

F O R A N

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 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 9, 2024 at Suite 904, 409 Granville Street, Vancouver, British Columbia, for the purposes set forth in the accompanying Notice of Annual 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 March 25, 2024 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) or voted online at <https://login.odysseytrust.com/pxlogin> using the Control Number that is printed on the form of proxy 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 3, 2024.

Notice and Access Process

The Company has decided to rely on the notice-and-access provisions (“**Notice and Access**”) under the Canadian Securities Administrators’ National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the delivery of the Circular to its Shareholders for the Meeting. The use of the alternative Notice and Access procedures in connection with the Meeting helps reduce paper use, as well as the Company’s printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Circular, Shareholders receive a notice (“**Notice and Access Notification**”) with information on the Meeting date, location and purpose, as well as information on how they may access the Circular electronically or request a paper copy. The Company

will arrange to mail paper copies of the Circular to those registered and beneficial shareholders who have existing instructions on their account to receive paper copies of the Company's proxy related materials.

Voting of Proxies

The common shares in the capital of the Company ("**Common Shares**") represented by the accompanying form of proxy 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 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 Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so as follows:

1. Online: please visit <https://login.odysseytrust.com/pxlogin> and click on VOTE. You will require the CONTROL NUMBER printed with your address to the right on your proxy form. If you vote by Internet, do not mail this proxy.
2. Email to proxy@odysseytrust.com;
3. Mail or personal delivery to Odyssey Trust Company, United Kingdom Building, 350 – 409 Granville Street, Vancouver, B.C. V6C 1T2; or
4. By fax to Odyssey Trust Company, to the attention of the Proxy Department at 1-800-517-4553 (toll free within Canada and the U.S.) or 416-263-9524 (international).

In all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

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 the Notice and Access Notification which provides information on how to obtain the

Notice of Annual 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 Notice and Access Notification 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 (including the Notice and Access Notification) and Form 54-101F7 – *Request for Voting Instructions made by Intermediary* to "objecting beneficial owners". As a result, such owners will not receive the Notice and Access Notification unless their Intermediary assumes the costs of delivery. Intermediaries often use service companies to forward the proxy-related materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive the proxy-related 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 proxy-related 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 proxy-related 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, 2023 (the "**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**", and together with the Common Shares, the "**Shares**") without par value.

As at close of business on the Record Date, there are 305,088,481 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. There are no Preference Shares issued and outstanding.

The Record Date for the determination of Shareholders entitled to receive notice of the Meeting was fixed at March 25, 2024. 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 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 the Record Date, 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 certain entities controlled by Fairfax Financial Holdings Limited ("**Farifax**") who holds an aggregate of 46,216,778 Common Shares (15.1%). Together with Fairfax's 27,777,778 Non-voting Shares, this represents 22.2% of the issued and outstanding Shares.

MATTERS TO BE ACTED UPON

A. Receipt of Financial Statements

The audited financial statements of the Company for the fiscal year ended December 31, 2023 and the report of the auditors thereon, will be submitted to the Meeting. Receipt at the Meeting of the auditor's report and the Company's audited financial statements for the fiscal year ended December 31, 2023 will not constitute approval or disapproval of any matters referred to therein. These documents are available upon request, or they can be found under the Company's SEDAR+ profile on www.sedarplus.ca or on the Company's website at www.foranmining.com.

B. 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 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.

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.

C. 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 seven (7), 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 seven (7) for the ensuing year.

D. Election of Directors

At the Meeting, the following seven (7) 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 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⁾
Daniel Myerson, MFin. <i>London, United Kingdom</i> Executive Chairman, Chief Executive Officer	November, 2020	Executive Chairman and Chief Executive Officer of the Company	5,613,693
Majd Bakar ⁽³⁾⁽⁴⁾ <i>California, U.S.A.</i> Director	February 23, 2023	Vice President of Engineering of Health and Home Services at Google	Nil
Jessica McDonald ⁽²⁾⁽³⁾⁽⁴⁾ <i>British Columbia, Canada</i> Director	May 11, 2023	Director of the Company; Director, GFL Environmental Inc. and Champion Iron Limited	Nil
Wayne Wouters, PC OC ⁽²⁾⁽³⁾ <i>British Columbia, Canada</i> Director	September 23, 2021	Strategic & Policy Advisor to McCarthy Tétrault LLP; Director, Canadian Utilities Limited and BlackBerry Limited	Nil
David Petroff, B. Math, M.B.A. ⁽²⁾⁽³⁾ <i>Ontario, Canada</i> Director	April 20, 2012	Director of the Company; Director, Lucky Iron Fish Enterprise and Carolina Rush Corporation	595,792
Maurice Tagami, B.A.Sc., P.Eng. ⁽²⁾⁽³⁾⁽⁴⁾ <i>British Columbia, Canada</i> Lead Director	February 23, 2011	Director of the Company; Director, Freegold Ventures Limited and Maple Gold Mines Ltd.	3,046,500
Nancy Guay ⁽⁴⁾ <i>Ontario, Canada</i> Director	May 11, 2023	Vice President, Technology, Optimization & Innovation at Agnico Eagle Mines Limited	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 Nominating, Governance and Corporate Compensation Committee.
- (4) Member of the Environmental, Social & Governance 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 NGCC Committee (as defined below) will consider the offer

of resignation and, except in special circumstances, will recommend that the Board accepts 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 NGCC Committee or Board deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

Advance Notice Provision

The Company's articles were altered in 2022 to include an advance notice provision (the "**Advance Notice Provision**"), which provides 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. A copy of the Advance Notice Provision can be found on the Company's website.

No director nominations have been made by the Shareholders in connection with the Meeting under the terms of the Advance Notice Provision as at the date hereof.

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:

- (c) 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
- (d) 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.

E. Approval of Employee Share Purchase Plan

On March 25, 2024, the Board adopted an Employee Share Purchase Plan (the "**ESPP**"), subject to receipt of the approval of the Shareholders at the Meeting. The complete text of the ESPP which has been conditionally approved by the TSX, subject to the receipt of customary documentation, is set out in Schedule "A" to this Circular and a summary of the material terms of the ESPP is provided below.

Purpose, Eligibility and Participation

The purpose of the ESPP is to encourage eligible officers and employees of the Company and its subsidiaries to participate in the growth and development of the Company by providing such persons the opportunity, through purchases of Common Shares, to acquire a proprietary interest in the Company. The ESPP provides eligible officers and employees with a cost-efficient vehicle to acquire Common Shares and participate in the equity of the Company through payroll deductions, for the purposes of: (i) advancing the interests of the Company through the motivation, attraction and retention of officers and employees of the Company and its subsidiaries; and (ii) aligning the interests of the officers and employees of the Company with those of the Shareholders.

Participation in the ESPP is voluntary for all eligible officers and employees of the Company pursuant to the terms of the ESPP. Eligible employees include the following persons: (a) an individual who is considered an employee of the Company or a subsidiary of the Company for purposes of the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source); (b) an individual who works full-time for the Company or a subsidiary of the Company providing services normally provided by an employee and who is subject to the same control and direction by the

Company or a subsidiary of the Company over the details and methods of work as an employee of the Company or a subsidiary of the Company, but for whom income tax deductions are not made at source; or (c) an individual who works for the Company or a subsidiary of the Company on a continuing and regular basis for a minimum amount of time per week as determined by the NGCC Committee providing services normally provided by an employee and who is subject to the same control and discretion by the Company or a subsidiary of the Company over the details and methods of work as an employee of the Company or a subsidiary of the Company, but for whom income tax deductions are not made at source, and who has been authorized to participate in the ESPP in such individual's consulting agreement or similar agreement (an "**Eligible Employee**"). An Eligible Employee who elects to participate in the ESPP, and whose participation is accepted by the Company, is a "**Participating Employee**" under the ESPP.

Subject to the right of the NGCC Committee to amend the Employee Contribution (as defined below), Participating Employees may contribute any amount of their eligible earnings up to (but not exceeding) an annual maximum of 10% of their aggregate base salary (excluding overtime pay, commissions, bonus payments and other special compensation or other benefits received by such Employee under the ESPP) (the "**Employee Contribution**"), after deduction of applicable taxes, to the purchase of Common Shares under the ESPP. The annual maximum Employee Contribution may not exceed 10% of aggregate base salary without Shareholder approval.

The Company will match the Employee Contribution in an amount equal to up to 100% of the Employee Contribution (the "**Employer Contribution**", and together with the Employee Contribution, the "**Contributions**") and such Employer Contribution will be used to purchase Common Shares under the ESPP. The NGCC Committee (as defined below) retains the right to amend the Employer Contribution percentage in its sole discretion subject to the provision of notice to the Participating Employee at least fifteen (15) days prior to the beginning of a quarterly three-month period during the Company's fiscal year (a "**Quarterly Period**"). The Employer Contribution may not exceed 100% of the Employee Contribution without Shareholder approval.

Common Share purchases under the ESPP will be made by the administrative agent appointed under the ESPP (the "**Administrator**") on or before the 15th day of the month following the end of the Quarterly Period in which Contributions are made. The Company retains the right to perform any services or assume any duties, rights, responsibilities or obligations which have been designated to the Administrator under the ESPP. Purchases of Common Shares under the ESPP may be made through: (i) the facilities of the TSX or such other stock exchange as the Company may designate from time to time, or (ii) issuances from treasury of the Company. The Board, in its sole discretion, shall instruct the Administrator, for each Quarterly Period or for such period as the NGCC Committee may indicate, whether purchases will be made through the facilities of a stock exchange or by way of issuances from treasury of the Company. All purchases made by the Administrator, whether through the facilities of a stock exchange or issuances from treasury of the Company, shall be made at the five-day volume-weighted average closing price of the Common Shares on the TSX on the immediately preceding five (5) trading days on which trading in the Common Shares took place prior to the relevant purchase date.

Shares Subject to the ESPP

A maximum of 6,657,325 Common Shares (representing approximately 2% of the total issued and outstanding Shares as of the date of the approval of the ESPP by the Board, calculated on an undiluted

basis) are available for purchase or issuance under the ESPP, provided, however, that the number of Common Shares reserved for issuance from treasury under the ESPP and pursuant to all other security-based compensation arrangements of the Company shall, in the aggregate, not exceed 10% of the number of Shares then issued and outstanding from time to time. The number of Common Shares available for purchase under the ESPP will be automatically and proportionately adjusted for share dividends, share splits, share combinations, reorganizations and other similar events or transactions in a manner that reflects equitably the effects of such events or transactions.

No Common Shares shall be purchased or issued on behalf of a Participating Employee under the ESPP if such purchase could result in: (a) the number of Common Shares: i) issued to Insiders (as defined in the ESPP), within any one-year period, and ii) issuable to Insiders, at any time, under the ESPP, or when combined with all of the Company's other security based compensation arrangements, exceeding 10% of the Shares, respectively; (b) the issuance to any one person under the ESPP and all other security-based compensation arrangements of the Company, within a one-year period, of a number of Common Shares exceeding 5% of the issued and outstanding Shares of the Company, from time to time; or (c) a Participating Employee beneficially owning greater than 5% of the issued and outstanding Shares of the Company.

Vesting and Hold Period

Common Shares issued to a Participating Employee shall vest immediately, subject to the right of the NGCC Committee to make Common Shares issued to Participating Employees under the ESPP subject to a Holding Period (as defined in the ESPP) as deemed appropriate or as required under applicable securities laws or as the NGCC Committee may otherwise determine in its sole discretion.

Amendments, Suspension and Termination of the ESPP

The Company, in its sole discretion, may at any time and from time to time suspend or terminate (and reinstate) the ESPP in whole or in part as approved by resolution of the Board and without the approval of Shareholders, provided that no suspension or termination shall deprive any Participating Employee of any benefits that have accrued on or prior to the date thereof. Furthermore, the Company, in its sole discretion, may at any time and from time to time amend the ESPP in whole or in part as approved by resolution of the Board and without the approval of Shareholders, subject to any required regulatory approvals including the approval of the TSX, to make (i) amendments to the ESPP of a "housekeeping nature"; (ii) changes to the Holding Period provisions; (iii) changes of a clerical or grammatical nature; (iv) changes regarding the persons eligible to participate in the ESPP; (v) changes to the Employee Contribution amount and Employer Contribution amounts, subject to the maximum percentages described herein; (vi) amendments to the termination provisions of the ESPP; (vii) amendments to the administration of the ESPP including the authority of the Board, NGCC Committee or Chief Financial Officer of the Company under the ESPP; (viii) amendments which are necessary to comply with applicable law or the requirements of the TSX; or (ix) any other amendment to the ESPP which does not require shareholder approval to be obtained. Any such amendments may only be made provided that no such amendment shall deprive any Participating Employee of any benefits that have accrued on or prior to the date thereof. Notwithstanding the foregoing, the ESPP shall not be amended without Shareholder approval to: (i) amend any amendment provisions of the ESPP; (ii) increase the maximum number of Common Shares issuable under the ESPP, (iii) make any amendment to remove or to exceed the restrictions enumerated in Section 10.3 of the ESPP, which are described in paragraph 2 of subsection "*Shares Subject to the ESPP*" above; (iv) increase the Employee

Contribution amount above 10% pursuant to Section 4.1 of the ESPP, and (v) increase the Employer Contribution amount above 100% pursuant to Section 4.4 of the ESPP.

The Company may not amend, suspend, terminate (or reinstate) the ESPP in whole or in part if a Blackout Period (as defined in the ESPP) has been instituted by the Company.

Upon approval of the ESPP by Shareholders of the Company, the ESPP will be suspended until the Board resolves to activate and initiate the implementation of the ESPP.

Assignability

Except as otherwise may be expressly provided for under the ESPP or pursuant to a will or by the laws of descent and distribution, no right or interest of a Participating Employee under the ESPP is assignable or transferable.

Termination

Subject to the terms of the ESPP, a Participating Employee may elect to suspend making contributions to the ESPP effective as of the commencement of any Quarterly Period and for a period of not less than one Quarterly Period and not more than four Quarterly Periods by giving written notice of such election to the Company not less than ten days prior to the commencement of such Quarterly Period. A Participating Employee may elect to terminate their participation in the ESPP effective as of the commencement of any Quarterly Period by giving written notice of such election to the Company not less than 10 days prior to the commencement of such Quarterly Period. The Company, in its sole discretion, may elect to terminate a Participating Employee's participation in the ESPP effective as of the commencement of any Quarterly Period by giving written notice to the Participating Employee not less than ten (10) days prior to the commencement of such Quarterly Period.

The right of any Participating Employee to participate in the ESPP will terminate immediately on the first to occur of the following events: (a) the employee becomes totally and permanently disabled, (b) the employee retires from employment with the Company or applicable subsidiaries, (c) the employee dies, (d) the employee's employment with the Company or applicable subsidiary is terminated, (e) the employee has been placed on layoff and all recall rights or opportunities have been exhausted or (f) the ESPP is terminated.

Shareholder Approval of the ESPP

The Board believes that the adoption of the ESPP is in the best interests of the Company and the Shareholders and, accordingly, recommends that Shareholders approve the following ordinary resolution (the "**ESPP Resolution**"):

"BE IT RESOLVED THAT:

1. The adoption of the Employee Share Purchase Plan of the Company (the "**ESPP**") approved by the Board of Directors of the Company on March 25, 2024, substantially in the form attached to the Company's management information circular dated April 3, 2024, is hereby approved, ratified and confirmed;
2. The reservation and issuance of up to 6,657,325 common shares of the Company

under the ESPP be and is hereby approved;

3. The Company is hereby authorized and directed to issue common shares of the Company pursuant to the ESPP as fully paid and non-assessable common shares of the Company;
4. The Board is hereby authorized to make any changes to the ESPP as may be required by any regulatory authority or stock exchange, including the Toronto Stock Exchange;
5. 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 all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolutions."

The Board recommends that Shareholders vote FOR the ESPP 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 ESPP Resolution, the persons named in the proxy or voting instruction form will vote FOR the ESPP Resolution.

F. AMENDMENT TO THE COMPANY'S ARTICLES

At the Meeting, Shareholders will be asked to approve an alteration to the Company's amended and restated articles (the "**Articles**") to delete Section 15 of the Articles in its entirety. Section 15 of the Articles permits any director (an "**Appointor**"), upon notice to the Company, to appoint any person who is qualified to act as a director, to be the Appointor's alternate (the "**Alternate Director**") to act in his or her place at meetings of the directors or committees of the directors at which the Appointor is not present. The Alternate Director has the right to vote at meetings of the Board.

