet and Head of the Public Service. Prior to his tenure as Clerk, Mr. Wouters was Secretary of the Treasury Board of Canada and served in deputy ministerial and other senior positions in the Canadian public service. Mr. Wouters has received numerous awards, including Honorary Doctorates of Laws from the Universities of Saskatchewan and Manitoba, the Queen's Diamond Jubilee Medal and the André Mailhot Award for lifetime achievement from the United Way Canada. He was inducted by the Prime Minister as a member of the Privy Council in 2014 and was invested into the Order of Canada as an officer in 2017.

Audit & Risk Committee Oversight

During the Last Financial Year, all recommendations by the A&R Committee respecting the appointment and/or compensation of the external auditors of the Company were adopted by the Board.

Pre-Approval Policies and Procedures

The A&R Committee has adopted specific policies and procedures for the engagement of non-audit services as described in its Charter.

External Auditor Services Fees (By Category)

The following table discloses the fees billed to the Company by its external auditor during the last two completed financial years:

Financial Period Ending	Audit Fees ⁽¹⁾	Audit-Related Fees	Tax Fees	All Other Fees
December 31, 2021	\$59,920	Nil	Nil	\$30,366
December 31, 2020	\$29,860	Nil	Nil	Nil

Notes:

- (1) Audit Fees were paid for professional services rendered by the auditor for the audit of the Company's annual financial statements.

Exemption

As the Company is a “Venture Issuer” pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the United States of America, or a market outside of Canada and the United States of America), it is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the year ended December 31, 2021, no director, executive officer or associate of any director or executive officer of the Company was indebted to the Company, nor were any of these individuals indebted to any other entity which indebtedness was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company, including under any securities purchase or other program.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the commencement of the Company’s most recently completed financial year, no informed person of the Company, or any associate or affiliate of any informed person or nominee, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company’s profile on SEDAR at www.sedar.com. Inquiries including requests for copies of the Company’s financial statements and management’s discussion and analysis for the year ended December 31, 2021 may be directed to the Company by telephone at 1-604-488-0008. Additional financial information is provided in the Company’s comparative financial statements and management’s discussion and analysis for the year ended December 31, 2021 which is also available on SEDAR.

APPROVAL

The contents of this Circular and the sending thereof to the Shareholders of the Company was approved by the Board on April 22, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

“*Daniel Myerson*”

Executive Chairman, CEO and Director

Schedule "A"
Change of Auditor Package



NOTICE OF CHANGE OF AUDITOR

(National Instrument 51-102)

To: Smythe LLP

And to: KPMG LLP

Foran Mining Corporation (the "Company") hereby provides notice that Smythe LLP, at the request of the Company, has resigned as the Company's auditor effective August 31, 2021 (the "Resignation"). Management of the Company will fill the vacancy by appointing KPMG LLP as the Company's auditor in the place and stead of Smythe LLP until the close of the next annual general meeting of shareholders of the Company.

In accordance with National Instrument 51-102 ("NI 51-102") we confirm that:

- (a) Smythe LLP was asked to resign as auditor of the Company to facilitate the appointment of KPMG LLP of 777 Dunsmuir Street, PO Box 10426, Vancouver, British Columbia, V7Y1K3;
- (b) Smythe LLP has not expressed any reservation in its reports for the two most recently completed fiscal years of the Company, nor for the period from the most recently completed period for which Smythe LLP issued an audit report in respect of the Company and the date of this Notice;
- (c) the Resignation of Smythe LLP and appointment of KPMG LLP as auditor of the Company were considered and approved by both the Audit Committee and the Board of Directors of the Company;
- (d) the audit reports of Smythe LLP on the Company' financial statements have not expressed a modified opinion; and
- (e) in the opinion of the Board of Directors of the Company, no "reportable event" as defined in NI 51-102 has occurred in connection with the audits of the two most recently completed fiscal years of the Company, nor any period from the most recently completed period for which Smythe LLP issued an audit report in respect of the Company and the date of this Notice.

Dated: August 31, 2021.

Foran Mining Corporation



James Steels
Chief Financial Officer

September 1, 2021

British Columbia Securities Commission
Alberta Securities Commission

Dear Sirs:

Re: Foran Mining Company (the "Company")
Change of Auditor

We are writing in accordance with Section 4.11(5)(a) of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"). We wish to confirm that we have read the Notice of Change of Auditor of the Company dated 31st of August, 2021 and that based on our current knowledge we are in agreement with the information contained in such Notice.

Yours very truly,

Smythe LLP

Chartered Professional Accountants



KPMG LLP
Chartered Professional Accountants
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada

Telephone (604) 691-3000
Fax (604) 691-3031
Internet www.kpmg.ca

Alberta Securities Commission;
British Columbia Securities Commission;
Ontario Securities Commission;
Financial and Consumer Services Commission (New Brunswick);
Nova Scotia Securities Commission; and
Office of the Superintendent of Securities, Service Newfoundland and Labrador

September 7, 2021

Re: Notice of Change of Auditors of Foran Mining Corporation

We have read the Notice of Foran Mining Corporation dated August 31, 2021 and are in agreement with the statements contained in such Notice.

Yours very truly,

A handwritten signature in black ink that reads "KPMG LLP". Below the signature is a horizontal line that starts from under the "K" and ends under the "P".

Chartered Professional Accountants
Vancouver, Canada

Schedule "B"
Long Term Performance Incentive Plan



LONG-TERM PERFORMANCE INCENTIVE PLAN

SECTION 1. ESTABLISHMENT AND PURPOSE OF THIS PLAN

The Company wishes to establish this long-term performance incentive plan ("Plan"). The purpose of this Plan is to promote the long-term success of the Company and the creation of Shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company.

To this end, this Plan provides for the grant of Restricted Share Units, Performance Share Units, Deferred Share Units, Options and Stock Appreciation Rights to Eligible Persons as further described in this Plan.

The Plan and the Restricted Share Units, Performance Share Units, Deferred Share Units, Options and Stock Appreciation Rights issuable under the Plan are subject to Policy 4.4 of the TSX Venture Exchange.

This Plan is a "10% rolling plan, permitting the issuance of up to 10% of the issued and outstanding Shares in respect of Awards granted hereunder.

SECTION 2. DEFINITIONS

As used in this Plan, the following terms shall have the meanings set forth below:

- (a) "**2019 Plan**" means the Company's 2019 Long-Term Performance Incentive Plan, as may be amended or restated from time to time;
- (b) "**2016 Plan**" means the Company's 2016 Incentive Stock Option Plan, as may be amended or restated from time to time;
- (c) "**2015 DSU Plan**" means the Company's Deferred Share Unit Plan, dated June 8, 2015, as may be amended or restated from time to time;
- (d) "**2020 Plan**" means the Company's 2020 Long-Term Performance Incentive Plan, as may be amended or restated from time to time;
- (e) "**Associate**" has the meaning ascribed thereto in the Securities Act;
- (f) "**Affiliate**" has the meaning ascribed thereto in the rules and policies of the Exchange;

- (g) "**Award**" means any award of Restricted Share Units, Performance Share Units, Deferred Share Units, Options or SARs granted under this Plan;
- (h) "**Award Agreement**" means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;
- (i) "**Blackout Period**" means an interval of time during which the Company has formally imposed a prohibition on one or more Participants whereby they are to refrain from trading, exercising, redeeming or settling any securities of the Company because they may be in possession of publicly undisclosed confidential information pertaining to the Company;
- (j) "**Board**" means the board of directors of the Company;
- (k) "**Cashless Exercise**" has the meaning given to that term in Section 5(d)(xii);
- (l) "**Cessation Date**" means, the effective date on which a Participant ceases to be a Director of the Company or a Subsidiary for any reason;
- (m) "**Change of Control**" means the occurrence of one transaction or a series of transactions which results in one Person, together with any affiliates of such Person, exercising direction or control over 50% or more of the Shares. "Person" for the purpose of this provision includes, but is not limited to, any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation or other entity however designated or constituted; a change in the majority of the Company's Board taking place over a period of six (6) months or less; a merger or consolidation, after which the Company's Shareholders no longer control the Company; and/or the sale of all or substantially all of the Company's assets or the liquidation of the Company, except where the sale is to an affiliate of the Company.
- (n) "**Committee**" means such committee of the Board performing functions in respect of compensation as may be determined by the Board from time to time;
- (o) "**Company**" means Foran Mining Corporation, a company continued under the *Business Corporations Act* (British Columbia), and any of its successors or assigns;
- (p) "**Consultant**" means a Person (other than a Key Employee or Director) that:
 - (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or an affiliate of the

- Company, other than services provided in relation to a distribution (as defined in the Securities Act);
- (ii) provides the services under a written contract between the Company or any of its subsidiaries and the Person or the Company, as the case may be; and
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time on the affairs and business of the Company or of any of the Company's subsidiaries;
- and:
- (iv) if the Person is an individual, includes a corporation of which such individual is an employee or Shareholder, and a partnership of which the individual is an employee or partner; and
 - (v) if the Person is not an individual, includes an employee, executive officer or director of the Consultant, provided that the individual employee, executive officer or director spends or will spend a significant amount of time on the affairs and business of the Company or an affiliate of the Company;
- (q) "**Current Market Price**" means the five-day volume-weighted average closing price of the Shares on the Exchange on the immediately preceding five (5) Trading Days on which trading in the Shares took place prior to the relevant grant or exercise date, which in no case may be less than the discounted market price permitted by the Exchange;
- (r) "**Deferred Share Unit**" or "**DSU**" means a right to receive on a deferred basis a payment in either Shares or cash as provided in SECTION 5(c) hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (s) "**Determination Date**" means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;
- (t) "**Director**" means a member of the Board;
- (u) "**Disability**" means any medical condition which qualifies a Participant for benefits under a long-term disability plan of the Company or Subsidiary;
- (v) "**Disinterested Shareholder Approval**" means approval by a majority of the votes cast by all the Company's Shareholders at a duly constituted meeting of Shareholders, excluding votes attached to Shares beneficially owned by Insiders to whom Awards may be granted under this Plan and the

Associates and Affiliates of such Insiders, or, with respect to a grant, issue or amendment of an Award that requires Disinterested Shareholder Approval pursuant to the rules and policies of the Exchange, approval by a majority of the votes cast by all the Company's Shareholders at a duly constituted meeting of Shareholders, excluding votes attached to Shares beneficially owned by Eligible Persons that holds or will hold an Award subject to such grant, issue or amendment, and the Associates and Affiliates of such Eligible Persons.

- (w) "**Effective Date**" has the meaning ascribed thereto in SECTION 8;
- (x) "**Election Form**" means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in Deferred Share Units under this Plan;
- (y) "**Eligible Person**" means Directors, Key Employees and Consultants of the Company and its Subsidiaries, or companies in which Directors, Key Employees or Consultants have control;
- (z) "**Exchange**" means either the TSX Venture Exchange or the Toronto Stock Exchange, being the stock exchange upon which the Shares of the Company may become listed for trading from time to time;
- (aa) "**Exchange Hold Period**" means the four month resale restriction imposed by the Exchange on the shares, more particularly described in Exchange Policy 1.1;
- (bb) "**Fees**" means the annual board retainer, chair fees, meeting attendance fees or any other fees payable to a Director by the Company;
- (cc) "**Grant Date**" means, for any Award, the date specified by the Board as the grant date at the time it grants the Award or, if no such date is specified, the date upon which the Award was actually granted;
- (dd) "**Insider**" means any insider, as that term is defined in the Securities Act;
- (ee) "**Insider Participant**" means a Participant who is an (i) Insider of the Company or of a Subsidiary, and (ii) Associate or Affiliate of any person who is an Insider by virtue of (i);
- (ff) "**Investor Relations Activities**" means any activities, by or on behalf of the Company or a Shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company

- A. to promote the sale of products or services of the Company, or
 - B. to raise public awareness of the Company,
 - that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
- (ii) activities or communications necessary to comply with the requirements of:
 - A. applicable securities laws;
 - B. Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - A. the communication is only through the newspaper, magazine or publication, and
 - B. the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - (iv) activities or communications that may be otherwise specified by the Exchange
- (gg) "**Key Employees**" means employees, including officers, whether Directors or not, and including both full-time and part-time employees of the Company or any Subsidiary who, by the nature of their positions or jobs are, in the opinion of the Board, in a position to contribute to the success of the Company;
 - (hh) "**Net Exercise**" has the meaning given to that term in Section 5(d)(xi);
 - (ii) "**Option**" means incentive share purchase options entitling the holder thereof to purchase Shares;
 - (jj) "**Participant**" means any Eligible Person to whom Awards under this Plan are granted;
 - (kk) "**Participant's Account**" means a notional account maintained for each Participant's participation in this Plan which will show any Restricted Share

Units, Performance Share Units, Deferred Share Units, Options or SARs credited to a Participant from time to time;

- (ii) "**Performance-Based Award**" means, collectively, Performance Share Units and Restricted Share Units;
- (mm) "**Performance Criteria**" means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of the Performance Share Units;
- (nn) "**Performance Cycle**" means the applicable performance cycle of the Performance Share Units as may be specified by the Board in the applicable Award Agreement;
- (oo) "**Performance Share Unit**" means a right awarded to a Participant to receive a payment in Shares as provided in SECTION 5(b) hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (pp) "**Person**" means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (qq) "**Restriction Period**" means the time period between the Grant Date and the Vesting Date of an Award specified by the Board in the applicable Award Agreement, which period shall not be less than 12 months;
- (rr) "**Restricted Share Unit**" means a right awarded to a Participant to receive a payment in Shares as provided in SECTION 5(a) hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (ss) "**Retirement**" means retirement from active employment with the Company or a Subsidiary with the consent of an officer of the Company or the Subsidiary;
- (tt) "**SA Rights**" has the meaning set out in SECTION 5(e)(i);
- (uu) "**Stock Appreciation Right**" or **SAR**" means a right awarded to a Participant to receive a payment in Shares as provided in SECTION 5(e)(i) hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (vv) "**SAR Amount**" has the meaning set out in SECTION 5(e)(iii);
- (ww) "**SAR Grant Price**" has the meaning set out in SECTION 5(e)(ii);

- (xx) "**Securities Act**" means the *Securities Act*, RSBC 1996, c 418, as amended, from time to time;
- (yy) "**Security-Based Compensation Arrangement**" shall have the meaning ascribed thereto in the rules and policies of the Exchange, or in the event that such term is not defined in the rules and policies of the Exchange, shall mean 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 from treasury to one or more eligible Key Employees, officers, Insiders, service providers or Consultants of the Company or a Subsidiary;
- (zz) "**Shareholder**" means a registered or beneficial holder of shares or, if the context requires, other securities of a Company.
- (aaa) "**Shares**" means the common shares of the Company;
- (bbb) "**Subsidiary**" means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;
- (ccc) "**Termination Date**" means, as applicable: (i) in the event of a Participant's Retirement, voluntary termination or termination of employment as a result of a Disability, the date on which such Participant ceases to be an employee or a Consultant of the Company or a Subsidiary; and (ii) in the event of termination of the Participant's employment or consulting contract by the Company or a Subsidiary, the date on which such Participant is advised by the Company or a Subsidiary, in writing or verbally, that his or her services are no longer required;
- (ddd) "**Trading Day**" means any date on which the Exchange is open for trading;
- (eee) "**Triggering Event**" means the consummation of any one of the following:
- (i) the dissolution, liquidation or wind-up of the Company;
 - (ii) a merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
 - (iii) the acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
 - (iv) a Change of Control of the Company;

- (v) the sale or other disposition of all or substantially all of the assets of the Company; or
- (vi) a material alteration of the capital structure of the Company which, in the opinion of the Board, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to Awards granted hereunder to permit the Plan and Awards granted hereunder to stay in effect.
- (fff) "**Vesting Date**" means in respect of any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement.
- (ggg) "**VWAP**" means volume weighted average trading price of the Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five (5) trading days immediately preceding the exercise of the subject Award.