As current corporate governance best practices do not favour the ability of directors to appoint an Alternate Director who has not been elected or ratified by Shareholders, the Board proposes to delete Section 15 of the Articles in its entirety such that directors of the Company will not be permitted to appoint Alternate Directors.

A copy of the existing version of the Articles is available under the Company's profile on SEDAR+ at www.sedarplus.ca and the Company's website at www.foranmining.com. The blackline of the version of the Articles reflecting the proposed amendments to the existing version of the Articles is attached as Schedule "B" to this Circular.

Shareholder Approval of the Amendment to the Articles

The Board believes that the amendment to the Articles is in the best interests of the Company and the Shareholders and, accordingly, recommends that Shareholders approve the following ordinary resolution (the "**Articles Resolution**"):

"BE IT RESOLVED THAT:

1. the alteration to the Company's amended and restated articles (the "**Articles**") to remove the alternate director provisions and delete Section 15 of the Articles in its entirety, all as fully described in the Company's Management Information Circular dated April 3, 2024, be and is hereby authorized and approved;
2. any one director or officer of the Company be and is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such acts and things, as may in the opinion of such director or officer of the Company be necessary or desirable to carry out the intent of the foregoing resolution."

The Board recommends that Shareholders vote FOR the Articles 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 Articles Resolution, the persons named in the proxy or voting instruction form will vote FOR the Articles 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	Chief Executive Officer ("CEO"); Director
James Steels	Chief Financial Officer ("CFO")

Name	Principal Position
Gilbert Lamarche	Chief Operating Officer (“COO”)
Dave Bernier	Senior Advisor
Samuele Renelli	Vice President, Technical Services
Erin Carswell	Vice President, Exploration

NGCC Committee

The Nominating, Governance and Corporate Compensation Committee of the Board (the “**NGCC Committee**”) is currently comprised of four directors, namely Wayne Wouters (Chair), Maurice Tagami, Jessica McDonald and Majd Bakar, 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 NGCC Committee’s purpose is, among other things, to review the Company’s remuneration and compensation plans at least annually and: (i) review and make recommendations to the Board 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), stock option plans 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 NGCC Committee members have direct or indirect experience that is relevant to their responsibilities in executive compensation. In their roles as members of the NGCC Committee, each member of the NGCC 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 a registered retirement savings plan (“**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 Company’s Long-term Performance Incentive Plan (“**LTIP**”) and the ESPP, if approved by Shareholders at the Meeting.

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 NGCC Committee reviewed the comparative compensation data prepared by Bedford in determining the appropriate level for executive base salaries and overall compensation approach. The NGCC 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 were reflected in the Company’s compensation program effective as of January 1, 2022.

The NGCC has reviewed the comparative compensation data prepared by Bedford continues to consider such data relevant and sufficient to assist the NGCC Committee in its decision-making process regarding assessing and determining its compensation approach.

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 maintains the LTIP which was last approved by Shareholders at the annual meeting of Shareholders held on May 11, 2023. The TSX requires that all listed companies with a 10% rolling LTIP obtain shareholder approval, by ordinary resolution, of such a plan every three years.

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 (the "**Eligible Persons**"); (b) encouraging Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of Eligible Persons with the interests of the Company. To this end, the LTIP provides for the grant of five types of awards including stock options ("**Options**"), deferred share units ("**DSUs**"), restricted share units ("**RSUs**"), performance share units ("**PSUs**") and stock appreciation rights ("**SARs**" and, together with Options, DSUs, RSUs, and PSUs, the "**Awards**" or "**Compensation Securities**").

The LTIP is a "rolling" plan, permitting the issuance of up to ten percent (10%) of the issued and outstanding Shares of the Company in respect of aggregate awards granted under the LTIP, calculated as at the date of the grant or issuance of such awards. The LTIP is considered an "evergreen" plan, as Shares that are the subject of any Award made under the Plan that have been exercised, repurchased, expired unexercised or terminated in accordance with the LTIP will be returned to the pool of available Awards authorized for issuance and will be available for reservation pursuant to a new Award grant.

- (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 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, 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, 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, the last closing price of the Common Shares on the TSX- or (ii) if the Common Shares are not listed on the TSX, 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;
- (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 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 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, or other stock exchange on which the Common Shares are listed shall be removed without prior written approval of the TSX or other such stock exchange.

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 Common 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 3,465,000 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 either one Common Share or a cash payment equal to the Current Market Price (as defined below) for each RSU as determined by the Company, 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 a total of 115,000 RSUs awarded to officers.

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 incentivizes 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 respect 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 150,000 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.

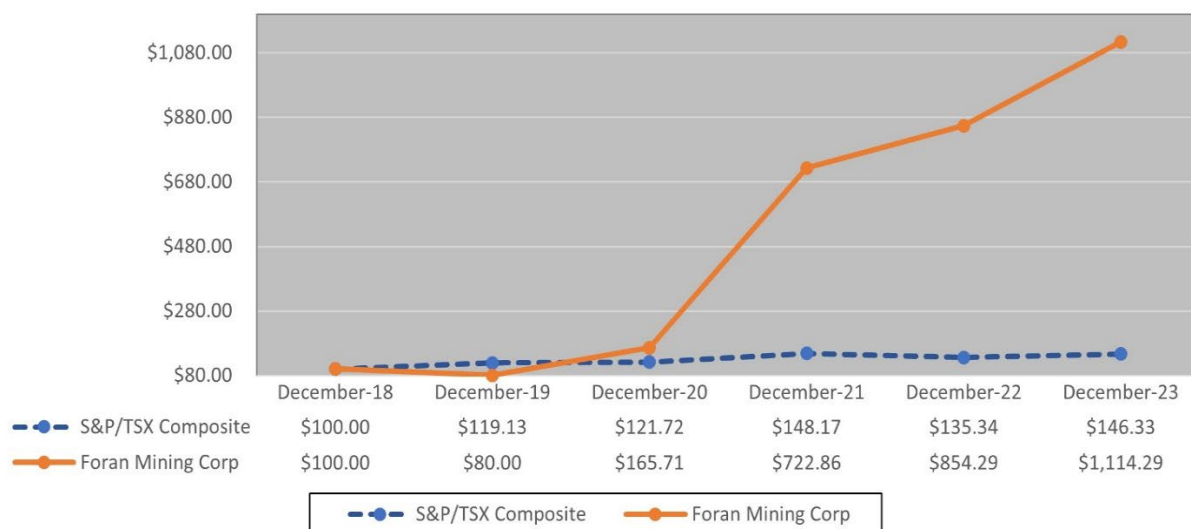
For 2024, and in line with best corporate governance practices, the Board has adopted a series of scorecards to inform and determine short-term incentive awards. The Company expects to provide further disclosure regarding such scorecards in the Company's management information circular for the year ended December 31, 2024.

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

Performance Graph

The graph below compares the percentage change in the cumulative total Shareholder return of the Common Shares against the cumulative shareholder returns of the S&P/TSX Composite Index for the period commencing December 31, 2018, and ending December 31, 2023, assuming that \$100 was invested on the first day.

Commencing in 2020, the price of the Common Shares has experienced a sustained price increase, which has resulted in the Company's five-year cumulative over performance relative to the S&P/TSX Composite Index. The Company did not pay any dividends during this period.



The performance of the price of the Common Shares takes into account not only the performance of the Company and its management, but also external factors over which the Company, its Board and management have no control or influence, including local, regional and global economic events and uncertainties, the price of commodities, and the correlation between the price of commodities and mining companies' share prices.

Summary Compensation Table

The following table provides information for the Last Financial Year as well as the fiscal years ended December 31, 2022 and December 31, 2021 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 ⁽⁷⁾ (\$)	Total compensation (\$)
					Short-Term incentive plans	Long-term incentive plans			
Daniel Myerson <i>Executive Chairman, CEO; Director</i>	2023	475,000	250,000	272,400	450,000	Nil	Nil	134,234	1,581,634
	2022	375,000	797,500	184,863	Nil	Nil	Nil	Nil	1,357,363
	2021	Nil	250,500	1,134,959	Nil	Nil	Nil	Nil	1,384,959
Gilbert Lamarche <i>COO</i> ⁽²⁾	2023	289,033	50,100	270,534	82,813	Nil	Nil	18,846	711,326
	2022	165,625	Nil	170,979	Nil	Nil	Nil	5,202	341,806
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
James Steels <i>CFO</i> ⁽³⁾	2023	325,000	167,000	256,586	280,000	Nil	Nil	1,633	1,030,219
	2022	280,000	111,239	357,708	Nil	Nil	Nil	1,882	750,829
	2021	145,833	Nil	301,752	125,000	Nil	Nil	Nil	572,585

Name and principal position	Period Ended	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation ⁽⁷⁾ (\$)	Total compensation (\$)
					Short-Term incentive plans	Long-term incentive plans			
Dave Bernier <i>Senior Advisor</i> ⁽⁴⁾	2023	538,551	167,000	233,263	325,000	Nil	Nil	33,122	1,296,936
	2022	325,000	150,710	230,399	50,000	Nil	Nil	20,588	776,697
	2021	185,582	Nil	335,427	Nil	Nil	Nil	Nil	521,009
Samuele Renelli ⁽⁵⁾ <i>VP, Technical Services</i>	2023	90,876	Nil	135,796	Nil	Nil	Nil	5,833	232,506
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Erin Carswell ⁽⁶⁾ <i>VP, Exploration</i>	2023	138,294	Nil	105,117	Nil	Nil	Nil	7,855	251,266
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

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 2.99% to 4.40%, expected life of 5 years, volatility ranging from 75% to 84% and expected dividend yield of zero.
- (2) Mr. Lamarche was the VP Technical Services from May 16, 2022 to September 4, 2023. He was appointed COO on September 5, 2023.
- (3) Mr. Steels was appointed CFO of the Company on June 23, 2021.
- (4) Mr. Bernier was Project Director from April 5, 2021 to December 31, 2021 and COO from January 1, 2022 to September 4, 2023. He assumed a Senior Advisor role on September 5, 2023.
- (5) Mr. Renelli was appointed VP Technical Services of the Company on September 5, 2023.
- (6) Ms. Carswell was engaged pursuant to a Consulting Agreement from March 1, 2023 and was appointed VP Exploration of the Company on September 5, 2023.
- (7) All Other Compensation consisted of RRSP contributions, extended health benefit and other cost recoveries.

Compensation Risk Considerations

The NGCC 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's Confidentiality & Insider Trading Policy prohibits directors, officers and employees, from engaging in any activity that is or appears to be contrary to the interest of the Company or its ongoing success, that creates or may create a false or misleading appearance of trading activity in the Common Shares, that has the direct or indirect effect of setting an artificial price for the Common Shares, or that otherwise interferes with the free determination by the market of the market price for those Common Shares. The Confidentiality & Insider Trading Policy does not specifically restrict 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 the foregoing prohibitions effectively restrict such directors and NEOs from doing so. 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 and 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 from the NGCC 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 NGCC Committee.

Awards of Compensation Securities are important to further align the interests of employees 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, 2023:

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 (\$) ⁽¹⁾	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	6,000,000 200,000 ⁽³⁾ 200,000 ⁽⁴⁾ 125,000 ⁽⁴⁾	0.20 1.05 2.35 3.34	November 7, 2025 April 21, 2026 March 17, 2027 January 20, 2028	22,200,000 570,000 310,000 70,000	Nil	Nil	4,229,406 ⁽²⁾
Gilbert Lamarche	250,000 ⁽⁴⁾ 75,000 ⁽⁴⁾ 250,000 ⁽⁸⁾	2.02 3.34 3.89	May 16, 2027 January 20, 2028 September 21, 2028	470,000 42,000 2,500	15,000 ⁽⁶⁾	58,500	Nil
James Steels	600,000 ⁽⁵⁾ 200,000 ⁽⁴⁾ 100,000 ⁽⁴⁾	1.33 2.35 3.34	May 5, 2026 March 17, 2027 January 20, 2028	1,542,000 310,000 56,000	101,667 ⁽⁶⁾	396,500	Nil
Dave Bernier	500,000 ⁽⁷⁾ 200,000 ⁽⁴⁾ 100,000 ⁽⁴⁾	1.15 2.35 3.34	April 5, 2026 March 17, 2027 January 20, 2028	1,375,000 310,000 56,000	120,000 ⁽⁶⁾	468,000	Nil
Samuele Renelli	100,000 ⁽⁴⁾ 75,000 ⁽⁴⁾	3.42 3.88	June 1, 2028 August 23, 2028	48,000 1,500	Nil	Nil	Nil
Erin Carswell	150,000 ⁽⁴⁾	3.54	July 11, 2028	54,000	Nil	Nil	Nil

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSX as of December 31, 2023 of \$3.90 and subtracting the exercise price of in-the-money Options.
- (2) At December 31, 2023, Mr. Myerson had 1,084,463 DSUs with a value of \$4,229,406 using the closing price of the Common Shares on the TSX as of December 31, 2023 of \$3.90.
- (3) These 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.
- (4) These 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.
- (5) Mr. Steels' Options vested on the Company meeting certain milestones: 200,000 Options vested upon the successful completion of a feasibility study prepared in accordance with National Instrument 43-101 and 200,000 Options vested upon the signing of a definitive agreement for debt-based project finance on the Company's Mclvenna Bay project. 200,000 Options vested on the successful up-listing of the company to the TSX.
- (6) Mr. Lamarche, Mr. Steels' and Mr. Bernier's RSU's 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.
- (7) Mr. Bernier's Options vested on the Company meeting certain milestones: 250,000 stock options vested upon the successful completion of a feasibility study prepared in accordance with National Instrument 43-101, 125,000 Options vested upon the receipt of permits pertaining to the advanced exploration program, and 125,000 Options vested on the receipt of certain other permits pertaining to the Company's Mclvenna Bay Project.
- (8) Mr. Lamarche's Options vest on the Company meeting certain milestones: 125,000 Options shall vest upon the Company successfully achieving a certain project completion test as outlined in the Company's senior credit facility; and 125,000 Options shall vest upon the throughput at the Company Mclvenna Bay Project remaining above 4,900 tpd for 30 successive days.

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 (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Daniel Myerson	286,000	250,500 ⁽²⁾	450,000
Gilbert Lamarche	157,500	Nil	82,813
James Steels	474,667	95,842	280,000
Dave Bernier	421,917	129,850	325,000
Samuele Renelli	Nil	Nil	Nil
Erin Carswell	Nil	Nil	Nil

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) Settlement of the DSUs is deferred until the individual departs the Company. Calculated as the aggregate dollar value that would have been realized if the DSU's had been exercised on the vesting date (computed as the dollar value realized by multiplying the number of units by the market value of the underlying shares on the vesting date)

Pension Plan Benefits

During 2023, the Company had no defined benefit pension plans nor are there are any defined benefit pension plan benefits in place for the NEOs.

Defined Contributions Plans

During 2022, the Company implemented an RRSP program for eligible employees and NEOs which entitle eligible employees with up to a 6% contribution match from the Company. The Company assesses 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, and amended effective January 1, 2023, 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. In the event of a Change of Control and Mr. Myerson's consultancy agreement is cancelled or terminated or Mr. Myerson elects to terminate his consultancy agreement, Mr. Myerson is entitled to receive from the Company a payment equal to twenty-four months his base fee plus two times his short-term incentive calculated at the maximum target payout. Under both scenarios, any unvested Options and RSUs shall vest immediately, and Mr. Myerson will be entitled to exercise the Options and RSU's on the earlier of (i) expiry date, and (ii) ninety days from the date he ceased to be employed.

James Steels

Pursuant to an employment agreement between the Company and James Steels dated May 4, 2021 and amended on May 19, 2021, December 9, 2021 and January 1, 2023, in the event that Mr. Steels' employment is terminated by the Company other than for just cause, the Company shall pay Mr. Steels twenty-four months salary plus two times his short-term incentive calculated at the maximum target payout. In the event of a Change of Control and Mr. Steels' employment is terminated or Mr. Steels elects to terminate his employment, Mr. Steels is entitled to receive from the Company a payment equal to twenty-four months salary plus two times his short-term incentive calculated at the maximum target payout. Under both scenarios, any unvested Options and RSUs shall vest immediately, and Mr. Steels will be entitled to exercise the Options and RSU's on the earlier of (i) expiry date, and (ii) ninety days from the date he ceased to be employed.