SECTION 3. ADMINISTRATION

- (a) **BOARD TO ADMINISTER PLAN.** Except as otherwise provided herein, this Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary in order to comply with the requirements of this Plan.
- (b) **DELEGATION TO COMMITTEE.** All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by the Committee or such other committee as the Board may determine.
- (c) **INTERPRETATION.** All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company.
- (d) **NO LIABILITY.** No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.

SECTION 4. SHARES AVAILABLE FOR AWARDS

(a) LIMITATIONS ON SHARES AVAILABLE FOR ISSUANCE.

- (i) The aggregate number of Shares issuable under this Plan in respect of Awards shall not exceed 10% of the issued and outstanding Shares at any point in time;
- (ii) Unless disinterested shareholder approval is obtained, pursuant to the rules and policies of the Exchange, the aggregate number of Shares for which Awards may be granted to any one Participant under this Plan in any twelve (12) month period shall not exceed five (5%) percent of the issued and outstanding Shares, calculated as of the Grant Date;
- (iii) The aggregate number of Awards granted to any one Consultant in a twelve (12) month period under this Plan shall not exceed two (2%) percent of the issued and outstanding Shares, calculated as of the Grant Date;
- (iv) In respect of Options, so long as it may be required by the rules and policies of the Exchange the total number of Options issuable to Persons performing Investor Relations Activities shall not exceed two (2%) percent of the issued and outstanding Shares in any twelve (12) month period;
- (v) The only Award that may be granted to Persons retained to perform Investor Relations Activities are Options.
- (vi) All Options granted to Persons retained to perform Investor Relations Activities will vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Options vesting and becoming exercisable in any three (3) month period;
- (vii) Pursuant to the policies of the Exchange, the Exchange Hold Period will be applied to Shares issuable under this Plan and any certificate(s) representing those Shares will include a legend stipulating that the Shares issued are subject to a four month Exchange Hold Period commencing from the Grant Date.
- (viii) Unless disinterested shareholder approval is obtained, the maximum aggregate number of Shares for which Awards may be granted or issued to Insiders (as a group) shall not exceed 10% of the issued and outstanding Shares of the Company at any point in time;
- (ix) Unless disinterested shareholder approval is obtained, the maximum aggregate number of Shares for which Awards may be granted or issued to Insiders (as a group) in any twelve (12) month period under this Plan, shall

not exceed 10% of the issued and outstanding Shares, calculated as of the Grant Date;

- (b) ACCOUNTING FOR AWARDS. For purposes of this SECTION 4:
 - (i) If an Award is denominated in Shares, the number of Shares covered by such Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting Awards under this Plan; and
 - (ii) Notwithstanding anything herein to the contrary, any Shares related to Awards which terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of such Shares, prior to the issuance of Shares, for Awards not involving Shares, shall be available again for granting Awards under this Plan.
- (c) ANTI-DILUTION. If the number of outstanding Shares is increased or decreased as a result of a stock split, consolidation, recapitalization and not as a result of the issuance of Shares for additional consideration or by way of stock dividend, the Board may make appropriate adjustments, in accordance with the terms of this Plan, the policies of the Exchange, and applicable laws, to the number and price (or other basis upon which an Award is measured) of Restricted Share Units, Performance Share Units, Deferred Share Units, Options and/or SARs credited to a Participant. For great certainty, any adjustment, other than in connection with a consolidation or stock split, to an Award granted or issued under this Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization. Any additional Awards credited to a Participant in lieu of dividends declared by the Company based on Awards held by the Participant will be included in calculating the limits enumerated in Section 4(a) of the Plan. If such additional Awards result in the Company breaching any of the limits in Section 4(a) of the Plan, the Company shall settle such Awards in cash on the basis of the difference between the price the Participant is required to pay to exercise the Award, if any, and the Current Market Price. Such cash settlement shall only be to the extent that the additional Awards granted in lieu of dividends declared by the Company do not breach the limits enumerated in Section 4(a). Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.
- (d) 2020 PLAN. From and after the Effective Date, the 2020 Plan shall be cancelled and deemed to be cancelled, and all awards granted thereunder shall be governed and deemed to be governed by the provisions of this Plan as existing Awards under this Plan.
- (e) 2019 PLAN. From and after the Effective Date, the 2019 Plan shall be cancelled

and deemed to be cancelled, and all awards granted thereunder shall be governed and deemed to be governed by the provisions of this Plan as existing Awards under this Plan.

- (f) 2016 PLAN. From and after the Effective Date, the 2016 Plan shall be cancelled and deemed to be cancelled, and all awards granted thereunder shall be governed and deemed to be governed by the provisions of this Plan as existing Options under this Plan.
- (g) 2015 DSU PLAN. From and after the Effective Date, the 2015 DSU Plan shall be cancelled and deemed to be cancelled, and all awards granted thereunder shall be governed and deemed to be governed by the provisions of this Plan as existing DSUs under this Plan.

SECTION 5. AWARDS

(a) RESTRICTED SHARE UNITS

- (i) ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Restricted Share Units to Eligible Persons, provided that such Eligible Persons are determined by the Board and confirmed by the Eligible Person to be *bona fide* Eligible Persons, as the case may be, at the time of such grant. Restricted Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Restricted Share Units to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each Restricted Share Unit shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of Restricted Share Units granted pursuant to an Award and the Restriction Period in respect of such Restricted Share Units shall be specified in the applicable Award Agreement. The form of Restricted Share Unit Award Agreement is attached hereto as Schedule "A".
- (ii) RESTRICTIONS. Restricted Share Units shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.
- (iii) VESTING. All Restricted Share Units will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement.

- (iv) CHANGE OF CONTROL. In the event of a Change of Control whereby a Participant that was granted Restricted Share Units ceases to be an Eligible Person, all restrictions upon any Restricted Share Units shall lapse immediately and all such Restricted Share Units shall become fully vested in the Participant and will accrue to the Participant in accordance with SECTION 5(a)(ix) hereof.
- (v) DEATH. Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any Restricted Share Units granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Restricted Share Units granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with SECTION 5(a)(ix) hereof.
- (vi) TERMINATION OF EMPLOYMENT OR SERVICE.
 - A. Where, in the case of Key Employees or Consultants, a Participant's employment is terminated by the Company or a Subsidiary for cause, or consulting contract, subject to the applicable Award Agreement, is terminated as a result of the Consultant's breach, all Restricted Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - B. Where, in the case of Key Employees or Consultants, a Participant's employment or consulting contract is terminated by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement by the Participant, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date, provided, however, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination without cause, voluntary termination or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with SECTION 5(a)(ix) hereof.
 - C. Upon termination of a Participant's employment with the Company or a Subsidiary, or upon termination of a Consultant's contract, the

Participant's eligibility to receive further grants of Awards of Restricted Share Units under this Plan shall cease as of the Termination Date.

- (vii) **DISABILITY.** Where, in the case of Key Employees or Consultants, a Participant becomes afflicted by a Disability, all Restricted Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Restricted Share Units, provided, however, that no Restricted Share Units may be redeemed during a leave of absence. Where, in the case of Key Employees or Consultants, a Participant's employment or consulting contract is terminated due to Disability, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date, provided, however, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination due to Disability, had vested pursuant to terms of the applicable Award Agreement will accrue to the Participant in accordance with SECTION 5(a)(ix) hereof.
- (viii) **CESSATION OF DIRECTORSHIP.** Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Restricted Share Units granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that any Restricted Share Units granted to such Participant which, prior to the Cessation Date for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with SECTION 5(a)(ix) hereof.
- (ix) **PAYMENT OF AWARD.** As soon as practicable after each Vesting Date of an Award of Restricted Share Units, and subject to the applicable Award Agreement which in no case shall provide that such Restricted Share Units expire in a period greater than 12 months from the Termination Date, the Company shall issue from treasury to the Participant, or if SECTION 5(a)(v) applies, to the Participant's estate, a number of Shares equal to the number of Restricted Share Units credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the Restricted Share Units in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Restricted Share Units.

(b) **PERFORMANCE SHARE UNITS**

- (i) ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Performance Share Units to Key Employees and Consultants, provided that such Key Employees and Consultants are determined by the Board and confirmed by the Eligible Person to be *bona fide* Key Employees and Consultants, as the case may be, at the time of such grant. Performance Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Performance Share Units to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each Performance Share Unit shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share, unless otherwise specified in the applicable Award Agreement. The number of Performance Share Units granted pursuant to an Award, the Performance Criteria which must be satisfied in order for the Performance Share Units to vest and the Performance Cycle in respect of such Performance Share Units shall be specified in the applicable Award Agreement. The form of Performance Share Unit Award Agreement is attached hereto as Schedule "B".
- (ii) PERFORMANCE CRITERIA. The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the Performance Share Units, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the original Performance Criteria unfair or inappropriate unless a revision is made. Notices will be provided by the Company to applicable regulatory authorities or stock exchanges as may be required with respect to the foregoing.
- (iii) VESTING. All Performance Share Units will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle, at a time no earlier than the Restriction Period, the determination of which satisfaction shall be made by the Board on the Determination Date.
- (iv) CHANGE OF CONTROL. In the event of a Change of Control whereby a Participant that was granted Performance Share Units ceases to be an Eligible Person, all Performance Share Units granted to a Participant shall

become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and shall become payable to the Participant in accordance with SECTION 5(b)(viii) hereof.

- (v) DEATH. Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all Performance Share Units granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever, provided, however, the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with SECTION 5(b)(viii) hereof.
- (vi) TERMINATION OF EMPLOYMENT OR SERVICE.
 - A. Where, in the case of Key Employees or Consultants, a Participant's employment is terminated by the Company or a Subsidiary for cause, or consulting contract, subject to the applicable Award Agreement, is terminated as a result of the Consultant's breach, all Performance Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - B. Where, in the case of Key Employees or Consultants, other than as may be set forth in the applicable Award Agreement and below, a Participant's employment or consulting contract is terminated by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement, all Performance Share Units granted to the Participant which, prior to the Participant's termination without cause, by voluntary termination or due to Retirement, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date, provided, however, the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units

that the Board determines to have vested shall become payable in accordance with SECTION 5(b)(viii) hereof.

- C. In the case of Key Employees, upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of Performance Share Units under this Plan shall cease as of the Termination Date.
- (vii) DISABILITY. Where, in the case of Key Employees or Consultants, a Participant becomes afflicted by a Disability, all Performance Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Performance Share Units, provided, however, that no Performance Share Units may be redeemed during a leave of absence. Where, in the case of Key Employees or Consultants, a Participant's employment or consulting contract is terminated due to Disability, all Performance Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with SECTION 5(b)(viii) hereof.
- (viii) PAYMENT OF AWARD. Subject to the applicable Award Agreement, which in no case shall provide that such Performance Share Units expire in a period greater than 12 months from the Termination Date, payment to Participants in respect of vested Performance Share Units shall be made after the Determination Date for the applicable Award and in any case within ninety (90) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement. The Company shall issue from treasury to the Participant, or if SECTION 5(b)(v) applies, to the Participant's estate, a number of Shares equal to the number of Performance Share Units that have vested. As of the Vesting Date, the Performance Share Units in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Performance Share Units.

(c) **DEFERRED SHARE UNITS**

- (i) ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Deferred Share Units to Directors provided that such Directors are determined by the Board and confirmed by the Director to be a *bona fide* Director, as the case may be, at the time of such grant. Directors become Participants effective as of the date he or she is first appointed or elected as a Director and cease to be Participants on the Cessation Date for any reason. Deferred Share Units granted to a Participant in accordance with SECTION 5(c) hereof shall be credited, as of the Grant Date, to the Participant's Account. The form of Deferred Share Unit Award Agreement is attached hereto as Schedule "C".
- (ii) ELECTION. Each Director may elect to receive any part or all of his or her Fees and/or Awards, as applicable in Deferred Share Units under this Plan. Elections by Participants regarding the amount of their Awards that they wish to receive in Deferred Share Units shall be made no later than 90 days after this Plan is adopted by the Board, and thereafter no later than December 31 of any given year with respect to Awards for the following year. Any Director who becomes a Participant during a fiscal year and wishes to receive an amount of his or her Awards for the remainder of that year in Deferred Share Units must make his or her election within 60 days of becoming a Director.
- (iii) CALCULATION. The number of Deferred Share Units to be credited to the Participant's Account shall be calculated by dividing the amount of Fees selected by a Director in the applicable Election Form by the Current Market Price on the Grant Date, or if more appropriate, another trading range that best represents the period for which the award was earned (or such other price as required under Exchange policies). If, as a result of the foregoing calculation, a Participant shall become entitled to a fractional Deferred Share Unit, the Participant shall only be credited with a full number of Deferred Share Units (rounded down) and no payment or other adjustment will be made with respect to the fractional Deferred Share Unit.
- (iv) CHANGE OF CONTROL. In the event of a Change of Control whereby a Director that was granted Deferred Share Units ceases to be an Eligible Person, all Deferred Share Units granted to a Participant shall become fully vested in such Participant and shall become payable to the Participant in accordance with SECTION 5(c)(v) hereof.
- (v) PAYMENT OF AWARD. Each Participant shall be entitled to receive, after the effective date that the Participant ceases to be a Director for any reason or any earlier vesting period(s) as may be set forth in the applicable Award Agreement, up to two (2) dates designated by the Participant and

communicated to the Company by the Participant in writing at least 15 days prior to the designated day (or such earlier date as the Participant and the Company may agree, which dates shall be no earlier than the ninetieth (90) day following the year of the Cessation Date and no later than the end of the calendar year following the year of the Cessation Date, or any earlier period on which the DSUs vested, as the case may be) and if no such notice is given, then on the first anniversary of the Cessation Date or any earlier period on which the DSUs vested, as the case may be, at the sole discretion of the Participant, either:

- A. that number of Shares equal to the number of Deferred Share Units credited to the Participant's Account, such Shares to be issued from treasury of the Company; or
- B. a cash payment in an amount equal to the Current Market Price on the Cessation Date multiplied by the quantity of Deferred Share Units credited to a Participant's Account, net of applicable withholdings.

For greater certainty, any vesting period as may be set forth in the applicable Award Agreement that is earlier than the date the Participant ceases to be a Director, must be no less than twelve (12) months following the date the Deferred Share Unit is granted to the Participant.

- (vi) EXCEPTION. In the event that the value of a Deferred Share Unit would be determined with reference to a period commencing at a fiscal quarter-end of the Company and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the Units will be made to the Participant with reference to the five (5) Trading Days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).
- (vii) DEATH. Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, a cash payment or Shares that would have otherwise been payable in accordance with SECTION 5(c)(iv) hereof to the Participant upon such Participant ceasing to be a Director.

(d) **OPTIONS**

- (i) ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may determine, the Board may, from time to time, in its discretion, grant Awards of Options to Eligible Persons, provided that such Eligible Persons are determined by the Board and confirmed by the Eligible Person to be *bona fide* Eligible Persons, as the

case may be, at the time of such grant. Options granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. The form Option Award Agreement is attached hereto as Schedule "D".