Dave Bernier

Pursuant to an employment agreement between McIlvenna Bay Operating Ltd., the Company's wholly owned subsidiary, and Dave Bernier dated August 16, 2023, in the event that Mr. Bernier's employment is terminated by the Company prior to its expiry for any reason other than for just cause, the Company shall pay Mr. Bernier the remainder amount that Mr. Bernier would have earned

under his employment agreement. Upon a Change of Control, all unvested Options and equity instruments shall vest.

Gilbert Lamarche

Pursuant to an employment agreement between the Company and Gilbert Lamarche dated September 18, 2023, in the event that Mr. Lamarche's employment is terminated by the Company other than for cause, the Company shall pay Mr. Lamarche twelve months salary plus two times the maximum amount of his annual short-term incentive payable. All unvested options and equity instruments shall vest immediately upon such termination. In the event of a Change of Control and Mr. Lamarche elects to terminate his employment, Mr. Lamarche is entitled to receive from the Company a payment equal to twelve months salary plus two times the maximum amount of his annual short-term incentive payable. Upon a Change of Control, all unvested Options and equity instruments shall vest.

Samuele Renelli

Pursuant to an employment agreement between the Company and Samuele Renelli dated August, 17, 2023, in the event of a Change of Control and Mr. Renelli elects to terminate his employment, Mr. Renelli is entitled to receive from the Company a payment equal to twelve months salary plus one time the amount of annual short-term incentive paid in the prior year, if any. Upon a Change of Control, all unvested options and other equity instruments shall vest.

Erin Carswell

Pursuant to an employment agreement between the Company and Erin Carswell dated December, 23, 2022, in the event that Ms. Carswell's employment is terminated by the Company other than for cause, the Company shall pay Ms. Carswell six months salary. In the event of a change of control and Ms. Carswell elects to terminate her employment, Ms. Carswell is entitled to receive from the Company a payment equal to six months salary. Upon a change of control, all unvested Options shall vest. "Change of control" is defined in Ms. Carswell's employment agreement as a change of control of the Company whereby, 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.

For all of the above, except Ms. Carswell, "Change of Control" is defined 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) There is a change in the composition of the Company's Board of Directors which occurs at a single meeting of the shareholders of the Company or upon execution of a shareholders' resolution, such that the individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority on the Board as constituted immediately prior to such meeting or resolution, without the Board having approved of such change; or

- (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; 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.

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, 2023, are as set out in the following table.

NEO		Termination Without Cause (\$)	Change of Control (\$) ⁽¹⁾
Dan Myerson	Salary	Nil	950,000
	Bonus	Nil	1,140,000
	Options	Nil	Nil
Gilbert Lamarche	Salary	325,000	325,000
	Bonus	650,000	650,000
	Options	Nil	Nil
James Steels	Salary	650,000	650,000
	Bonus	650,000	650,000
	Options	Nil	Nil
Dave Bernier	Salary	Nil ⁽²⁾	Nil
	Bonus	Nil	Nil
	Options	Nil	Nil
Sam Renelli	Salary	Nil	250,000
	Bonus	Nil	125,000
	Options	Nil	Nil
Erin Carswell	Salary	130,000	130,000
	Bonus	Nil	Nil
	Options	Nil	Nil

Notes:

- (1) Upon a Change of Control, all Options granted will vest.
- (2) Upon termination without cause, Mr. Bernier would be entitled to the remainder fee amount that Mr. Bernier would have earned under his employment agreement. Such amount would be calculated as the daily rate fee paid to Mr. Bernier for a full work day multiplied by the number of working days remaining in the term of Mr. Bernier's current employment agreement after December 31, 2023. See *Termination and Change of Control Benefits* for further discussion.

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 NGCC 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 \$33,000 per annum. In addition, the chair of the Audit and Risk Committee received \$9,500 per annum and the chairs of each of the NGCC Committee and the Environmental Health and Safety Committee received \$5,000 per annum.

Mr. Myerson did not receive compensation in his capacity as a director 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	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Maurice Tagami	38,000	Nil	183,742	Nil	Nil	Nil	221,742
David Petroff	42,500	Nil	183,742	Nil	Nil	Nil	226,242
Wayne Wouters	38,000	Nil	213,137	Nil	Nil	Nil	251,137
Jessica McDonald	21,175	Nil	197,318	Nil	Nil	Nil	218,493
Nancy Guay	21,175	Nil	170,697	Nil	Nil	Nil	191,872
Majd Bakar	29,167	Nil	235,935	Nil	Nil	Nil	265,102
Darren Morcombe ⁽²⁾	43,516	250,000	113,926	Nil	Nil	Nil	407,443
TOTAL	233,534	250,000	1,298,497	Nil	Nil	Nil	1,782,031

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 2.99% to 3.66%, expected life of 5 years, volatility ranging from 75% to 76% and expected dividend yield of zero.
- (2) Mr. Morcombe resigned as a director of the Company on May 11, 2023.

Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each director outstanding as of December 31, 2023:

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	100,000	0.34	March 27, 2024	356,000	Nil	Nil	1,230,208
	125,000	0.09	April 3, 2025	476,250			
	100,000	1.05	April 21, 2026	285,000			
	100,000	2.35	March 17, 2027	155,000			
	100,000	3.34	January 20, 2028	56,000			
David Petroff	100,000	0.34	March 27, 2024	356,000	Nil	Nil	1,230,208
	125,000	0.09	April 3, 2025	476,250			
	100,000	1.05	April 21, 2026	285,000			
	100,000	2.35	March 17, 2027	155,000			
	100,000	3.34	January 20, 2028	56,000			
Wayne Wouters	200,000	2.02	September 28, 2026	376,000	Nil	Nil	7,940
	100,000	2.35	March 17, 2027	155,000			
	100,000	3.34	January 20, 2028	56,000			
Jessica McDonald	50,000	2.35	March 17, 2027	77,500	Nil	Nil	Nil
	200,000	3.43	May 11, 2028	94,000			
Nancy Guay	200,000	3.43	May 11, 2028	94,000	Nil	Nil	Nil
Majd Bakar	200,000	3.22	February 23, 2028	136,000	Nil	Nil	Nil
Darren Morcombe ⁽³⁾	350,000	0.34	March 27, 2024	1,246,000	Nil	Nil	292,500
	250,000	0.09	April 3, 2025	952,500			
	200,000	1.05	April 21, 2026	570,000			
	200,000	2.35	March 17, 2027	310,000			

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSX as of December 31, 2023 of \$3.90 and subtracting the exercise price of in-the-money Options.
- (2) The value Messrs. Tagami and Petroff's 315,438 DSUs was \$1,230,208 and the value of Mr. Wouters' 2,036 DSUs was \$7,940 using the closing price of the Company's common shares on the TSX on December 31, 2023 of \$3.90. 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.
- (3) Mr. Morcombe resigned as a director of the Company on May 11, 2023.

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	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Maurice Tagami	143,000	Nil	Nil
David Petroff	143,000	Nil	Nil
Wayne Wouters	45,333	Nil	Nil
Jessica McDonald	22,667	Nil	Nil
Nancy Guay	Nil	Nil	Nil
Majd Bakar	Nil	Nil	Nil
Darren Morcombe ⁽²⁾	286,000	250,000	Nil

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) Mr. Morcombe resigned as a director of the Company on May 11, 2023.

ANNUAL BURN RATE

The following table sets out the burn rate of the awards granted under the LTIP as of the end of the financial years ended December 31, 2023, December 31, 2022 and December 31, 2021. As of the date hereof, the only security-based compensation arrangement in effect of the Company is the LTIP. The ESPP will not be operational until approved and ratified by the Shareholders at the Meeting. The table below sets out the burn rate for the Options, RSUs and DSUs granted under the LTIP for the years ended December 31, 2023, December 31, 2022 and December 31, 2021. No other PSUs or SARs have been granted under the LTIP. The burn rate is calculated by dividing the number of Options, RSUs or DSUs, as applicable, granted under the respective plans during the relevant fiscal year by the weighted average number of securities outstanding for the applicable fiscal year.

	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Number of Options granted under the LTIP.	3,465,000	2,970,000	4,450,000
Number of RSUs granted under the LTIP.	115,000	182,500	-
Number of DSUs granted under the LTIP.	150,000	433,237	695,977
Weighted average number of securities outstanding for the applicable year	280,446,444	242,456,622	200,557,101
Annual burn rate of Options	1.24%	1.22%	2.22%
Annual burn rate of RSUs	0.04%	0.08%	0.00%
Annual burn rate of DSUs	0.05%	0.18%	0.35%

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, 2023 pursuant to the Company's equity compensation plan currently in place:

Plan Category	Number of securities to be issued upon exercise of outstanding Options and rights	Weighted-average exercise price of outstanding Options and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	18,177,377 ⁽¹⁾	\$1.39 ⁽²⁾	15,069,249 ⁽³⁾
Equity compensation plans not approved by security holders	N/A	N/A	N/A
TOTAL	18,177,377	\$1.39	15,069,249

Notes:

- (1) This balance is comprised of 16,148,335 Options, 1,792,375 DSUs and 236,667 RSUs. It represents approximately 5.47% of the issued and outstanding Shares as at December 31, 2023, comprised of Options (4.86%), DSUs (0.54%) and RSUs (0.07%).
- (2) The Options have a weighted average exercise price of \$1.39 per share. The DSUs and RSUs do not have an exercise price.
- (3) The Company's LTIP allows for the issuance of a rolling 10% of the issued and outstanding Shares. As at December 31, 2023, the Company had a total of 332,466,258 Shares issued and outstanding.

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 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
Daniel Myerson	No
Maurice Tagami	Yes
David Petroff	Yes
Wayne Wouters	Yes
Jessica McDonald	Yes
Nancy Guay	Yes
Majd Bakar	Yes

Mr. Myerson is not considered independent as he is the Executive Chairman and 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, expenditures and annual budget 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 (the "**Code of Conduct**").

Directorships

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

Name of Director	Name of Reporting Issuer	Market
David Petroff	Carolina Rush Corporation	TSX-V
Maurice Tagami	Maple Gold Mines Ltd. Freegold Ventures Limited	TSX-V TSX
Wayne Wouters	BlackBerry Limited Canadian Utilities Limited	TSX TSX
Jessica McDonald	GFL Environmental Inc. Champion Iron Limited	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 considers 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. The Code of Conduct reflects the Company's commitment to conduct business in accordance with all applicable laws, rules and regulations and high ethical standards, and for the actions of all of the Company's employees, officers and directors to reflect honesty, integrity and impartiality. The Code outlines the basic principles on the following:

- compliance with laws, rules and regulations;
- conflicts of interest;
- corporate opportunities;
- confidentiality;
- protection and proper use of Company assets;
- competition and fair dealing;
- employee harassment and discrimination;
- environmental, safety and occupational health practices;
- compliance with environmental, health and safety laws and regulations;
- insider trading;
- payment to domestic and foreign officials;
- gifts and entertainment; and
- reporting any illegal or unethical behaviors.

The Code of Conduct provides that each employee is encouraged to report good faith complaints or concerns in respect of certain reportable matters as defined in the Company's Whistleblower Policy through a third-party services provider retained by the Company, without fear of reprisals.

The Board annually reviews the Code of Conduct and any compliance issues under the Code are reviewed as they arise. A copy of the Code of Conduct is available on the Company's website at www.foranmining.com as well as under the Company's SEDAR+ profile at www.sedarplus.ca.

To ensure directors of the Company exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest, each director and executive officer is required to fully disclose his or her interest in respect of any transaction or agreement to be entered into by the Company. All directors and executive officers are subject to the requirements of the *Business Corporations Act* (British Columbia) with respect to the disclosure of any conflicts of interests and the voting on transactions giving rise to such conflicts.

Position Descriptions

The Board has developed written position descriptions for each of the chair of the Board and the CEO. A copy of the position description for the chair of the Board and the CEO is available on the Company's website at www.foranmining.com.

The Board has not developed written positions descriptions for the chair of any of the Board committees. The chair of each Board committee is in charge of the particular respective committee and ensuring their designated responsibilities are effectively discharged. The Board committee chairs are required to comply with the requirements of the charters and policies governing the various committees. The chairs act as the liaison with the chair of the Board and are responsible for reporting to the Board on matters under their purview.

Committees of the Board

The Board has established the following standing committees to assist in discharging its responsibilities: (i) Audit & Risk Committee, (ii) Nominating, Governance and Corporate Compensation Committee and (iii) Environmental, Social & Governance Committee.

The following are the members of each committee:

Audit & Risk Committee	Nominating, Governance and Corporate Compensation Committee	Environmental, Social & Governance Committee
David Petroff (Chair) Maurice Tagami Wayne Wouters Jessica McDonald	Wayne Wouters (Chair) Maurice Tagami Majd Bakar Jessica McDonald	Maurice Tagami (Chair) Majd Bakar Nancy Guay Jessica McDonald

Meeting Attendance

The Board holds regularly scheduled meetings and ad hoc meetings as required from time to time. In connection with these Board meetings, the committees of the Board may meet independently. The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, as part of their regularly

scheduled meetings, the Board and Board committees typically hold in camera sessions without management present in order to facilitate open and candid discussion.

During the year ended December 31, 2023, the Board held a total of 7 meetings, the Audit & Risk Committee held a total of 4 meetings, the NGCC held a total of 4 meetings and the Environmental, Social and Governance Committee held a total of 5 meetings. The following summarizes the attendance of directors at Board and committee meetings for the year ended December 31, 2023:

Board and Committee Meeting Attendance for the year ended December 31, 2023				
Name of Director	Board of Directors	Audit & Risk Committee	NGCC Committee	Environmental, Social and Governance Committee
Daniel Myerson	7	N/A	N/A	N/A
Majd Bakar ⁽¹⁾	5	N/A	3	4
Jessica McDonald ⁽²⁾	3	2	1	2
Wayne Wouters	7	4	4	N/A
David Petroff	7	4	N/A	N/A
Maurice Tagami	7	4	4	5
Nancy Guay ⁽²⁾	3	N/A	N/A	2

Notes:

(1) Mr. Bakar became a director of the Company on February 23, 2023.

(2) Ms. McDonald and Ms. Guay became directors of the Company on May 11, 2023.

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; and

- 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 legal counsel or external auditor to attend a meeting of the Committee or to meet with any member(s) of the A&R Committee.

Nominating, Governance & Corporate Compensation (“NGCC”) Committee

The NGCC Committee assists the Board in fulfilling its oversight responsibilities with respect to the Company’s compensation philosophy and strategy, the Company’s LTIP Plan, the ESPP (if approved by Shareholders) 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 NGCC 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 NGCC 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 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;
- reviews and approves at least annually all compensation arrangements with the directors of the Company; and
- reviews the executive compensation sections disclosed in the annual management proxy circular distributed to the Shareholders in respect of the Company’s annual meetings of Shareholders.

The NGCC 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 NGCC Committee as well as the Board take into account a number of factors, including the following:

- 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 NGCC 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 NGCC Committee and the Board will consider various potential candidates for appointment as a director.

Environmental, Social & Governance Committee ("ESG Committee")

The ESG Committee assists the Board in fulfilling its oversight responsibilities in respect of environmental, social and governance ("**ESG**") issues, and monitor current and future ESG initiatives. In particular the Committee communicates to the Company the importance of certain ESG matters and provides oversight on developing and implementing ESG programs and policies including in respect of sound environmental management, health and safety matters, community engagement and ESG issues, including by supervising management's implementation of ESG policies. The ESG Committee also reviews any agreements with communities and Indigenous groups and receives reports on compliance with such agreements, as well as on permitting efforts, health and safety, and related legal and regulatory requirements. In addition, the ESG Committee reviews ESG disclosure strategies, ensures monitoring and review of ESG issues and related matters, and reviews and recommends changes to the Board in respect of the ESG Policy.

Assessments

The Chairman of the Board meets annually with each director individually, which facilitates a discussion of such director's 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 ("**A&R 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 "C" 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 Carolina Rush Corp. (previously known as Pancontinental Gold Corporation) and Lucky Iron Life Company (previously known as Lucky Iron Fish Enterprise).

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 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. and the board of Freegold Ventures Limited.

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 Canadian Utilities Limited and Blackberry Limited. 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.