- (ii) EXERCISE PRICE. The exercise price of the Options shall be determined by the Board at the time the Option is granted. In no event shall such exercise price be lower than the discounted market price permitted by the Exchange. The Board shall not reprice any Options previously granted under this Plan, except in accordance with the rules and policies of the Exchange. For greater certainty, the Company will be required to obtain Disinterested Shareholder Approval in respect of any reduction in the exercise price of Options, or the extension of the term of an Option, granted to any Participant if the Participant is an Insider at the time of the proposed reduction or extension, if and to the extent required by the rules and policies of the Exchange.
- (iii) TIME AND CONDITIONS OF EXERCISE. The Board shall determine the time or times at which an Option may be exercised in whole or in part, provided that the term of any Option granted under this Plan shall not exceed ten years. The Board shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised.
- (iv) EVIDENCE OF GRANT. All Options shall be evidenced by a written Award Agreement. The Award Agreement shall reflect the Board's determinations regarding the exercise price, time and conditions of exercise (including vesting provisions) and such additional provisions as may be specified by the Board.
- (v) EXERCISE. The exercise of any Option will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the Option is being exercised, and which shall be accompanied by a cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the Option is exercised. Certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice and payment. Neither the Participants nor their legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to Options under this Plan are issued to such Participants under the terms of this Plan. Where the expiry date for an Option occurs during a

Blackout Period, the expiry date for such Option shall be extended to the date that is 10 business days following the end of such Blackout Period.

- (vi) CHANGE OF CONTROL. In the event of a Change of Control whereby a Participant that was granted Options ceases to be an Eligible Person, each outstanding Option issued to Eligible Persons, to the extent that it shall not otherwise have become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and immediately vested and exercisable, without regard to any otherwise applicable vesting requirement, but subject to the policies of the Exchange.
- (vii) DEATH. Where a Participant shall die, any Option held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the Option shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of death of such Participant.
- (viii) TERMINATION OF EMPLOYMENT OR SERVICE.
 - A. Where, in the case of Key Employees or Consultants, a Participant's employment is terminated by the Company or a Subsidiary for cause, or consulting contract, subject to the applicable Award Agreement, is terminated as a result of the Consultant's breach, no Option held by such Participant shall be exercisable from the Termination Date.
 - B. Where, in the case of Key Employees or Consultants, a Participant's employment or consulting contract is terminated by the Company or a Subsidiary without cause, by voluntary termination by the Participant or due to Retirement, subject to the applicable Award Agreement, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 60 days after the Termination Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed 12 months from the Termination Date) or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the Termination Date.
 - C. Where, in the case of Key Employees or Consultants, a Participant becomes afflicted by a Disability, all Options granted to the

Participant under this Plan will continue to vest in accordance with the terms of such Options. Where, in the case of Key Employees or Consultants, a Participant's employment or consulting contract is terminated due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Termination Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed 12 months from the Termination Date) or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the Termination Date.

- (ix) CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, subject to the applicable Award Agreement and the provisions below, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 60 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed 12 months from the Participant ceasing to be a Director) or prior to the expiration of the Option in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed 12 months from the Cessation Date) or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date.
- (x) ACCELERATION. The Board may elect, at any time, to accelerate the vesting schedule of one or more Options, including, without limitation, on a Triggering Event, and such acceleration will not be considered to be an amendment to the Option in question requiring the consent of the Participant under Section 6(c) of this Plan. For greater certainty, pursuant to the policies of the Exchange, there may be no acceleration of the vesting requirements applicable to Options granted to persons conducting Investor Relations Activities unless the prior written approval of the Exchange has been obtained.

(xi) NET EXERCISE. In lieu of the exercise price of each Share underlying an Option being paid in cash, the Option may be exercised, except Options granted to persons performing Investor Relations Activities, at the discretion of the Option holder and only with the written permission of the Board and as permitted by the policies of the Exchange, by a “**Net Exercise**” whereby the Option holder will receive only the number of Shares underlying the Option that is the equal to the quotient obtained by dividing:

- A. the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options by
- B. the VWAP of the underlying Shares.

In the event of a Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued, must be included in calculating the limits set forth in Section 4 of the Plan, and must otherwise comply with the rules of the Exchange.

(xii) CASHLESS EXERCISE. In lieu of the exercise price of each Share underlying an Option being paid in cash, the Option may be exercised, except Options granted to persons performing Investor Relations Activities, at the discretion of the Option holder and only with the written permission of the Board and as permitted by the policies of the Exchange, by a “**Cashless Exercise**” whereby the Option holder will may elect for a broker-assisted cashless exercise and shall receive:

- A. an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the Shares underlying the Option (or portion thereof being exercised) by a securities dealer designated by the Company, less the aggregate exercise price, any applicable withholding taxes, and any transfer costs charged by the securities dealer to sell the Shares;
- B. an aggregate number of Shares that is equal to the number of Shares underlying the Option (or portion thereof being exercised) minus the number of Shares sold in the capital markets by a securities dealer designated by the Company as required to realize cash proceeds equal to the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer to sell the Shares; or
- C. a combination of Section 5(d)(xii)(A) and 5(d)(xii)(B).

In the event of a Cashless Exercise, the number of Options exercised,

surrendered or converted, and not the number of Shares actually issued, must be included in calculating the limits set forth in Section 4 of the Plan, and must otherwise comply with the rules of the Exchange.

(e) **STOCK APPRECIATION RIGHTS**

- (i) ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may determine, the Board may, from time to time, in its discretion, grant awards of stock appreciation rights to Eligible Persons, either on a stand-alone basis ("SA Rights") or in relation to any Option, provided that such Eligible Persons are determined by the Board and confirmed by the Eligible Person to be *bona fide* Eligible Persons, as the case may be, at the time of such grant. SARs granted to a Participant shall be credited, as of the Grant Date, to the Participant's account. The number of SARs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan.
- (ii) SAR GRANT PRICE. The exercise price of the SAR (the "SAR Grant Price") shall be determined by the Board at the time the SAR is granted. In no event shall the SAR Grant Price be lower than the discounted market price permitted by the Exchange. Where a SAR is granted in relation to an Option, it shall be a right in respect of the same number of Shares, and the SAR Grant Price shall be the same as the exercise price of the Option it is granted in relation to. The Board shall not reprice the SAR Grant Price of any SARs previously granted under this Plan, except in accordance with the rules and policies of the Exchange.
- (iii) PAYMENT.
 - A. Subject to the provisions hereof, a SAR is the right to receive a payment in Shares equal to the excess, if any, of:
 - i. the Current Market Price immediately prior to the date such SAR is exercised; *over*
 - ii. the SAR Grant Price,multiplied by the number of Shares in respect of which the SAR is being exercised (less any amount required to be withheld for taxes by applicable law) (the "SAR Amount").
 - B. For greater clarity, the actual number of Shares to be granted to the Participant pursuant to Paragraph A shall be equal to the aggregate SAR Amount divided by the Current Market Price.
 - C. Notwithstanding the foregoing, in the sole discretion of the Board,

the Award Agreement may provide that the Company may elect to satisfy the exercise of a SAR (in whole or in part) by paying to the Participant cash in an amount equal to the SAR Amount in lieu of Shares.

- (iv) TERMS OF SARS GRANTED IN CONNECTION WITH AN OPTION. SARs may be granted in relation to an Option either at the time of the grant of the Option or by adding the SAR to an existing Option. SARs granted in relation to an Option shall be exercisable only at the same time, by the same persons and to the same extent, that the related Option is exercisable. Upon the exercise of any SAR related to an Option, the corresponding portion of the related Option shall be surrendered to the Corporation and cancelled, and upon the exercise of any Option which has an accompanying SAR, the corresponding portion of the related SAR shall be surrendered to the Corporation and cancelled.
- (v) TERMS OF SARS GRANTED ON A STAND-ALONE BASIS. SA Rights shall be granted on such terms as shall be determined by the Board and set out in the Award Agreement (including any terms pertaining to vesting and settlement), provided the term of any SAR granted under this Plan shall not exceed ten years and the vesting period of any SAR granted under this Plan shall not be less than the Restriction Period.
- (vi) EXERCISE. The exercise of any SAR will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the SAR is being exercised. If the Participant is to receive Shares, certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice. Neither the Participant nor his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to SARs under this Plan are issued to such Participant under the terms of this Plan. Where the expiration of the exercise period in respect of a SAR occurs during a Blackout Period, the exercise period for such SAR shall be extended to the date that is 10 business days following the end of such Blackout Period.
- (vii) CHANGE OF CONTROL. In the event of a Change of Control whereby a Participant that was granted SARs ceases to be an Eligible Person, each outstanding SAR issued to Eligible Persons, to the extent that it shall not otherwise have become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and

immediately vested and exercisable, without regard to any otherwise applicable vesting requirement, but subject to the policies of the Exchange.

(viii) DEATH. Where a Participant shall die while holding a SAR, any SAR held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the SAR shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of death of such Participant.

(ix) TERMINATION OF EMPLOYMENT OR SERVICE.

A. Where, in the case of Key Employees or Consultants, a Participant's employment is terminated by the Company or a Subsidiary for cause, or a consulting contract, subject to the applicable Award Agreement, is terminated as a result of the Consultant's breach, no SAR held by such Participant shall be exercisable from the Termination Date.

B. Where, in the case of Key Employees or Consultants, a Participant's employment or consulting contract is terminated by the Company or a Subsidiary without cause, by voluntary termination by the Participant or due to Retirement, subject to the applicable Award Agreement, any SAR held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 60 days after the Termination Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed 12 months from the Termination Date) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the Termination Date.

C. Where, in the case of Key Employees or Consultants, a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs. Where, in the case of Key Employees or Consultants, a Participant's employment or consulting contract is terminated due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the Termination Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed 12 months from the Termination Date) or prior to the expiration of the exercise period in respect of the SAR, whichever

is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the Termination Date.

- (x) CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, subject to the applicable Award Agreement and the provisions below, any SAR held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 60 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date.

(f) **GENERAL TERMS APPLICABLE TO AWARDS**

- (i) FORFEITURE EVENTS. The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.
- (ii) AWARDS MAY BE GRANTED SEPARATELY OR TOGETHER. Without limiting SECTION (5)(e), Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award or any award granted under any other Security-Based Compensation Arrangement of the Company or any Subsidiary. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other Security-Based Compensation Arrangement of the Company or any Subsidiary, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

- (iii) NON-TRANSFERABILITY OF AWARDS. No Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company. The Company does not intend to make Awards assignable or transferrable, except where required by law or in certain estate proceedings described herein.
 - (iv) CONDITIONS AND RESTRICTIONS UPON SECURITIES SUBJECT TO AWARDS. The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation: (A) restrictions under an insider trading policy or pursuant to applicable law; (B) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and holders of other Security-Based Compensation Arrangements; (C) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and (D) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.
 - (v) SHARE CERTIFICATES. All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
 - (vi) CONFORMITY TO PLAN. In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted by the Board to become, in all respects, in conformity with this Plan.
- (g) GENERAL TERMS APPLICABLE TO PERFORMANCE-BASED AWARDS
- (i) PERFORMANCE EVALUATION; ADJUSTMENT OF GOALS. At the time that a Performance-Based Award is first issued, the Board, in the Award Agreement or in another written document, may specify whether

performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be: (A) judgments entered or settlements reached in litigation; (B) the write down of assets; (C) the impact of any reorganization or restructuring; (D) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results; (E) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year; (F) the impact of any mergers, acquisitions, spin-offs or other divestitures; and (G) foreign exchange gains and losses.

- (ii) **ADJUSTMENT OF PERFORMANCE-BASED AWARDS.** The Board shall have the sole discretion to adjust the determinations of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant Performance-Based Award. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any Performance-Based Award that will increase the amount payable under any such Award. The Board shall retain the sole discretion to adjust Performance-Based Awards downward or to otherwise reduce the amount payable with respect to any Performance-Based Award.

SECTION 6. AMENDMENT AND TERMINATION

- (a) **SHAREHOLDER APPROVAL OF PLAN.** This Plan is subject to the approval of a majority of votes cast at a meeting of Shareholders upon adoption of the Plan and thereafter as required by the policies of the Exchange. Any Awards granted under this Plan prior to receipt of shareholder approval will not be exercisable or binding on the Company unless and until such approvals are obtained.
- (b) **AMENDMENTS AND TERMINATION OF THIS PLAN.** The Board may at any time or from time to time, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, provided that the Board obtain (a) any required approval of any applicable regulatory authority or the Exchange, and (b) the approval of Shareholders of the Company as required by the rules of the Exchange or applicable law, provided that and subject to the foregoing, Shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
 - (i) amendments to fix typographical errors; and

- (ii) amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions.

If this Plan is terminated, prior Awards shall remain outstanding and in effect in accordance with their applicable terms and conditions.

- (c) AMENDMENTS TO AWARDS. Subject to (a) any requisite approval of any applicable regulatory authority or the Exchange, and (b) any approval of Shareholders of the Company as required by the rules of the Exchange or applicable law, the Board may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either (i) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of any accounting standard, or (ii) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7. GENERAL PROVISIONS

- (a) NO RIGHTS TO AWARDS. No Director, Key Employee, Consultant or other Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award, and further there is no obligation for uniformity of treatment of Directors, Key Employees, Consultant or holders or beneficiaries of Awards under this Plan. The terms and conditions of Awards need not be the same with respect to each recipient.
- (b) WITHHOLDING. The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under this Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under this Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes. Without in any way limiting the generality of the foregoing, whenever cash is to be paid on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the

Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by:

- (i) electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld, or
 - (ii) delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and to deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.
- (c) NO LIMIT ON OTHER SECURITY-BASED COMPENSATION ARRANGEMENTS. Nothing contained in this Plan shall prevent the Company or a Subsidiary from adopting or continuing in effect other Security-Based Compensation Arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.
- (d) NO RIGHT TO EMPLOYMENT. The grant of an Award shall not constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this Plan or in any Award Agreement.
- (e) NO RIGHT AS SHAREHOLDER. Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as Shareholders in respect of any Shares covered by such Participant's Award, until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.
- (f) GOVERNING LAW. This Plan and all of the rights and obligations arising herefrom shall be interpreted and applied in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- (g) SEVERABILITY. If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person, or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.

- (h) NO TRUST OR FUND CREATED. Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.
- (i) NO FRACTIONAL SHARES. No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.
- (j) HEADINGS. Headings are given to the Sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.
- (k) NO REPRESENTATION OR WARRANTY. The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.
- (l) NO REPRESENTATIONS OR COVENANTS WITH RESPECT TO TAX QUALIFICATION. Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.
- (m) CONFLICT WITH AWARD AGREEMENT. In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.
- (n) COMPLIANCE WITH LAWS. The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:
 - (i) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
 - (ii) completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time

when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

- (o) EQUITY PLAN MANAGEMENT PORTAL. Any Awards granted or issued under this Plan shall be permitted to be exercisable through a platform, system, portal or such other program that permits the exercise of Awards that the Company may adopt from time to time, to the extent that such a platform, system, portal or program is made available by the Company to Participants.

SECTION 8. EFFECTIVE DATE OF THIS PLAN

This Plan shall become effective upon the date (the "**Effective Date**") of approval by the Shareholders of the Company given by affirmative vote of the majority of the Shares represented at the meeting of the Shareholders of the Company at which motion to approve the Plan is presented.

SECTION 9. TERM OF THIS PLAN

This Plan shall terminate automatically 10 years after the Effective Date, provided that this Plan may be terminated on any earlier date as provided in SECTION 6 hereof, or if any approvals required by the Exchange are not obtained on the terms and conditions required thereby.