Jessica McDonald: Ms. McDonald brings extensive experience in the clean energy, mining, and government sectors to Foran’s Board. Ms. McDonald’s career includes past leadership roles such as President and Chief Executive Officer of BC Hydro and Power Authority, a clean energy utility. She currently sits on the Boards of GFL Environmental (TSX:GFL) and Champion Iron (TSX: CIA). Ms. McDonald’s extensive government experience includes serving as Deputy Minister to the Premier and Head of the BC Public Service. She holds a Bachelor of Arts degree in Political Science from the University of British Columbia, is a graduate of the Institute of Corporate Directors, and holds a certification in cybersecurity oversight from the National Association of Corporate Directors and Carnegie Mellon University.

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 the A&R Committee Charter.

External Auditor Services Fees (By Category)

The following table discloses the fees billed to the Company by its external auditor for professional services rendered by the auditor for the audit of the Company’s annual financial statements during the last two completed financial years:

Financial Period Ending	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
December 31, 2023	\$143,335	Nil	Nil	Nil
December 31, 2022	\$131,930	Nil	Nil	Nil

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the year ended December 31, 2023, no director, proposed nominee for election as a director of the Company, executive officer or associate of any director, proposed nominee or executive officer of the Company, no employee of the Company or any of its subsidiaries, was indebted to the Company or its subsidiaries (other than for “routine indebtedness” as defined under applicable securities legislation), 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.

MANAGEMENT CONTRACTS

No management functions of the Company are to any substantial degree performed by a person other than the directors or executive officers of the Company directly or through their respective management consulting companies.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company's profile on SEDAR+ at www.sedarplus.ca. Inquiries including requests for copies of the Company's financial statements and management's discussion and analysis for the year ended December 31, 2023 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, 2023 which is also available on SEDAR+.

APPROVAL

The contents of this Circular and the sending thereof to the Shareholders of the Company were approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

"Daniel Myerson"

Executive Chairman, CEO and Director

SCHEDULE "A"

EMPLOYEE SHARE PURCHASE PLAN

[See attached]



**FORAN MINING CORPORATION
EMPLOYEE SHARE PURCHASE PLAN**

Article 1 Definitions

In this ESPP, unless the context otherwise requires:

“Account” has the meaning ascribed to it in section 9.1.

“Administration Agreement” means the administration agreement entered into by the Company with the Administrator pursuant to section 8.1 then in effect, as the same may be amended pursuant to section 8.3.

“Administrator” means the party appointed as Administrator, trustee or service provider in connection with the administration of this ESPP pursuant to section 8.1 then acting as such.

“Applicable Tax Legislation” means the *Income Tax Act* (Canada) and the regulations made thereunder and applicable provincial income tax legislation and regulations made thereunder or, as applicable, the United States *Internal Revenue Code of 1986*, as amended.

“Blackout Period” means an interval of time during which the Company has formally imposed a prohibition on one or more Employees 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.

“Board of Directors” means the board of directors of the Company.

“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.

“Chief Executive Officer” means the Chief Executive Officer of the Company.

“Chief Financial Officer” means the Chief Financial Officer of the Company.

“Common Shares” means common shares in the capital of the Company.

“Company” means “Foran Mining Corporation” and any of its successors or assigns.

“Current Market Price” means the five-day volume-weighted average closing price of the Common Shares on the TSX on the immediately preceding five (5) Trading Days on which trading in the Common Shares took place prior to the relevant purchase date, which in no case may be less than the discounted market price permitted by the TSX.

“Earnings” means, with respect to any Employee, the total base earnings of such Employee from such Employee’s Employer, but excluding overtime pay, commissions, bonus payments and other special compensation or other benefits received by the Employee under this ESPP.

“Employee” means

- (a) an individual who is considered an Employee of the Company or a Participating Subsidiary for purposes of the Tax Act (and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source);
- (b) an individual who works full-time for the Company or Participating Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or the Participating Subsidiary over the details and methods of work as an employee of the Company or the Participating Subsidiary, but for whom income tax deductions are not made at source; or
- (c) an individual who works for the Company or a Participating Subsidiary on a continuing and regular basis for a minimum amount of time per week as determined by the NGCC Committee providing services normally provided by an employee and who is subject to the same control and discretion by the Company or the Participating Subsidiary over the details and methods of work as an employee of the Company or the Participating Subsidiary, but for whom income tax deductions are not made at source, and who has been authorized to participate in the ESPP in such individual’s consulting agreement or similar agreement.

“Employer” means the Company or any Participating Subsidiary.

“ESPP” means this Employee Share Purchase Plan, as may be amended or otherwise revised from time to time.

“ESPP Notice Form” means the form established from time to time by the Company to provide notice to the Company of an Employee’s intention to enroll in the ESPP, make any changes to the Employee’s participation in the ESPP, provide any notice to the Company or Administrator pursuant to the ESPP, or such other matters that may be included in such form.

“Holding Period” means a holding period applicable to the Common Shares issuable under this ESPP whereby such Common Shares may be restricted from transfer for a time period as the NGCC Committee deems appropriate or as required under applicable securities laws.

“Insiders” means an “insider” as defined in the TSX Company Manual, as amended from time to time.

“NGCC Committee” means the Nominating, Governance and Corporate Compensation Committee of the Board of Directors and shall include (i) any successor to such committee, and (ii) any committee of the Board of Directors which may, subsequent to the implementation of this ESPP, be established by the Board of Directors and to which the Board of Directors has delegated responsibility for administration of this ESPP (any successor or other committee being herein referred to as a **“Successor Committee”**), provided that if the Nominating, Governance and Corporate Compensation Committee of the Board of Directors shall cease to exist without any Successor Committee coming into existence, then “NGCC Committee” shall mean the Board of Directors.

“Non-Voting Shares” means non-voting shares in the capital of the Company.

“Non-Registered” means an account that is that is not registered under the Tax Act or any laws or regulations governing registered retirement savings plans, registered retirement income funds, tax-free savings accounts, or any other tax-advantaged savings plan.

“Participating Employee” means an Employee who is enrolled in this ESPP pursuant to the provisions hereof.

“Participating Subsidiary” means McIlvenna Bay Operating Ltd. as long as it remains a Subsidiary of the Company unless otherwise designated by the NGCC Committee and any other Subsidiary of the Company that has been designated by the NGCC Committee as participating in this ESPP unless such designation has been revoked by the NGCC Committee.

“Quarterly Period” means a quarterly three-month period during the Company’s fiscal year as determined by the Company from time to time, with the first Quarterly Period in each fiscal year commencing on the first day of the fiscal year and continuing for three months thereafter, and each subsequent Quarterly Period in that fiscal year running for consecutive three month periods thereafter.

“Shares” means collectively, the Common Shares and the Non-Voting Shares.

“Subsidiary” means a “subsidiary” as that term is defined in the *Business Corporations Act* (British Columbia).

“Tax Act” means the *Income Tax Act* (Canada), including the regulations promulgated thereunder, each as amended from time to time, and any reference in the ESPP to a provision of the Tax Act includes any successor provision thereto.

“Trading Day” means any date on which the TSX is open for trading.

“TSX” means the Toronto Stock Exchange.

“Year” means a year ending December 31.

Article 2 Eligibility

2.1 Eligibility

Except to the extent that an Employee’s ability to re-enroll in this ESPP is restricted as provided in section 6.3, all Employees are eligible to enroll and participate in this ESPP and may enroll and participate in this ESPP at any time after:

- (a) the commencement of the first calendar month following the end of the Employee’s applicable initial probation period as set out in such Employee’s employment or consulting agreement, and if no such probation period is set out in such Employee’s employment or consulting agreement, the commencement of the first calendar month following the three-month anniversary of the such Employee’s commencement date under their employment or consulting agreement. For clarity, only Employees whose consulting agreements meet the requirements of the “Employee” definition herein shall be eligible to participate in the ESPP.

Notwithstanding the foregoing, the NGCC Committee or the Chief Financial Officer shall have the right, in their absolute discretion, to determine that any Employee is not entitled to participate in this ESPP.

2.2 Re-enrolment

If the employment of a Participating Employee is terminated as described in section 6.5 and the former Employee thereafter becomes an Employee, for the purposes of this ESPP, except to the extent that an Employee's ability to re-enroll or recommence participation in this ESPP is restricted as provided in section 7.2, the Employee will be considered to be a new Employee.

2.3 No Right to Employment

Participation in this ESPP is entirely voluntary and any decision by an Employee not to participate will not affect such Employee's employment with such Employee's Employer. Nothing contained in this ESPP gives any Employee who participates in this ESPP the right to be employed or to continue to be employed by an Employer.

Article 3 - Enrolment

3.1 Enrolment

An Employee who wishes to participate in the ESPP must:

- (a) submit to the Company or Administrator, as directed by the Company, a duly completed ESPP Notice Form indicating the Employee's intention to enroll in the ESPP, authorizing the Employee's Employer to deduct from the Earnings of such Employee such contributions to this ESPP as such Employee may designate in such ESPP Notice Form (subject to changes which the Employee may thereafter make pursuant to section 4.1), along with any tax forms or filings that may be required under Applicable Tax Legislation;
- (b) open an Account with the Administrator;
- (c) designate a percentage of the Employee's contributions to this ESPP that the Employee wishes to contribute to the ESPP in accordance with section 4.1;
- (d) submit to the Administrator or the Company, as directed by the Company, a beneficiary designation form; and
- (e) agree that such Employee is to be bound by the terms and conditions of this ESPP and such other laws, rules, regulations, and stock exchange requirements as may be applicable; in each case in the form and manner from time to time as may be required by the Company or the Administrator.

Upon acceptance by the Company of the ESPP Notice Form indicating the Employee's intention to enroll in the ESPP, such Employee shall become a Participating Employee. Notwithstanding the foregoing, if a Blackout Period has been instituted by the Company and such Blackout Period affects an Employee who wishes to participate in the ESPP, the Employee may not enroll in the ESPP until after the end of the Blackout Period.

Article 4 Contributions

4.1 Employee Contributions and Allocation

A Participating Employee may contribute an amount to this ESPP equal to whatever portion of his or her Earnings equates, after deduction of applicable taxes and excluding any dividends received on Common Shares in a Participating Employee's Account, to up to 10% of such Participating Employee's Earnings for such period, as designated by such Participating Employee from time to time by submitting an ESPP Notice Form to the Company or Administrator, as directed by the

Company. A Participating Employee may change any designation or allocation referred to in this section to be applicable to future regularly scheduled payroll payments by giving notice of such change by way of an ESPP Notice Form to the Administrator or the Company, as directed by the Company (and, if the Administrator or the Company so advises the Participating Employee, to the Employee's Employer), by submitting an ESPP Notice Form to the Company or Administrator, as directed by the Company, and subject to such restrictions or conditions (which may include conditions regarding when changes will become effective subsequent to notice being given or limitations on the number of times a Participating Employee may make changes in a specified time period) from time to time required by the Company and the Administrator, including pursuant to Section 4.2. The contribution can be allocated to a Non-Registered account or such other account that the Company may make available under this ESPP, as may be applicable. In the event the maximum Participating Employee's contribution percentage, as prescribed by this Section 4.1, is reduced by the NGCC Committee such that the Participating's Employees designated contribution percentage of such Participating Employees Earnings exceeds the maximum Participating Employee's contribution percentage, the Participating Employee shall re-designate the contribution amount of such Participating Employees Earnings by submitting an ESPP Notice Form to the Company or Administrator, as directed by the Company.

4.2 Change Restrictions

Notwithstanding Section 4.1, a Participating Employee may make changes to any designation or allocation referred to in Section 4.1 up to a maximum of one time every six months.

4.3 Deduction of Contributions

Contributions made by a Participating Employee to this ESPP will be deducted and withheld by the Participating Employee's Employer by payroll deductions from such Participating Employee's Earnings which will be made no more frequently than the regularly scheduled payroll payments as may be designated by the Participating Employee's Employer from time to time and will be promptly deposited by the Participating Employer with the Administrator.

4.4 Employer Contributions

Subject to section 4.7, the Employer, on behalf of each Participating Employee, will make a contribution to the Employee's Account on behalf of the Employee equal to up to 100% of the amount contributed by such Participating Employee to the ESPP. The NGCC Committee retains the right to amend the Employer contribution percentage in its sole discretion so long as notice is provided to the Participating Employee at least fifteen (15) days prior to the beginning of a Quarterly Period. The contribution by the Employer will be deposited by the Employer with the Administrator promptly after the end of each Quarterly Period in which contributions to this ESPP made by such Participating Employee are deducted and withheld by the Employee's Employer, or at such other interval as the NGCC Committee may otherwise establish from time to time. The Employer's contributions will be additional compensation to the Participating Employee and the Employer will be entitled to make such withholdings as may be required by Applicable Tax Legislation from cash remuneration payable to the Participating Employee.

4.5 Contributions Credited to Accounts

The Administrator will, on receipt of any contribution by or on behalf of a Participating Employee, credit such contribution to such Participating Employee's Account. All contributions by the Employer on behalf of a Participating Employee will vest irrevocably in such Participating Employee as and when they are received by the Administrator.

4.6 Holding of Amounts Pending Investment

The Administrator will hold all cash amounts credited to each Participating Employee's Account from time to time, pending the application thereof to the purchase of Common Shares pursuant to section 5.1, in a non-interest bearing account of the Administrator or of any Canadian chartered bank, including, without limitation, any bank expressly permitted in the Administration Agreement, as may be applicable, or any trust corporation existing under the laws of Canada or any province thereof, and will credit all cash dividends or other earnings arising therefrom to such Participating Employee's Account.

4.7 Insolvency

Notwithstanding anything to the contrary herein, the Employer will not make any contribution to this ESPP in circumstances where the Employer is insolvent or such contribution would render the Employer insolvent.

Article 5 - Purchase of Common Shares

5.1 Purchase by Administrator of Common Shares

The contributions by or on behalf of each Participating Employee to an Employee's Account together with all cash dividends, interest and other earnings credited to such Participating Employee's Account, will be applied by the Administrator to the purchase of Common Shares on behalf of such Employee. Such purchases will be made by the Administrator on or before the 15th day of the month following the Quarterly Period in which contributions by or on behalf of a Participating Employee are made. Such purchases shall be made through: (i) the facilities of the TSX or such other stock exchange as the Company may designate from time to time, or (ii) issuances from treasury of the Company. The Board of Directors, in its sole discretion, shall instruct the Administrator, for each Quarterly Period or for such period as the NGCC Committee may indicate, whether purchases will be made through: (i) the facilities of the TSX or such other stock exchange as the Company may designate from time to time, or (ii) issuances from treasury of the Company. All purchases made by the Administrator, whether through the facilities of a stock exchange or issuances from treasury of the Company, shall be made at the prevailing Current Market Price of the Common Shares on the TSX or such other stock exchange as the Company may designate from time to time on the date of purchase. Whole shares will be allocated to the Participating Employee's Account and any residual cash will be carried forward to the next purchase.

5.2 Holding of Common Shares

All Common Shares purchased by the Administrator pursuant to section 5.1 on behalf of a Participating Employee will be held by the Administrator for the benefit of such Participating Employee, and the Administrator will record in such Participating Employee's Account the number of Common Shares so held by the Administrator for the benefit of such Participating Employee. The Common Shares and any certificates representing such Common Shares will, prior to the withdrawal of such Common Shares from this ESPP, be registered in the name of the Administrator or its nominee.

5.3 Dividends

The Administrator will, on receipt of any dividends paid on any Common Shares held by the Administrator for the benefit of a Participating Employee pursuant to this ESPP, credit such dividends to such Participating Employee's Account.

Article 6 - Withdrawals

6.1 Withdrawals

A Participating Employee may make withdrawals of Participating Employee or Company contributions from its Account at any time. Such withdrawal shall be made in such form or manner as may be prescribed by the Company from time to time. All costs associated with the withdrawal will be paid by the Participating Employee. The Company or the Administrator may impose minimum time limits on which notice must be provided by a Participating Employee to the Company or the Administrator, as applicable, to withdraw contributions from such Participating Employees Account.

6.2 Termination of Participation

If a Participating Employee's right to make contributions under this ESPP is suspended pursuant to section 7.1 and the Employee makes a withdrawal of any of the Common Shares, money or other property held in such Participating Employee's Account during the period of suspension, the Participating Employee will cease to be entitled to participate in this ESPP, or make contributions to this ESPP from and after the date of such withdrawal unless such Participating Employee, if the Participating Employee continues to be an Employee eligible to do so, again enrolls in this ESPP pursuant to section 3.1.