FORAN

SCHEDULE "A"

RESTRICTED SHARE UNIT AWARD AGREEMENT

Foran Mining Corporation (the “**Company**”) has awarded Restricted Share Units (“**RSUs**”) to the Participant named below pursuant to the Company’s Long-Term Performance Incentive Plan (“**LTIP**”).

The Company hereby confirms that on

. 2022 (the “Grant Date**”)

** (the “**Participant**”) was awarded

** RSUs of the Company.

The RSUs vest 1/3 on the 1st anniversary of the Grant Date and 1/3 on each of the 2nd and 3rd anniversary dates of the Date, respectively, all on the terms set out in, and in accordance with, the LTIP.

The RSUs granted to a Participant will be credited, as of the Grant Date, to a notional account in the name of the Participant that is maintained on the corporate accounting records of the Company in respect of the Participant’s participation in the LTIP.

Each RSU shall, contingent upon vesting provisions, represent one common share of the Company. As soon as practicable, on vesting, the Company will issue from treasury to the Participant that number of common shares equal to the number of RSUs credited to the Participant’s account that become payable on the vesting date.

As of the Vesting Date, the RSUs in respect of which such common shares are issued shall be cancelled and no further payments shall be made to the Participant under the LTIP in relation to the RSUs.

This agreement and the RSUs evidenced hereby are not assignable, transferable, or negotiable and are subject to the detailed terms and conditions contained in the LTIP. This RSU Award Agreement is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the LTIP and the records of the Company shall prevail.

FORAN MINING CORP.

By: _____
Authorized Signatory

FORAN

SCHEDULE "B"

PERFORMANCE SHARE UNIT AWARD AGREEMENT

Foran Mining Corporation (the “Company”) has awarded Performance Share Units (“PSUs”) to the Participant named below pursuant to the Company’s Long-Term Performance Incentive Plan (“LTIP”).

The Company hereby confirms that on

**. 2022 (the “Grant Date”)

** (the “Participant”) was awarded

** PSUs of the Company.

The PSUs shall vest upon the attainment of the following criteria (the “Performance Criteria”) prior to ** (the “Performance Cycle”): ***

all on the terms set out in, and in accordance with, the LTIP.

The PSUs granted to a Participant will be credited, as of the Grant Date, to a notional account in the name of the Participant that is maintained on the corporate accounting records of the Company in respect of the Participant’s participation in the LTIP.

Contingent upon the attainment of the Performance Criteria within the Performance Cycle, each PSU shall represent one common share of the Company. On satisfaction of the Performance Criteria and after that date that is determined by the Board that the Performance Criteria has been satisfied (the “Determination Date”), the Company will issue from treasury to the Participant that number of common shares equal to that number of PSUs credited to the Participant’s account that have become vested.

Following the vesting of the PSUs and issuance of common shares in respect thereof, the PSUs shall be cancelled and no further payments shall be made to the Participant under the LTIP in relation to those PSUs.

This agreement and the PSUs evidenced hereby are not assignable, transferable, or negotiable and are subject to the detailed terms and conditions contained in the LTIP. This PSU Award Agreement is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the LTIP and the records of the Company shall prevail.

FORAN MINING CORP.

By: _____

Authorized Signatory

FORAN

SCHEDULE "C"

DEFERRED SHARE UNIT AWARD AGREEMENT

Foran Mining Corporation (the “**Company**”) has awarded Deferred Share Units (“**DSUs**”) to the Participant named below pursuant to the Company’s Long-Term Performance Incentive Plan (“**LTIP**”).

The Company hereby confirms that on

March 17, 2022 (the “**Grant Date**”)

** (the “**Participant**”) was awarded

** DSUs of the Company.

In accordance with the terms of the Company’s LTIP, the DSUs will be credited to your account and will be paid out at the time and in the manner specified in the LTIP.

This agreement and the DSUs evidenced hereby are not assignable, transferable, or negotiable and are subject to the detailed terms and conditions contained in the LTIP. This DSU Award Agreement is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the LTIP and the records of the Company shall prevail.

FORAN MINING CORP.

By: _____
Authorized Signatory

FORAN

SCHEDULE "D"

OPTION AWARD AGREEMENT

Foran Mining Corporation (the “**Company**”) has awarded incentive share purchase options (“**Options**”) to the Participant named below pursuant to the Company’s Long-Term Performance Incentive Plan (“**LTIP**”).

The Company hereby confirms that on:

*** (the “**Grant Date**”);

** (the “**Participant**”) was awarded

** Options for the purchase of ** common shares of the Company

At a price of \$** per share (the “**Exercise Price**”)

until ** (the “**Expiry Date**”)

The Options vest 1/3 on the 1st anniversary date of the Grant Date and 1/3 on each of the 2nd and 3rd anniversary dates of the Grant Date, respectively.

The Options are granted on the terms set out in, and in accordance with, the LTIP. The Company will provide the Participant with a copy of the LTIP if requested.

To exercise the Options, the Participant must submit to the CEO, CFO or Corporate Secretary of the Company a completed authorization request in the prescribed form attached to this Option Award Agreement, along with a certified cheque, wire transfer or electronic fund transfer to the Company for the aggregate Exercise Price, plus any taxes or withholding remittances the Company may be required to remit on behalf of the Participant.

This agreement and the Options evidenced hereby are not assignable, transferable, or negotiable and are subject to the detailed terms and conditions contained in the LTIP. This agreement is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the LTIP and the records of the Company shall prevail.

FORAN MINING CORP.

By: _____
Authorized Signatory

SCHEDULE "C"

PROPOSED AMENDMENTS TO THE COMPANY'S ARTICLES

The Company's Articles will be amended by inserting §14.12 below:

Nomination of Directors

14.12

- (a) Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting):
 - (i) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or
 - (iii) by any person (a "**Nominating Shareholder**") (A) who, at the close of business on the date of the giving of the notice provided for below in this §14.12 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (B) who complies with the notice procedures set forth below in this §14.12.
- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given (i) timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company in accordance with this §14.12 and (ii) the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in this §14.12(e).
- (c) To be timely under §14.12(b)(i), a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made:
 - (i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 40 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and
 - (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this §14.12(c).

- (d) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company, under §14.12(b)(i) must set forth:
 - (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a Director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, (D) a statement as to whether such person would be "independent" of the Company (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a Director at such meeting and the reasons and basis for such determination and (E) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
 - (ii) as to the Nominating Shareholder giving the notice, (A) any information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws, and (B) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice.
- (e) To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in this §14.12 and the candidate for nomination, whether nominated by the board or otherwise, must have previously delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, not less than five (5) days prior to the date of the Meeting of Shareholders, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Corporate Secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).
- (f) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this §14.12; provided, however, that nothing in this §14.12 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

(g) For purposes of this §14.12:

- (i) “**Affiliate**”, when used to indicate a relationship with a person, shall mean a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;
- (ii) “**Applicable Securities Laws**” means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the applicable provinces and territories of Canada;
- (iii) “**Associate**”, when used to indicate a relationship with a specified person, shall mean (A) any corporation or trust of which such person owns beneficially, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding, (B) any partner of that person, (C) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity, (D) a spouse of such specified person, (E) any person of either sex with whom such specified person is living in conjugal relationship outside marriage or (F) any relative of such specified person or of a person mentioned in clauses (D) or (E) of this definition if that relative has the same residence as the specified person;
- (iv) “**Derivatives Contract**” shall mean a contract between two parties (the “Receiving Party” and the “Counterparty”) that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the “Notional Securities”), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;
- (v) “**Meeting of Shareholders**” shall mean such annual shareholders meeting or special shareholders meeting, whether general or not, at which one or more persons are nominated for election to the board by a Nominating Shareholder;
- (vi) “**owned beneficially**” or “**owns beneficially**” means, in connection with the ownership of shares in the capital of the Company by a person, (A) any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing;

- (B) any such shares as to which such person or any of such person's Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (C) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty's Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person's Affiliates or Associates is a Receiving Party; provided, however that the number of shares that a person owns beneficially pursuant to this clause (C) in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty's Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty's Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate; and (D) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities; and
- (h) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company or its agents under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com. Notwithstanding any other provision to this §14.12, notice or any delivery given to the Corporate Secretary of the Company pursuant to this §14.12 may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Company has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (i) In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described in §14.12(c) or the delivery of a representation and agreement as described in this 14.12(e).

SCHEDULE “D”
AUDIT & RISK COMMITTEE CHARTER

Mandate

The Audit & Risk Committee (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”) of Foran Mining Corporation (the “Company”). Its primary functions shall be to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting and disclosure requirements, the overall maintenance of the systems of internal controls that management has established; the overall responsibility for the Company’s external and internal audit processes; and to review the Company’s principal business risks and exposures so that such risks and exposures are effectively managed, monitored and controlled.

The Committee shall have the power to conduct or authorize investigations into any matter within the scope of this Charter. It may request any officer or employee of the Company, its external legal counsel or external auditor to attend a meeting of the Committee or to meet with any member(s) of the Committee.

The Committee shall be accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Committee shall maintain an open communication between the Company’s outside auditor and the Board.

The responsibilities of a member of the Committee shall be in addition to such member’s duties as a member of the Board.

The Committee has the duty to determine whether the Company’s financial disclosures are complete, accurate, are in accordance with applicable reporting standards and fairly present the financial position and risks of the organization. The Committee should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor, and review compliance with laws and regulations and the Company’s own policies.

The Committee will provide the Board with such recommendations and reports with respect to the financial disclosures of the Company as it deems advisable.

Items Administered by the Committee

- Audit & Risk Committee Charter
- Whistleblower Policy
- Treasury Management Policy

Membership and Composition

The Committee shall consist of at least three Directors who shall serve on behalf of the Board. All members of the Committee shall be “independent”, as such term is defined in *National Instrument 52-110 – Audit Committees* (“NI 52-110”). The members shall be appointed annually by the Board and shall meet the independence, financial literacy and experience requirements of the laws governing the Company, the applicable stock exchanges on which the Company’s securities are listed and applicable securities regulatory authorities.

All members of the Committee shall be financially literate and at least one member of the Committee shall have accounting or related financial management expertise. While the Board shall determine the definition and criteria for financial literacy, this shall, at a minimum, include the ability to read and understand a balance sheet, an income statement, a cash flow statement and the related notes 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. Accounting or related financial management expertise means the ability to analyze and interpret a full set of financial statements, including the related

notes 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

A majority of Members will constitute a quorum for a meeting of the Committee.

The Board will appoint one Member to act as the Chairman of the Committee. In his absence, the Committee may appoint another person provided a quorum is present. The Chairman will appoint a Secretary of the meeting, who need not be a member of the Committee and who will maintain the minutes of the meeting.

Meetings

At the request of the external auditor, the Chief Executive Officer or the Chief Financial Officer of the Company or any member of the Committee, the Chairman will convene a meeting of the Committee. In advance of every meeting of the Committee, the Chief Financial Officer, will endeavour to distribute the agenda and meeting materials in a timely manner.

The Committee shall meet no less than four times per year or more frequently if circumstances or the obligations require.

Duties and Responsibilities

The duties and responsibilities of the Committee shall be as follows:

Financial Reporting and Disclosure

1. Review and discuss with management and the external auditor at the completion of the annual examination:
 - a. the Company's audited financial statements and related notes;
 - b. the external auditor's audit of the financial statements and their report thereon;
 - c. any significant changes required in the external auditor's audit plan;
 - d. any serious difficulties or disputes with management encountered during the course of the audit; and
 - e. other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.
2. Review and discuss with management and the external auditor at the completion of any review engagement or other examination, the Company's quarterly financial statements.
3. Review, discuss with management the annual reports, the quarterly reports, the Management Discussion and Analysis, Annual Information Form, prospectus and other disclosures and, if thought advisable, recommend the acceptance of such documents to the Board for approval.
4. Review and discuss with management any guidance being provided to shareholders on the expected future results and financial performance of the Company and provide their recommendations on such documents to the Board.
5. Inquire of the auditors the quality and acceptability of the Company's accounting principles, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.
6. Meet independently with the external auditor and management in separate executive sessions, as necessary or appropriate.

7. Review and discuss with management the systems in place so that the Company's financial statements, financial reports and other financial information satisfy legal and regulatory requirements. Based upon discussions with the external auditor and the financial statement review, if it deems appropriate, recommend to the Board the filing of the audited annual and unaudited quarterly financial statements.

External Auditor

1. Consider, in consultation with the external auditor, the audit scope and plan of the external auditor.
2. Recommend to the Board the external auditor to be nominated and review the performance of the auditor, including the lead partner of the external auditor.
3. Confirm with the external auditor and receive written confirmation at least once per year as to disclosure of any investigations or government enquiries, reviews or investigations of the outside auditor.
4. Take reasonable steps to confirm the independence of the external auditor, which shall include:
 - a. ensuring receipt from the external auditor of a formal written statement delineating all relationships between the external auditor and the Company, consistent with generally accepted auditing practices,
 - b. considering and discussing with the external auditor any disclosed relationships or services, including non-audit services, that may impact the objectivity and independence of the external auditor, and
 - c. approving in advance any non-audit related services provided by the auditor to the Company with a view to ensuring independence of the auditor, and in accordance with any applicable regulatory requirements, and the applicable stock exchanges on which the Company's securities are listed.
 - d. the stock exchange on which the Company's common shares are listed with respect to the approval of non-audit related services

Internal Controls and Audit

- i. Review and assess the adequacy and effectiveness of the Company's systems of internal controls and management information systems through discussion with management and the external auditor so that the Company maintains appropriate systems, is able to assess the pertinent risks of the Company and that the risk of a material misstatement in the financial disclosures can be detected.
- ii. Assess the requirement for the appointment of an internal auditor for the Company.
- iii. Inquire of management and the external auditor about the systems of internal controls that management and the Board have established and the effectiveness of those systems. In addition, inquire of management and the external auditor about significant financial risks or exposures and the steps management has taken to minimize such risks to the Company.
- iv. Review, assess and discuss with management management's review of the reimbursable expenditures of the Directors and senior management, which is to be performed on a quarterly basis.

Risk Management Oversight

The Committee shall:

- i. Generally review with management the Company's significant risks and exposures and the steps management has taken to manage, monitor and control such risks and exposures.
- ii. More specifically review the Company's principal business risks and exposures so that such risks and exposures are effectively managed, monitored or controlled by:
 - a. reviewing the Company's risk philosophy as set forth by management and the Board of Directors,
 - b. reviewing management's assessment of the significant risks and exposures facing the Company,
 - c. reviewing management's policies, plans, processes and programs to manage and control significant risks and exposures, including the Company's loss prevention policies, disaster response and recovery programs, corporate liability protection programs for directors and officers and any other insurance programs, as applicable,
 - d. receiving regular reports from management regarding the development and implementation of its policies, plans, processes and programs to manage, monitor and control significant risks and exposures, and
 - e. if the Committee deems it appropriate, requesting the independent auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed, monitored and controlled.

Oversight Function

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or are in accordance with applicable reporting standards and applicable rules and regulations. These are the responsibilities of management and the external auditors. The Committee, the Chairman and any Members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day to day operation or performance of such activities.

Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.

Adoption

This Charter was adopted by the Board on August 18, 2011.

Review

The Committee will annually review and reassess the adequacy of this Charter and submit any recommended changes to the Board for approval.

This Charter was last reviewed on April 22, 2022, with amendments to the "Membership and Composition" section, being the requirement that all members of the Committee must be independent and defining the "financial literacy" requirements for Committee members.