6.3 Withdrawal Following Termination

In the event:

- (a) any Participating Employee ceases to be entitled to participate in this ESPP as provided in section 6.2; or
- (b) upon the conclusion of the suspension period contemplated in section 7.1, such Participating Employee continues to be an Employee eligible to participate in the ESPP but does not again enroll in this ESPP pursuant to section 3.1,

all of the Common Shares, money and other property held in such Participating Employee's Account will be deemed to have been withdrawn by the Participating Employee within 90 days of the conclusion of the suspension period contemplated in section 7.1. In addition, in such event the Participating Employee will not be entitled to re-enroll or recommence participation in this ESPP prior to the first anniversary of the first day of the month following the month in which such Participating Employee's Common Shares, money and other property were deemed to have been withdrawn.

6.4 Authorization by Chief Financial Officer

The Chief Financial Officer may, in its discretion, authorize a Participating Employee, on such terms and conditions, if any, as such authorization may specify, to withdraw Common Shares, money or other property held in such Participating Employee's Account, or to suspend or vary the Employee's contributions or allocation, more than the prescribed number of times permitted under this ESPP, if in the opinion of the Chief Financial Officer, such action is necessary or desirable as a result of financial hardship being suffered by such Participating Employee or for such other reason as the Chief Financial Officer may deem to be appropriate, in its sole discretion.

6.5 Withdrawal Following Termination of Employment

In the event of the termination of the employment of a Participating Employee with an Employer for any reason whatsoever (including death or disability), the Participating Employee will cease to be entitled to participate in this ESPP as of the last day of active employment for the Participating Employee and all of the Common Shares, money and other property held in such Participating

Employee's Account will be deemed to have been withdrawn by the Participating Employee within 90 days after the date on which such Participating Employee's employment is so terminated. For certainty, any Common Shares already purchased by the Administrator and held in the Participating Employee's Account shall be released to the Participating Employee and all of the Participating Employee's contributions made pursuant to Section 4.1 but not yet used to purchase Common Shares shall be payable to the Participating Employee in cash, less any applicable withholding tax, within the aforementioned 90 day period.

6.6 Withdrawal Following Termination of ESPP

In the event of the termination of this ESPP, all of the Common Shares, money and other property held in each Participating Employee's Account will be deemed to have been withdrawn by the Participating Employee within 90 days after the date on which this ESPP is terminated.

6.7 Distribution Following Withdrawal

Upon any withdrawal of Common Shares, money and other property by any Participating Employee from such Participating Employee's Account the Participating Employee (or the Participating Employee's legal representatives) will be entitled to instruct the Administrator, in the manner required by the Administrator and subject to compliance with any rules or regulations the NGCC Committee may promulgate under this ESPP (which may limit the availability of certain of following options), to (i) sell any Common Shares so withdrawn in the open market, through the facilities of the TSX or such other stock exchange as the Company may designate from time to time and remit the proceeds from such sale, net of related transaction expenses, to such Participating Employee; (ii) transfer any Common Shares so withdrawn to a self-directed investment account of the Participating Employee designated by the Participating Employee; or (iii) cause a share certificate or direct registration certificate registered in the name of such Participating Employee (or the Participating Employee's legal representatives) representing any such Common Shares so withdrawn to be sent to the Participating Employee. If the Participating Employee (or the Participating Employee's legal representatives) does not provide instructions to the Administrator within 90 days after the withdrawal, the Administrator will sell all Common Shares so withdrawn and remit the proceeds from such sale, net of related transaction expenses, together with all money and other property so withdrawn from such Participating Employee's Account (i) by first class registered mail to such Participating Employee to the address specified by such Participating Employee by written notice delivered to the Administrator (or, failing such written notice, to the address of such Participating Employee as it appears on such Participating Employee's Account) or (ii) by direct deposit with such bank or financial institution, or utilizing such other alternate payment mechanism, as may have been authorized by the Participating Employee. In the event the Administrator receives evidence satisfactory to the Administrator of the appointment of one or more legal representatives of such Participating Employee or of the estate of such Participating Employee, the share certificate or direct registration certificate (if applicable), money and other property will be forwarded to the address specified by such personal representatives by written notice delivered to the Administrator (or, failing such written notice, to the address of such Participating Employee as it appears on such Participating Employee's Account).

6.8 Compliance with Laws

The Company and the Administrator may from time to time take such steps and require such documentation from Participating Employees that in its opinion are necessary or desirable to ensure compliance with all applicable laws, including (i) the applicable securities laws and regulations of Canada (including the provinces and territories thereof) and of the United States, and any political subdivision of either, and the bylaws, rules and regulations of any stock exchange

or other organized market on which the Common Shares may from time to time be listed or traded and (ii) the withholding provisions of Applicable Tax Legislation. The Company and the Administrator may also from time to time take such steps that in its opinion are necessary or desirable to restrict the transferability of any Common Shares withdrawn from this ESPP in order to ensure such compliance.

The obligation of the Company to purchase, issue or deliver, as applicable any Common Shares in accordance with this ESPP shall be subject to any necessary approval of any stock exchange or regulatory authority having jurisdiction over the securities of the Company, including but not limited to the TSX. If any Common Shares cannot be issued to any Participating Employee for whatever reason, then the obligation of the Company to issue such Common Shares shall terminate and any Participating Employee contribution amount under Section 4.1 hereof held in trust for a Participating Employee shall be returned to the Participating Employee without interest.

6.9 Tax Withholding

The tax ramifications for Participating Employees will depend on a number of factors. Participating Employees should note that income tax laws are subject to change and such changes may affect the tax treatment of this ESPP and the Participating Employee's individual tax treatment. Participating Employees should consult their tax advisors to determine their individual tax treatment in connection with their participation in this ESPP. The Employer and the Administrator shall have the right to:

- (a) withhold and deduct from any payment to be made to the Administrator under this ESPP any federal, provincial, local or other taxes and other amounts required by law to be withheld in respect of such payments; and
- (b) sell any Common Shares held on behalf of any Participating Employee and use the proceeds from such sale to pay any federal, provincial, local or other taxes and other amounts required by law to be withheld in respect of any distribution to such Employee under this ESPP.

6.10 Holding Period

- (a) Common Shares issued to a Participating Employee shall vest immediately, subject to the right of the NGCC Committee to make Common Shares issued to Participating Employees under this ESPP subject to a Holding Period as deemed appropriate or as required under applicable securities laws or as the NGCC Committee may otherwise determine in its sole discretion. Any Holding Period will be set out in the ESPP Notice Form that an Employee completes to become a Participating Employee pursuant to Section 3.1.
- (b) The Common Shares issuable under this ESPP shall only be issued where: (i) an exemption is available from the prospectus requirement to a distribution pursuant to section 2.24 of NI 45-106 – *Prospectus Exemptions*, or (ii) such other exemption from the prospectus requirement to a distribution is available.

Article 7- Temporary Suspension and Termination

7.1 Temporary Suspension

A Participating Employee may elect to suspend making contributions to this ESPP effective as of the commencement of any Quarterly Period and for a period of not less than one Quarterly Period and not more than four Quarterly Periods by giving written notice of such election to the

Participating Employee's Employer by way of an ESPP Notice Form not less than ten days prior to the commencement of such Quarterly Period.

7.2 Restriction

No Participating Employee may elect to suspend making contributions to this ESPP pursuant to section 7.1 more than once in any Year.

7.3 Short Term Leaves

A Participating Employee who ceases to perform the duties of the Participating Employee's position by virtue of being absent pursuant to a medical disability (short term disability, long term disability or worker's compensation leave), maternity or parental leave or pursuant to such other leave of absence as may be approved by the Participating Employee's Employer or required by law, may elect to suspend making contributions to this ESPP effective as of the commencement of any Quarterly Period during such absence by giving written notice of such election to the Employee's Employer not less than 10 days prior to the commencement of such Quarterly Period in the manner required by the Company. In such case, the Employee must begin contributing to this ESPP as soon as the Employee returns to active employment.

7.4 Termination of Participation By Employee

A Participating Employee may elect to terminate the Employee's participation in this ESPP effective as of the commencement of any Quarterly Period by giving written notice of such election to the Participating Employee's Employer not less than 10 days prior to the commencement of such Quarterly Period by way of an ESPP Notice Form. If an Employee makes such election, the Employee will cease to be entitled to participate in this ESPP, or make contributions to this ESPP, effective from and after the commencement of the Quarterly Period indicated in the ESPP Notice Form, unless such Employee, if the Employee continues to be an Employee eligible to do so, thereafter, subject to section 7.5, again enrolls in this ESPP pursuant to section 3.1.

7.5 Effect of Termination of Participation

In the event any Participating Employee ceases to participate in this ESPP as provided in section 7.4, all of the Common Shares, money and other property held in such Employee's Account will be deemed to have been withdrawn by the Participating Employee within 90 days after the date such Employee ceases to participate. In addition, in such event, the Participating Employee will not be entitled to re-enroll or recommence participating in this ESPP prior to the first anniversary of the first day of the Quarterly Period following the Quarterly Period in which such Participating Employee ceased to be entitled to participate in this ESPP.

7.6 Required Form

If a Participating Employee wishes to temporarily suspend making contributions to this ESPP as contemplated in section 7.1 or to terminate the Participating Employee's participation in this ESPP as contemplated by section 7.4, the Participating Employee must complete and submit to the Company or the Administrator, as directed by the Company, an ESPP Notice Form selecting such suspension or termination option.

7.7 No Contributions

For greater certainty,

- (a) so long as a Participating Employee's contributions to this ESPP are suspended,
or

- (b) from and after the time a Participating Employee ceases to participate in this ESPP,

contributions on behalf of such Participating Employee pursuant to section 4.4 will also be suspended.

7.8 Termination During Blackout

A Participating Employee may not elect to suspend or terminate (or re-instate) its contributions or participation in this ESPP if a Blackout Period has been instituted by the Company and such Blackout Period affects such Participating Employee.

7.9 Termination of Participation By Company

The Company or the Participating Employee's Employer, in their sole discretion, may elect to terminate the Participating Employee's participation in this ESPP effective as of the commencement of any Quarterly Period by giving written notice to the Participating Employee not less than ten (10) days prior to the commencement of such Quarterly Period. If the Company or the Participating Employee's Employer makes such an election, the Participating Employee will cease to be entitled to participate in this ESPP, or make contributions to this ESPP, effective from and after the commencement of the Quarterly Period.

7.10 Events Triggering Termination

A Participating Employee's participation in the ESPP shall terminate immediately on the first to occur of the following events, unless otherwise specified herein:

- (a) the Participating Employee becomes totally and permanently disabled;
- (b) the Participating Employee retires from employment with the Company or a Participating Subsidiary;
- (c) the Participating Employee dies;
- (d) the Participating Employee's employment with the Corporation or a Participating Subsidiary is terminated. A Participating Employee's employment will be considered to have terminated on the last day of his or her actual and active employment, whether such day is selected by agreement with the individual or unilaterally by the Company or a Participating Subsidiary. For the avoidance of doubt, no period of notice that is or ought to have been given under applicable law in respect of such termination of employment shall be considered for such purpose;
- (e) the Participating Employee has been placed on layoff and all recall rights or opportunities have been exhausted; or
- (f) the ESPP is terminated.

Article 8 - Administrator and Trustee

8.1 Administrator

The Chief Financial Officer shall have the authority to appoint an Administrator, service provider or trustee in connection with the administration of this ESPP or to hold and administer the assets that may be held under this ESPP pursuant to the terms of an administration, trust, administrative services, plan services or other agreement in form and on terms and conditions approved by the

Chief Financial Officer. The Company retains the right to appoint multiple persons as Administrator, service provider or trustee in connection with the administration of this ESPP or any parts hereof. The Company, in its sole discretion, may perform any services or assume any duties, rights, responsibilities or obligations which have been designated to the Administrator under this ESPP.

8.2 Successor Administrator

The Chief Financial Officer will have the right at any time and from time to time to appoint any trust company or life insurance company authorized to carry on trust or deposit business or insurance business within British Columbia as a replacement Administrator and service provider in connection with the administration of this ESPP pursuant to the terms of an administration, trust, administrative services, plan services or other agreement between the Company and such trust company or insurance company in form and on terms and conditions approved by the Chief Financial Officer.

8.3 Amendment of Administration Agreement

The Chief Financial Officer will have the right at any time and from time to time to agree to any modification or amendment to the administration, trust, administrative services, plan services or other agreement referred to in section 8.1.

Article 9 - Accounts and Records

9.1 Accounts

The Administrator will establish and maintain a separate account (an “**Account**”) for each Participating Employee in which the Administrator will record:

- (a) contributions made by such Participating Employee pursuant to section 4.1 allocated to the Participating Employee;
- (b) contributions to such Participating Employee’s Account made on behalf of such Participating Employee pursuant to section 4.4;
- (c) interest or other earnings credited to such Account;
- (d) Common Shares purchased by the Administrator on behalf of such Participating Employee pursuant to section 5.1;
- (e) dividends paid on any Common Shares held by the Administrator for the benefit of such Participating Employee; and
- (f) Common Shares, money or other property withdrawn from such Account pursuant to Article 6.

The Administrator may maintain multiple Accounts for each Participating Employee if it deems it to be necessary or appropriate for the proper or efficient functioning of this ESPP.

9.2 Reporting

Promptly after December 31 in each Year the Administrator will deliver to each Participating Employee a statement of the Common Shares, money and other property recorded in such Participating Employee’s Account as of the last day of the immediately preceding Quarterly Period and such information concerning dividends, interest or other earnings credited to such Participating Employee’s Account, Common Shares purchased by the Administrator on behalf

of such Participating Employee pursuant to section 5.1 and Common Shares withdrawn from such account pursuant to Article 6 (including proceeds from the sale of any Common Shares pursuant to section 6.7) and other matters as may be necessary to enable such Participating Employee to file returns in respect of such Year under Applicable Tax Legislation. The Administrator will complete any information slips or similar reporting as may be required under Applicable Tax Legislation.

Article 10 - Common Shares Subject to the ESPP

10.1 Authorized Shares

The aggregate number of Common Shares available for purchase under the ESPP (whether through the facilities of the TSX or issuances from treasury) will be 6,657,325, which is that amount of Shares equal to approximately 2% of the issued and outstanding Shares as of the date of approval of this ESPP by the Board of Directors, subject to adjustment pursuant to this Article 10, and provided that the number of Shares reserved for issuance from treasury under this ESPP and pursuant to all other security-based compensation arrangements of the Company shall, in the aggregate, not exceed 10% of the number of Shares then issued and outstanding from time to time. The Company reserves the right to allocate Common Shares to Participating Employees participating under this ESPP on a pro-rata basis should the number of Common Shares to be issued from treasury under this ESPP otherwise exceeds this threshold.

10.2 Adjustments

The number of Common Shares available for purchase under the ESPP will be automatically and proportionately adjusted for share dividends, share splits, share combinations, reorganizations and other similar events or transactions in a manner that reflects equitably the effects of such events or transactions. If such an adjustment shall result in a fractional Common Share, the fraction shall be disregarded. All such adjustments shall be conclusive, final and binding for all purposes of this ESPP.

10.3 Restrictions

No Common Shares shall be purchased or issued on behalf of a Participating Employee under the ESPP if such purchase could result in:

- (a) the number of Common Shares: i) issued to Insiders, within any one-year period, and ii) issuable to Insiders, at any time, under this ESPP, or when combined with all of the Company's other security based compensation arrangements, exceeding 10% of the Shares, respectively.
- (b) the issuance to any one person under this ESPP and all other security-based compensation arrangements of the Company, within a one-year period, of a number of Common Shares exceeding 5% of the issued and outstanding Shares of the Company, from time to time; or
- (c) such Participating Employee beneficially owning greater than 5% of the issued and outstanding Shares of the Company.

Article 11 – Shareholder Materials

11.1 Shareholder Meeting Materials and Voting

So long as the Administrator holds Common Shares on behalf of a Participating Employee, the Administrator shall cause the Participating Employee to be provided with a copy of the notice,

information circular and proxy for each meeting of the shareholders of the Company received by the Administrator or its nominee as the registered holder of Common Shares together with an appropriate form on which the Participating Employee may indicate voting instructions to the Administrator. Provided that the Participating Employee provides clear and timely instructions to the Administrator, the Common Shares held by the Administrator on behalf of a Participating Employee pursuant to this ESPP will be voted by the Administrator at each meeting of the shareholders of the Company in accordance with such instructions of such Participating Employee.

11.2 Take-Over Bids, etc.

The Administrator will promptly advise all Participating Employees of take-over bids, issuer bids, rights offerings and other events notice of which is delivered to the Administrator or their nominee as the registered holder of Common Shares and cause all Employees to be provided with copies of all materials delivered by the offeror or the Company to the Administrator or its nominee in connection therewith.

Article 12 -Amendments and Termination

12.1 Amendments, Suspensions and Terminations of ESPP

- (a) The Company, in its sole discretion, may at any time and from time to time suspend or terminate (and re-instate) this ESPP in whole or in part as approved by resolution of the Board of Directors and without the approval of shareholders of the Company, provided that no suspension or termination shall deprive any Participating Employee of any benefits that have accrued on or prior to the date thereof or which would cause or permit any Common Shares or cash held pursuant to this ESPP or any employer contributions made on behalf of a Participating Employee pursuant to Section 4.4 to revert to or become the property of the Company (other than pursuant to the termination provisions of this ESPP) without the consent of the affected Participating Employee.
- (b) The Company, in its sole discretion, may at any time and from time to time amend this ESPP in whole or in part as approved by resolution of the Board of Directors and without the approval of shareholders of the Company, subject to any required regulatory approvals including the approval of the TSX, to make (i) amendments to this ESPP of a "housekeeping nature"; (ii) changes to the Holding Period provisions; (iii) changes of a clerical or grammatical nature; (iv) changes regarding the persons eligible to participate in this ESPP; (v) reductions to the Employee contribution and Employer contribution amounts pursuant to Sections 4.1 and 4.4 respectively; (vi) amendments to the termination provisions of this ESPP; (vii) amendments to the administration of the ESPP including the authority of the Board, NGCC Committee or Chief Financial Officer under this ESPP; (viii) amendments which are necessary to comply with applicable law or the requirements of the TSX; or (ix) any other amendment to this ESPP which does not require shareholder approval to be obtained. Any such amendments made pursuant to this Section 12.1(b) may only be made provided that no such amendment shall deprive any Participating Employee of any benefits that have accrued on or prior to the date thereof or which would cause any Employer contributions made on behalf of a Participating Employee pursuant to Section 4.4 to revert to or become the property of the Company (other than pursuant to the termination provisions of this ESPP) without the consent of the affected Participating Employee. Notwithstanding the foregoing, this ESPP shall not be amended without shareholder approval to: (i)

amend any amendment provisions of the ESPP; (ii) increase the maximum number of Common Shares issuable under the ESPP, (iii) make any amendment to remove or to exceed the restrictions enumerated in Section 10.3 of this ESPP, (iv) increase the Employee contribution amount above 10% pursuant to Section 4.1, and (v) increase the Employer contribution amount above 100% pursuant to Sections 4.4.

- (c) The Company may not amend, suspend, terminate (or reinstate) this ESPP in whole or in part if a Blackout Period has been instituted by the Company.

Article 13 - General

13.1 Change of Control

Notwithstanding any provisions to the contrary contained in this ESPP, all unvested Common Shares, if applicable, held in a Participating Employee's Account that are outstanding at the time of a Change of Control shall vest immediately upon such Change of Control (or such earlier date as may be necessary or appropriate to facilitate the Change of Control transaction). All Participating Employee's contributions made pursuant to section 4.1 of this ESPP held by the Administrator but not yet used to purchase Common Shares shall not be used to purchase Common Shares under the ESPP and shall be returned to the Participating Employee.

13.2 Waivers

The Chief Financial Officer shall have discretion to waive, from time to time in circumstances deemed appropriate by the Chief Financial Officer, any timing requirements for the benefit of the Company under this ESPP, and to waive any other requirements for the benefit of the Company under this ESPP which are not subject to approval by the shareholders of the Company, the Board, the NGCC Committee or the Exchange.

13.3 Delegation of Authority

The Chief Financial Officer may, in its sole discretion, delegate its powers under this ESPP and appoint any person or persons to carry out its provisions in conformity with the objectives of the ESPP and under such rules as the Company may from time to time establish.

13.4 Administration and Agents

This ESPP shall be administered by the NGCC Committee, provided, however, that the NGCC Committee shall be entitled to delegate administrative duties relating to this ESPP to a third-party administrator as may from time to time be appointed by the NGCC Committee or the Chief Financial Officer. The Company may from time to time appoint or engage accountants, lawyers and such other personnel as it deems necessary or advisable for the proper administration of this ESPP.

13.5 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of this ESPP.

13.6 No Liability

Neither the Company nor the Employer of the Employee shall be liable to any Participating Employee for any loss resulting from:

- (a) a decline in the market value of any Common Shares purchased by the Participating Employee pursuant to this ESPP;
- (b) any change in the market price of the Common Shares between the time the Participating Employee authorized the purchase of the Common Shares and the time such purchase takes place;
- (c) any dividends paid on the Common Shares between the time the Participating Employee authorized the purchase of the Common Shares and the time such purchase takes place; and
- (d) any change in the market price of the Common Shares between the time any dividends are paid on the Common Shares and the time a purchase of Common Shares using those dividends hereunder takes place, where applicable.

13.7 Administrative Rules

The Company may make administrative rules for the proper functioning of this ESPP. Decisions of the Company shall be final and binding upon any Participating Subsidiaries, Employees, Participating Employees, and their executors and administrators.

13.8 Non-Assignable

Except as otherwise may be expressly provided for under this ESPP or pursuant to a will or by the laws of descent and distribution, no right or interest of a Participating Employee under this ESPP is assignable or transferable.

13.9 Interpretation

All questions arising as to the interpretation of this ESPP (including any disputes or disagreements which may arise under, as a result of or in any way related to the application of this ESPP) will be determined by the Chief Executive Officer, the Chief Financial Officer or such other officer of the Company as the Chief Executive Officer or Chief Financial Officer may designate in writing to the Administrator from time to time, and any such determination will be final, binding and conclusive for all purposes.

13.10 Governing Law

This ESPP and the rights of the parties hereto will be construed and governed according to the laws of British Columbia.

13.11 Expenses

Except as otherwise provided herein, the Company will pay all administrative expenses of this ESPP, including fees of the Administrator and brokerage fees and commissions in respect of the purchase of Common Shares purchased by the Administrator under this ESPP. Employees will be responsible for (i) brokerage fees and commissions and other transaction fees and expenses payable upon a sale by the Administrator of Common Shares held under this ESPP; (ii) transaction fees (including fees charged by the Administrator) payable upon a transfer of Common Shares held under this ESPP to a self-directed investment account of an Employee; and (iii) fees (including fees charged by the Administrator) payable in respect of share certificates or direct registration certificates delivered to an Employee.

Adopted by the Board of Directors of the Company on March 25, 2024.

To be submitted for approval by the shareholders of the Company on May 9, 2024.

SCHEDULE "B"

AMENDMENT TO THE COMPANY'S ARTICLES

[See attached]

FORAN MINING CORPORATION
(the "Company")

The Company has approved the Amended and Restated Articles by Ordinary Resolution of the shareholders in accordance with Article 9 of these Amended and Restated Articles on May 26th, 2022.

Full name and signature of authorized signatory	Date of signing
<u>/s/ "Dan Myerson"</u> [Name of Director]	<u>May 26, 2022</u> <u>9, 2024</u>

Incorporation number: CI007245

FORAN MINING CORPORATION
(the "Company")

AMENDED AND RESTATED ARTICLES

1.	Interpretation	2
2.	Shares and Share Certificates	2
3.	Issue of Shares	4
4.	Share Registers	5
5.	Share Transfers	5
6.	Transmission of Shares	6
7.	Purchase of Shares	7
8.	Borrowing Powers	7
9.	Alterations	8
10.	Meetings of Shareholders	9
11.	Proceedings at Meetings of Shareholders	12
12.	Votes of Shareholders	15
13.	Directors	19
14.	Election and Removal of Directors	20
15.	Alternate Directors	26
16.	Powers and Duties of Directors	27
17.	Interests of Directors and Officers	27
18.	Proceedings of Directors	28
19.	Executive and Other Committees	31
20.	Officers	32
21.	Indemnification	33
22.	Dividends	34
23.	Accounting Records and Auditors	36
24.	Notices	36
25.	Seal	38
26.	Prohibitions	39

Special Rights and Restrictions ~~40~~ [Contents](#)

1.	Interpretation	2
2.	Shares and Share Certificates	2
3.	Issue of Shares	4
4.	Share Registers	5

5.	Share Transfers.....	5
6.	Transmission of Shares	6
7.	Purchase of Shares	7
8.	Borrowing Powers.....	7
9.	Alterations	8
10.	Meetings of Shareholders	9
11.	Proceedings At Meetings of Shareholders.....	12
12.	Votes of Shareholders	15
13.	Directors.....	19
14.	Election And Removal of Directors	20
15.	Reserved.....	27
16.	Powers And Duties of Directors.....	27
17.	Interests of Directors and Officers.....	27
18.	Proceedings of Directors	28
19.	Executive and Other Committees	31
20.	Officers.....	32
21.	Indemnification	33
22.	Dividends	34
23.	Accounting Records and Auditors.....	36
24.	Notices	36
25.	Seal.....	38
26.	Prohibitions	39
27.	Special Rights and Restrictions	40
27.	—————	

1. INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) "board of directors", "directors" and "board" mean the directors or sole director of the Company for the time being;
- (2) "*Business Corporations Act*" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (3) "*Interpretation Act*" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) "legal personal representative" means the personal or other legal representative of a shareholder;
- (5) "registered address" of a shareholder means the shareholder's address as recorded in the central securities register;
- (6) "seal" means the seal of the Company, if any.

1.2 *Business Corporations Act* and *Interpretation Act* Definitions Applicable

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were set out herein. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

2. SHARES AND SHARE CERTIFICATES

2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Certificate or Acknowledgment or Written Notice

Unless the shares of which a shareholder is the registered owner are uncertificated shares, each shareholder is entitled, on request and at the shareholder's option, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided

that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all. Within a reasonable time after the issue or transfer of a share that is an uncertificated share, the Company must send to the shareholder a written notice containing the information required by the *Business Corporations Act*.

2.4 Delivery by Mail

Any share certificate, non-transferable written acknowledgment of a shareholder's right to obtain a share certificate or written notice of the issue or transfer of an uncertificated share may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate, acknowledgement or written notice is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

- (1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgment, as the case may be.

2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment

If a share certificate or a non-transferable written acknowledgment of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgment, as the case may be, must be issued to the person entitled to that share certificate or acknowledgment, as the case may be, provided such person has complied with the requirements of the *Business Corporations Act*.

2.7 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.8 Certificate Fee

There must be paid as a fee to the Company for the issuance of any share certificate under Articles 2.5, 2.6 or 2.7, the amount, if any, determined by the directors, which must not exceed the amount prescribed under the *Business Corporations Act*.

2.9 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize

(even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

3. ISSUE OF SHARES

3.1 Directors Authorized

Subject to the *Business Corporations Act* and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Commissions and Discounts

The Company may at any time, pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (a) past services performed for the Company;
 - (b) property;
 - (c) money; and
- (2) the directors in their discretion have determined that the value of the consideration received by the Company is equal to or greater than the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options, convertible debentures and rights upon such terms and conditions as the directors determine, which share purchase warrants, options, convertible debentures and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

4. SHARE REGISTERS

4.1 Central Securities Register and Any Branch Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain a central securities register and may maintain a branch securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register or any branch securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register

The Company must not at any time close its central securities register.

5. SHARE TRANSFERS

5.1 Registering Transfers

A transfer of a share of the Company must not be registered unless the Company or the transfer agent or registrar for the class or series of share to be transferred has received:

- (1) a duly signed instrument of transfer in respect of the share;
- (2) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate;
- (3) if a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgment; and
- (4) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, the due signing of the instrument of transfer and the right of the transferee to have the transfer registered.

For the purpose of this Article, delivery or surrender to the transfer agent or registrar which maintains the Company's central securities register or a branch securities register, if applicable, will constitute receipt by or surrender to the Company.

5.2 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved from time to time by the directors or the transfer agent or registrar for the class or series of share to be transferred.

5.3 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.4 Signing of Instrument of Transfer

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificate(s) or set out in the written acknowledgments deposited with the instrument of transfer or, if the shares are uncertificated shares, then all of the uncertificated shares registered in the name of the shareholder:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.5 Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

5.6 Transfer Fee

There must be paid as a fee to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

6. TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death

In case of the death of a shareholder, the legal personal representative of the shareholder, or, in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of the shareholder, the directors may require a declaration of transmission made by the legal personal representative stating the particulars of the transmission, proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

6.2 Rights of Legal Personal Representative

The legal personal representative of a shareholder has the same rights, privileges and obligations with respect to the shares as were held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

7. PURCHASE OF SHARES

7.1 Company Authorized to Purchase Shares

Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by resolution of the directors, purchase, redeem or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

7.2 Purchase When Insolvent

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.

7.3 Redemption of Shares

If the Company proposes to redeem some but not all of the shares of any class, the directors may, subject to any special rights and restrictions attached to such class of shares, determine the manner in which the shares to be redeemed shall be selected.

7.4 Sale and Voting of Purchased Shares

If the Company retains a share which it has redeemed, purchased or otherwise acquired, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share; and
- (3) must not make any other distribution in respect of the share.

8. BORROWING POWERS

8.1 Powers of the Company

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the directors consider appropriate;

- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as they consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

8.2 Bonds, Debentures, Debt

Any bonds, debentures or other debt obligations of the Company may be issued at a discount, premium or otherwise, or with special privileges as to redemption, surrender, drawing, allotment of or conversion into or exchange for shares or other securities, attending and voting at general meetings of the Company, appointment of directors or otherwise and may, by their terms, be assignable free from any equities between the Company and the person to whom they were issued or any subsequent holder thereof, all as the directors may determine.

9. ALTERATIONS

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may:

- (1) by directors' resolution or by ordinary resolution, in each case as determined by the directors:
 - (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
 - (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
 - (c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares without par value;
 - (d) if the Company is authorized to issue shares of a class of shares with par value:
 - (i) decrease the par value of those shares;
 - (ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
 - (iii) subdivide all or any of its unissued, or fully paid issued, shares with par value into shares of smaller par value; or
 - (iv) consolidate all or any of its unissued, or fully paid issued, shares with par value into shares of larger par value;

- (e) change all or any of its unissued shares with par value into shares without par value or any of its unissued shares without par value into shares with par value or change all or any of its fully paid issued shares with par value into shares without par value; or
 - (f) alter the identifying name of any of its shares; and
- (2) by ordinary resolution otherwise alter its shares or authorized share structure;
- and, if applicable, alter its Notice of Articles and, if applicable, alter its Articles accordingly.

9.2 Special Rights and Restrictions

Subject to the *Business Corporations Act*, the Company may:

- (1) by directors' resolution or by ordinary resolution, in each case as determined by the directors, create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares if none of those shares have been issued; or vary or delete any special rights or restrictions attached to the shares of any class or series of shares if none of those shares have been issued; and
- (2) by special resolution of the shareholders of the class or series affected, do any of the acts in (1) above if any of the shares of the class or series of shares have been issued,

and alter its Notice of Articles and Articles accordingly.

9.3 Change of Name

The Company may by directors' resolution or by ordinary resolution, in each case as determined by the directors, authorize an alteration of its Notice of Articles in order to change its name and may, by directors' resolution or ordinary resolution, in each case as determined by the directors, adopt or change any translation of that name.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by directors' resolution or by ordinary resolution, in each case as determined by the directors, alter these Articles.

10. MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was continued or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the annual

general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

The directors may, at any time, call a meeting of shareholders.

10.4 Location of Meetings of Shareholders

A meeting of the Company may be held:

- (1) in the Province of British Columbia;
- (2) at another location outside British Columbia if that location is:
 - (a) approved by resolution of the directors before the meeting is held; or
 - (b) approved in writing by the Registrar of Companies before the meeting is held.

10.5 Notice for Meetings of Shareholders

Subject to Article 10.2, the Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by directors' resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

10.6 Notice of Resolution to which Shareholders May Dissent

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days; or
- (2) otherwise, 10 days.

10.7 Record Date for Notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be

held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (1) if and for so long as the Company is a public company, 21 days; or
- (2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.8 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.9 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or may agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

10.10 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting or a circular prepared in connection with the meeting must:

- (1) state the general nature of the special business; and
- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
 - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
 - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of or voting at the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the setting or changing of the number of directors;
 - (e) the election or appointment of directors;
 - (f) the appointment of an auditor;
 - (g) the setting of the remuneration of an auditor;
 - (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; and
 - (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

11.3 Quorum

Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one or more persons present in person or represented by proxy.

11.4 Persons Entitled to Attend Meeting

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the *Business Corporations Act* or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxyholder entitled to vote at the meeting.

11.5 Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.6 Lack of Quorum

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.7 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.6(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the meeting shall be terminated.

11.8 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

11.9 Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president willing to act as chair of the meeting or present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose a director, officer or corporate counsel to be chair of the meeting or if none of the above persons are present or if they decline to take the chair, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.10 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.11 Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.12 Decisions by Show of Hands or Poll

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

11.13 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.12, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.14 Motion Need Not be Seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.15 Casting Vote

In case of an equality of votes, the chair of a meeting of shareholders, either on a show of hands or on a poll, does not have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.16 Manner of Taking Poll

Subject to Article 11.17, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
 - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

11.17 Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.18 Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.19 Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.20 No Demand for Poll on Election of Chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

11.21 Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

11.22 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxy holder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

12. VOTES OF SHAREHOLDERS**12.1 Number of Votes by Shareholder or by Shares**

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting of shareholders, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (2) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint

shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders registered in respect of that share.

12.5 Representative of a Corporate Shareholder

If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (1) for that purpose, the instrument appointing a representative must be received:
 - (a) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
 - (b) by the chair of the meeting at the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;
- (2) if a representative is appointed under this Article 12.5:
 - (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages. Notwithstanding the foregoing, a corporation that is a shareholder may appoint a proxy holder.

12.6 Proxy Provisions Do Not Apply to All Companies

Articles 12.7 to 12.15 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

12.7 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint up to two proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.8 Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.9 When Proxy Holder Need Not Be Shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or
- (3) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
- (2) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or any adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given or has been taken.

12.12 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[name of company]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned):

Signed [month, day, year]

[Signature of shareholder]

[Name of shareholder-printed]

12.13 Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received:

- (1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.15 Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

13. DIRECTORS

13.1 First Directors; Number of Directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;
- (2) if the Company is a public company, the greater of three and the most recently set of:
 - (a) the number of directors elected by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (b) the number of directors set under Article 14.4;
- (3) if the Company is not a public company, the most recently set of:
 - (a) the number of directors elected by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (b) the number of directors set under Article 14.4.

13.2 Change in Number of Directors

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a):

- (1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors, subject to Article 14.8, may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined

by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.7 Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

14. ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) those directors whose term of office expires at the annual general meeting cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

14.2 Consent to be a Director

No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors

If:

- (1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (3) when his or her successor is elected or appointed; and
- (4) when he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the directors.

14.6 Remaining Directors' Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(I), but is eligible for re-election or re-appointment.

14.9 Ceasing to be a Director

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

14.12 Nomination of Directors

- (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 a 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).

15.1 — Appointment of Alternate Director

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

15.2 — Notice of Meetings

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

15.3 — Alternate for More Than One Director Attending Meetings

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (1) — will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (2) — has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (3) — will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity; and
- (4) — has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

15.4 — Consent Resolutions

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

15.5 — Alternate Director Not an Agent

Every alternate director is deemed not to be the agent of his or her appointor.

15.6 — Revocation of Appointment of Alternate Director

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

15.7 — Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

- (1) — his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (2) — the alternate director dies;

- ~~(3) — the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;~~
- ~~(4) — the alternate director ceases to be qualified to act as a director; or~~
- ~~(5) — his or her appointor revokes the appointment of the alternate director.~~

~~15.8 — Remuneration and Expenses of Alternate Director~~

~~The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.~~

15. Reserved.

16. POWERS AND DUTIES OF DIRECTORS

16.1 Powers of Management

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the Business Corporations Act or by these Articles, required to be exercised by the shareholders of the Company.

16.2 Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

17. INTERESTS OF DIRECTORS AND OFFICERS

17.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

17.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

17.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

17.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

17.5 Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

17.6 No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

17.7 Professional Services by Director or Officer

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

17.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

18. PROCEEDINGS OF DIRECTORS

18.1 Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

18.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an

equality of votes, the chair of the meeting does not have a second or casting vote.

18.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board or if designated by the chair, the president, a director or other officer; or
- (3) any other director or officer chosen by the directors if:
 - (a) neither the chair of the board nor the president is present at the meeting within 15 minutes after the time set for holding the meeting;
 - (b) neither the chair of the board nor the president is willing to chair the meeting; or
 - (c) the chair of the board and the president have advised the secretary, if any, or any other director, that they will not be present at the meeting.

18.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors:

- (1) in person;
- (2) by telephone; or
- (3) with the consent of all directors who wish to participate in the meeting, by other communications medium;

if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

18.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

18.6 Notice of Meetings

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

18.7 When Notice Not Required

It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

18.8 Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

18.9 Waiver of Notice of Meetings

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director. Attendance of a director or alternate director at a meeting of directors is a waiver of notice of the meeting unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

18.10 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at a majority of directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

18.11 Validity of Acts Where Appointment Defective

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

18.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article may be by signed document, fax, e-mail or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is effective on the date stated in the consent in

writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

19. EXECUTIVE AND OTHER COMMITTEES

19.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

19.2 Appointment and Powers of Other Committees

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3 Obligations of Committees

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times and in such manner and form as the directors may require.

19.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

19.5 Committee Meetings

Subject to Article 19.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

20. OFFICERS

20.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

20.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

20.4 Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors thinks fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

21. INDEMNIFICATION

21.1 Definitions

In this Article 21:

- (1) "eligible penalty" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) "eligible proceeding" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an "eligible party") or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:
 - (a) is or may be joined as a party; or
 - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (3) "expenses" has the meaning set out in the *Business Corporations Act*.

21.2 Mandatory Indemnification of Eligible Parties

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

21.3 Indemnification

Subject to any restrictions in the *Business Corporations Act* and these Articles, the Company may indemnify any person.

21.4 Non-Compliance with *Business Corporations Act*

The failure of a director, alternate director or officer of the Company to comply with the *Business Corporations Act* or these Articles or, if applicable, any former Companies Act or former Articles, does not invalidate any indemnity to which he or she is entitled under this Part.

21.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity; or
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

22. DIVIDENDS**22.1 Payment of Dividends Subject to Special Rights**

The provisions of this Article 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

22.2 Declaration of Dividends

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

22.3 No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 22.2.

22.4 Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5:00 p.m. on the date on which the directors pass the resolution declaring the dividend.

22.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

22.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

22.7 When Dividend Payable

Any dividend may be made payable on such date as is fixed by the directors.

22.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

22.9 Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

22.10 Dividend Bears No Interest

No dividend bears interest against the Company.

22.11 Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

22.12 Payment of Dividends

Any dividend or other distribution payable in money in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such

cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

22.13 Capitalization of Retained Earnings or Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

23. ACCOUNTING RECORDS AND AUDITORS

23.1 Recording of Financial Affairs

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

23.2 Inspection of Accounting Records

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

23.3 Remuneration of Auditors

The directors may set the remuneration of the auditors. If the directors so decide, the remuneration of the auditors will be determined by the shareholders.

24. NOTICES

24.1 Method of Giving Notice

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record (for the purposes of this Article 24, a "record") required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class; or
 - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
 - (a) for a record delivered to a shareholder, the shareholder's registered address;

- (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class; or
 - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
 - (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
 - (5) making the record available for public electronic access in accordance with the procedures referred to as "notice-and-access" under National Instrument 54-101 and National Instrument 51-102, as applicable, of the Canadian Securities Administrators, or in accordance with any similar electronic delivery or access method permitted by applicable securities legislation from time to time; or
 - (6) physical delivery to the intended recipient.

24.2 Deemed Receipt

A notice, statement, report or other record that is:

- (1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day (Saturdays, Sundays and holidays excepted) following the date of mailing;
- (2) faxed to a person to the fax number provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was faxed on the day it was faxed;
- (3) e-mailed to a person to the e-mail address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was e-mailed on the date it was e-mailed; and
- (4) made available for public electronic access in accordance with the "notice-and-access" or similar delivery procedures referred to in Article 24.1(5) is deemed to be received by a person on the date it was made available for public electronic access.

24.3 Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Article 24.1 is conclusive evidence of that fact.

24.4 Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

24.5 Notice to Legal Personal Representatives and Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to them:
 - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

24.6 Undelivered Notices

If on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Article 24.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

25. SEAL**25.1 Who May Attest Seal**

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

25.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

25.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the

Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under Article 25.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

26. PROHIBITIONS

26.1 Definitions

In this Article 26:

- (1) "designated security" means:
 - (a) a voting security of the Company;
 - (b) a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets; or
 - (c) a security of the Company convertible, directly or indirectly, into a security described in paragraph (a) or (b);
- (2) "security" has the meaning assigned in the Securities Act (British Columbia);
- (3) "voting security" means a security of the Company that:
 - (a) is not a debt security, and
 - (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

26.2 Application

Article 26.3 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

26.3 Consent Required for Transfer of Shares or Designated Securities

No share or designated security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

27. SPECIAL RIGHTS AND RESTRICTIONS

27.1 Special Rights and Restrictions Attaching to Common Shares

(a) Voting common shares

The Company may issue an unlimited number of Voting common shares, which as a class, shall confer on the holders thereof and shall be subject to the following rights and restrictions:

- (i) **Voting.** Except for meetings at which only holders of another specified class or series of the Company are entitled to vote separately as a class or series, the holders of the Voting common shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Company and shall have one vote for each Voting common share held at all meetings of the shareholders of the Company.
- (ii) **Dividends.** Subject to the prior rights of the holders of the Preference shares and any other shares ranking senior to the common shares with respect to priority in the payment of dividends, the holders of the Voting common shares shall be entitled to receive and the Company shall pay thereon, as and when declared by the board of directors of the Company out of the monies of the Company properly applicable to the payment of dividends, such non-cumulative dividends as the directors may from time to time determine; provided that the Voting common shares and the Non-Voting common shares shall rank equally as to dividends on a share-for-share basis, and no dividends shall be declared or paid on the Voting common shares unless an equivalent dividend, equal in amount and (except as provided in the following sentence with respect to stock dividends) kind per share, and payable at the same time and in the same manner, is concurrently declared and paid on the Non-Voting common shares, without preference or distinction. Any stock dividends declared and paid in respect of the Voting common shares shall be in the form of additional Voting common shares, and any stock dividend declared and paid in respect of the Non-Voting common shares shall be in the form of additional Non-Voting common shares. Subject to the rights of the holders of any other class of shares of the Company entitled to receive dividends in priority to or concurrently with the holders of the Voting common shares and Non-Voting common shares, the board of directors may in its sole discretion declare dividends on the Voting common shares only (provided, for certainty, that any such dividends on the Voting common shares are at all times declared on a parity with and rateably with dividends on the Non-Voting common shares) and to the exclusion of any other class of shares of the Company.
- (iii) **Other Distributions.** The provisions above in respect of dividends shall apply, *mutatis mutandis*, with respect to any other distribution by the Company to the holders of the Voting common shares not declared or paid as dividends, including for certainty any distribution made by way of, or in connection with, a return or reduction of capital, and the Voting common shares and the Non-Voting common shares shall rank equally as to any such distribution on a share-for-share basis, and no such distribution shall be made on the Voting common shares unless an equivalent distribution, equal in amount and kind per share, and payable at the same time and in the same manner, is concurrently made on the Non-Voting common shares *pari passu*, without preference or distinction. For certainty, this

section is without limitation to the other provisions of these Articles, and shall apply irrespective of the kind of property distributed, whether a) shares or other securities of the Company or of another entity, b) evidence of indebtedness, c) rights, options, warrants or other entitlements to purchase or otherwise receive shares or other securities of the Company or another entity, d) cash, or e) other assets.

- (iv) Participation on Liquidation. In the event of the liquidation, dissolution or winding-up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs (whether voluntary or involuntary), or upon a reduction of capital, the Voting common shares and the Non-Voting common shares shall, subject to the prior rights of the holders of the Preference shares and any other shares ranking senior to the common shares with respect to priority in the distribution of assets upon liquidation, dissolution, winding-up or any other distribution of assets for the purpose of winding-up or a reduction of capital, rank equally as to priority of distribution on a share-for-share basis and be entitled to participate equally, share-for-share, in the distribution. Such distribution shall be made to the holders of the Voting common shares and the holders of the Non-Voting common shares in equal amounts and kind per share, payable at the same time and in the same manner, *pari passu*, without preference or distinction.

(b) Non-Voting common shares

The Company may issue an unlimited number of Non-Voting common shares, which as a class, shall confer on the holders thereof and shall be subject to the following rights and restrictions:

- (i) Voting. Except where required by the *Business Corporations Act*, the holders of the Non-Voting common shares shall not be entitled to vote at any meeting of the shareholders, however shall have the right to receive notice of, and to attend and to speak at any such meeting.
- (ii) Dividends. Subject to the prior rights of the holders of the Preference shares and any other shares ranking senior to the common shares with respect to priority in the payment of dividends, the holders of the Voting common shares and Non-Voting common shares shall be entitled to receive and the Company shall pay thereon, as and when declared by the board of directors of the Company out of the monies of the Company properly applicable to the payment of dividends, such non-cumulative dividends as the directors may from time to time determine; provided that the Voting common shares and the Non-Voting common shares shall rank equally as to dividends on a share-for-share basis, and no dividends shall be declared or paid on the Voting common shares unless an equivalent dividend, equal in amount and (except as provided in the following sentence with respect to stock dividends) kind per share, and payable at the same time and in the same manner, is concurrently declared and paid on the Non-Voting common shares, without preference or distinction. Any stock dividends declared and paid in respect of the Voting common shares shall be in the form of additional Voting common shares, and any stock dividend declared and paid in respect of the Non-Voting common shares shall be in the form of additional Non-Voting common shares. Subject to the rights of the holders of any other class of shares of the Company entitled to receive dividends in priority to or concurrently with the holders of the Voting

common shares and Non-Voting common shares, the board of directors may in its sole discretion declare dividends on the Voting common shares only (provided, for certainty, that any such dividends on the Voting common shares are at all times declared on a parity with and rateably with dividends on the Non-Voting common shares) and to the exclusion of any other class of shares of the Company.

- (iii) Other Distributions. The provisions above in respect of dividends shall apply, *mutatis mutandis*, with respect to any other distribution by the Company to the holders of the Voting common shares not declared or paid as dividends, including for certainty any distribution made by way of, or in connection with, a return or reduction of capital, and the Voting common shares and the Non-Voting common shares shall rank equally as to any such distribution on a share-for-share basis, and no such distribution shall be made on the Voting common shares unless an equivalent distribution, equal in amount and kind per share, and payable at the same time and in the same manner, is concurrently made on the Non-Voting common shares *pari passu*, without preference or distinction. For certainty, this section is without limitation to the other provisions of these Articles, and shall apply irrespective of the kind of property distributed, whether a) shares or other securities of the Company or of another entity, b) evidence of indebtedness, c) rights, options, warrants or other entitlements to purchase or otherwise receive shares or other securities of the Company or another entity, d) cash, or e) other assets.
- (iv) Participation on Liquidation. In the event of the liquidation, dissolution or winding-up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs (whether voluntary or involuntary), or upon a reduction of capital, the Voting common shares and the Non-Voting common shares shall, subject to the prior rights of the holders of the Preference shares and any other shares ranking senior to the common shares with respect to priority in the distribution of assets upon liquidation, dissolution, winding-up or any other distribution of assets for the purpose of winding-up or a reduction of capital, rank equally as to priority of distribution on a share-for-share basis and be entitled to participate equally, share-for-share, in the distribution. Such distribution shall be made to the holders of the Voting common shares and the holders of the Non-Voting common shares in equal amounts and kind per share, payable at the same time and in the same manner, *pari passu*, without preference or distinction.
- (v) Right of Conversion.
 - a) Entitlement. Upon and subject to the terms and conditions hereinafter set forth, each holder of Non-Voting common shares shall have the right to convert one (1) Non-Voting common share into one (1) Voting common share (the "Conversion Ratio") without the payment of any additional consideration, such Voting common share being issued as fully paid and non-assessable, subject to adjustment as provided for herein. The right of conversion provided for herein may be exercised at any time, from time to time, but only by holders of Non-Voting common shares who are not Fairfax Financial Holdings Limited or any of its affiliates (the "Fairfax Group"), and the for the purposes hereof, "affiliate" shall have the meaning as provided for in the *Business Corporations Act*.

Notwithstanding the foregoing, if a Change of Control is proposed, or if holders of Voting common shares are otherwise entitled to tender their Voting common shares, or vote their Voting common shares, in connection with a transaction that could result in a Change of Control, then from the moment at which such Change of Control is proposed, or such entitlement to tender or vote the Voting common shares, as applicable, is triggered, any member of the Fairfax Group who is a holder of Non-Voting common shares may exercise the right of conversion provided herein, and such right of conversion may (at the sole discretion of the holder, which includes any member of the Fairfax Group holding Non-Voting common shares) be exercised by a holder (including for certainty any member of the Fairfax Group) conditionally, including subject to the concurrent completion of such Change of Control. For the purposes hereof, "Change of Control" means a transaction or series of transactions that result in any of the following: (A) the purchase or acquisition of any outstanding voting securities or securities convertible into voting securities by a person which results in the person beneficially owning, or exercising control or direction over, voting securities or securities convertible into voting securities such that, assuming only the conversion of securities convertible into voting securities beneficially owned or over which control or direction is exercised by the person, the person would beneficially own, or exercise control or direction over, voting securities carrying the right to cast more than 50% of the votes attaching to all voting securities; (B) the approval by the shareholders of the Company of an amalgamation, arrangement, merger or other consolidation or business combination of the Company with another entity which requires approval of the shareholders of the Company pursuant to the *Business Corporations Act* or otherwise and pursuant to which the shareholders of the Company or their affiliates immediately thereafter do not own shares of the successor or continuing entity, which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of the successor or continuing corporation, which may be cast to elect directors of that corporation; (C) a sale, lease, disposition or conveyance of the property and/or assets of the Company as an entirety or substantially as an entirety to any other person (provided that the other person is not an affiliate of the Company) for consideration consisting of cash and/or securities and/or other property of such other person and the subsequent distribution of all of such consideration to all of the holders of securities of the Company, as applicable; (D) any combination of the events or circumstances described in subsections (A), (B) or (C) above, such that all or substantially all of the Voting common shares shall be subject to one or more of subsections (A), (B) or (C) above. The Corporation shall not set a record date for notice of attending and/or voting at any meeting of shareholders in respect of a Change of Control that is less than fifteen (15) days after the public announcement of any such Change of Control.

- b) Exercise of Right. The conversion right herein provided for may be exercised by notice in writing to the Secretary of the Company at its registered office, accompanied by the certificate or certificate representing the Non-Voting common shares in respect of which the holder thereof is entitled and desires to exercise such right of conversion. (and such

evidence as may reasonably be requested by the Company to establish that the holder is not a member of the Fairfax Group). Such notice shall be signed by such holder or the holder's agent and shall specify the number of Non-Voting common shares represented by any certificate or certificates accompanying any such notice are to be converted.

- c) **Certificates.** On any conversion of Non-Voting common shares, at the expense of the Company, (A) the share certificates or certificates representing the Voting common shares resulting therefrom shall be issued in the name of the holder of the Non-Voting common shares converted, and (B) to the extent the holder does not elect to convert all of his, her or their Non-Voting common shares, the holder shall be entitled to receive a new certificate representing the Non-Voting common shares which are not to be converted.
- d) **Timing.** The right of a holder of Non-Voting common shares to convert them into Voting common shares shall be deemed to have been exercised, and the holder of Non-Voting common shares to be converted shall be deemed to have become a holder of Voting common shares, for all purposes three (3) days following the date or dates of receipt by the Secretary of the Company of the certificate representing the Non-Voting common shares to be converted accompanied by notice in writing notwithstanding any delay in the delivery of the certificate or certificates representing the Voting common shares into which such Non-Voting common shares have been converted; provided that notwithstanding the foregoing, in the event of a conditional exercise in connection with a Change of Control, such conversion shall be deemed to have been exercised, and the holder of Non-Voting common shares to be converted shall be deemed to have become a holder of Voting common shares, for all purposes concurrently with completion of the Change of Control. For greater certainty, in the event such Change of Control is not completed, the conversion shall also not be completed.
- e) **Entitlement to Dividends.** The registered holder of any Non-Voting common share on the record date for any dividend payable on such shares shall be entitled to such dividend notwithstanding that such shares shall have been converted into Voting common shares after such record date and before the payment date of such dividend.
- f) **Adjustments to Conversion Ratio.** The Conversion Ratio shall be subject to adjustment from time to time as follows:
 - (A) If at any time, the Company shall:
 - (1) subdivide, redivide or change its outstanding Voting common shares into a greater number of shares;
 - (2) reduce, combine or consolidate its outstanding Voting common shares into a smaller number of shares; or

- (3) issue Voting common shares (or rights, warrants or other securities exercisable, convertible or exchangeable into Voting common shares for no or nominal consideration) to the holders of any of its outstanding Voting common shares by way of a stock dividend (other than an issue of Voting common shares to holders of Voting common shares who exercise an option to receive stock dividends in lieu of cash dividends),

the Conversion Ratio in effect immediately after such subdivision, redivision, change, reduction, combination or consolidation or such issue of Voting common shares (or securities convertible or exchangeable into Voting common shares) by way of a stock dividend becomes effective or is paid, as the case may be, shall, in the case of the events referred to in (1) and (3), be decreased in the same proportion to the increase in the number of outstanding Voting common shares resulting from such subdivision, redivision or change or such dividend (including, in the case where securities convertible or exchangeable into Voting common shares, are issued, the number of Voting common shares that would have been outstanding had such securities been converted or exchanged into Voting common shares on such date of issuance thereof), or, in the case of (2), shall be increased in the same proportion to the decrease in the number of outstanding Voting common shares resulting from such combination or consolidation; such adjustment shall be made successively whenever any event referred to in this section shall occur, any such issue of Voting common shares (or securities convertible or exchangeable into Voting common shares) by way of stock dividend referred to in (3) above shall be deemed to have been made on the date the stock dividend is paid for the purpose of calculating the number of outstanding Voting common shares under this section and to the extent that any such securities convertible or exchangeable into Voting common shares are not converted into Voting common shares prior to the expiration of the conversion right contained in such securities, the Conversion Ratio shall be re-adjusted, effective as of the date of such expiration, to the Conversion Ratio which would then be in effect based upon the number of Voting common shares actually issued on the exercise of such conversion right.

- (B) When any action is taken which requires an increase or decrease of the Conversion Ratio hereunder, the Company shall forthwith file with its Secretary or transfer agent for the Non-Voting common shares, and deliver a copy to each registered holder of Non-Voting common shares, a certificate setting forth the details of the action taken and, as the case may be, the increased or decreased Conversion Ratio, the details of the computation of the adjusted Conversion Ratio and the resulting adjusted Conversion Ratio. The Secretary or transfer agent shall be under no duty to make any investigation or inquiry as to the statements obtained in

any such certificate of the Company or the manner in which any computation was made, but the Secretary or transfer agent may accept such certificate as conclusive evidence of the statements therein contained and shall be fully protected with respect to any and all acts done or action taken or suffered by it in reliance thereon. The Company shall exhibit a copy of such certificate of the Company, from time to time, to any holder of Non-Voting common shares desiring to inspect the same, and shall give notice of any such adjustment of the Conversion Ratio and the resulting adjustment to the holders of Preference shares in the manner provided in Section 24 of the Articles of the Company.

- (C) Upon the surrender of any Non-Voting common shares for conversion, the number of full Voting common shares issuable upon conversion thereof shall be computed on the basis of the aggregate number of such Non-Voting common shares to be converted, in any case where a fraction of a Voting common share is involved the Company shall adjust such fractional interest, in its discretion, by payment by cheque of an amount equal to the then value of such fractional interest computed on the basis of the price per share at such date for the Voting common shares.
- (D) No adjustment in the Conversion Ratio will be made in respect of any event described in this section if the holder of Non-Voting common shares is entitled to participate in such event on the same terms, mutatis mutandis, as if such holder had exercised its Non-Voting common shares prior to or on the effective date or record date of such event.
- (E) The issuance of certificates for Voting common shares upon the conversion of Non-Voting common shares shall be made without charge to the holders of the Non-Voting common shares.
- (F) In case of any reclassification or change (other than a change referred in (A) above) of the Voting common shares or capital reorganization of the Company, or in the case of any amalgamation, consolidation or merger of the Company with or into any other corporation, trust, partnership or other entity, or in the case of any sale of the properties and assets of the Company as, or substantially as, an entirety to any other corporation, trust, partnership or other entity, each Non-Voting common share shall, after such reclassification, change, capital reorganization, amalgamation, consolidation, merger or sale, be convertible into the number of shares or other securities or property of the Company, or such continuing, successor, purchasing corporation, trust, partnership or other entity, as the case may be, to which a holder of the number of Voting common shares as would have been issued if such Non-Voting common shares had been converted immediately prior to such reclassification, change, capital reorganization, amalgamation, consolidation, merger or sale would have been entitled upon such reclassification, change,

capital reorganization, amalgamation, consolidation, merger or sale. The board of directors may, and, upon the written request of the holders of not less than 10% of the then issued and outstanding Non-Voting common shares, shall retain a firm of independent chartered accountants (who may be the auditors of the Company) to make the foregoing calculation, and the board of directors shall determine such entitlement on the basis of the certificate of such firm which shall be addressed to the holders of Non-Voting common shares, the Secretary or transfer agent for such shares and the Company. Any such determination shall be conclusive and binding on the Company, the Secretary or transfer agent for the Non-Voting common shares, and the holders of the Non-Voting common shares. No such reclassification, change, capital reorganization, amalgamation, consolidation, merger or sale shall be carried into effect unless, in the opinion of the board of directors, all necessary steps shall have been taken to ensure that the holders of the Non-Voting common shares shall thereafter be entitled to receive such number of shares or other securities or property of the Company, or such continuing, successor or purchasing corporation, as the case may be, subject to adjustment thereafter in accordance with provisions similar, as nearly as may be, to those contained herein.

- (G) So long as any Non-Voting common shares remain outstanding the Company shall give to the holders of Non-Voting common shares (1) at least 14 days' prior notice of the closing date for any Change of Control or the record date for the payment of any cash dividend, stock dividend or other distribution on its Voting common shares, (2) prompt notice of any Change of Control or the issue to any of its shareholders of rights to subscribe for Voting common shares or other securities and (3) at least 30 days' prior notice before making any repayment of capital on its Voting common shares. Any such notice shall be sufficiently given if given individually to the holders of Non-Voting common shares. The accidental failure or omission to give the notice required by this section or any defect therein shall not affect the legality or validity of any such transaction, payment, distribution or issue.
- (H) The Company covenants and agrees that it shall not, during the periods of notice aforesaid, close its share transfer book, other than after normal business hours, or take any other corporate action which might deprive a holder of Non-Voting common shares from the opportunity of exercising any rights herein provided.

27.2 Special Rights and Restrictions Attaching to Preference Shares

- (a) The Preference shares, as a class, shall confer on the holders thereof and shall be subject to the following special rights and restrictions:

- (i) One or More Series. The directors may issue Preference shares in one or more series.
- (ii) Creation or Deletion of Series. The directors may alter by resolution the Notice of Articles and/or the Articles of the Company to fix or change the number of shares in, and to determine or alter the designation and special rights and restrictions attaching to the shares of each series of Preference shares, including, but without in any way limiting or restricting the generality of the foregoing, the following:
 - a) Voting. The directors may confer on the holders of any series of Preference shares the right to notice of or to be present or to vote, either in person or by proxy, at any general meeting of the shareholders of the Company other than a separate meeting of the holders of the Preference shares, or of the holders of shares of a series of the Preference shares, as the case may be; and
 - b) Dividends. The directors may create, define or attach to any series of Preference shares the rate or amount of dividends (whether cumulative, non-cumulative or partially cumulative), the dates, places and currencies of payment thereof and may allow the directors to declare dividends with respect to the common shares only or with respect to any series of Preference shares only or with respect to any combination of two or more such classes or series of classes.
- (iii) If Series Entitled to Cumulative Dividend. Where the Preference shares or one or more series of Preference shares are entitled to cumulative dividends, and where cumulative dividends in respect of the Preference shares or a series of Preference shares are not paid in full, the shares of all series of Preference shares entitled to cumulative dividends shall participate rateably in respect of accumulated dividends in accordance with the amounts that would be payable on those shares if all the accumulated dividends were paid in full.
- (iv) All Series of Preference Shares Participate Rateably on Winding-Up. Where amounts payable on a winding-up are not paid in full or on the occurrence of any other event where the holders of the shares of all series of Preference shares are entitled to a return of capital but are not paid in full, the shares of all series of Preference shares shall participate rateably in a return of capital in respect of Preference shares in accordance with the amounts that would be payable on the return of capital if all amounts so payable were paid in full.
- (v) No Priority. No special rights or restrictions attached to a series of Preference shares shall confer on the series priority over another series of Preference shares then outstanding respecting:
 - a) dividends, or
 - b) a return of capital:
 - (A) on winding-up, or

- (B) on the occurrence of another event that would result in the holders of all series of Preference shares being entitled to a return of capital.
- (vi) Special Rights and Restrictions of Issued Series. A directors' resolution pursuant to paragraph 27.2(a)(ii) above must be passed before the issue of shares of the series to which the resolution relates, and after the issue of shares of that series the number of shares in, the designation of, and the special rights and restrictions attached to that series may be added to, altered, varied or abrogated only in accordance with the *Business Corporations Act*.
- (vii) Priority on Liquidation. Except as provided herein, in the event of the liquidation, dissolution or winding-up of the Company or any distribution of its assets for the purpose of winding-up its affairs, after the payment of dividends declared but unpaid, the holders of the Preference shares shall be entitled *pari passu* to be paid such amount as the special rights and restrictions attaching to such shares shall provide, or in the absence of any express provision, with respect thereto, the amount of capital paid up in respect thereof per share for each Preference share held by them, out of the assets of the Company in preference to and with priority over any payment or distribution of any capital asset or monies among the holders of any common shares or any other shares ranking junior to the Preference shares in respect of priority or the distribution of assets upon liquidation, dissolution or winding-up or any other distribution of assets for the purpose of winding-up or a reduction of capital, of the Company.
- (viii) The foregoing provisions of these Articles shall apply to all Preference shares except as expressly provided in the special rights and restrictions which the directors may create, define or attach to any series of Preference shares.

SCHEDULE "C"

AUDIT & RISK COMMITTEE CHARTER

Mandate

The Audit & Risk Committee ("**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 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

- 3: Audit & Risk Committee Charter
- 3.1: Whistleblower Policy
- 3.2: 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*. 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 analyze and interpret a full set of financial statements, which include 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.

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

The Board will appoint one Member to act as the Chair of the Committee. In his or her absence, the Committee may appoint another person provided a quorum is present. The Chair 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, the Chief Financial Officer of the Company or any member of the Committee, the Chair 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.
- 8) Based upon discussions and review of the financial statements with management and the external auditor, 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.

Internal Controls and Audit

- 1) 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.
- 2) Assess the requirement for the appointment of an internal auditor for the Company.
- 3) 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.
- 4) 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:

- 1) Generally review with management the Company's significant risks and exposures and the steps management has taken to identify, assess, manage, monitor and control such risks and exposures.
- 2) More specifically review the Company's principal business risks and exposures so that such risks and exposures are effectively managed by:
 - a) reviewing the Company's risk philosophy as set forth by management and the Board of Directors,
 - b) reviewing management's identification and assessment of the significant risks and exposures facing the Company, quarterly,
 - c) 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, 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, and

- d) if the Committee deems it appropriate, requesting the independent auditor's opinion of management's identification and 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 Chair 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 October 27, 2023 with minor amendments.