



**MKANGO RESOURCES LTD.  
500 Burrard Street  
Suite 2900  
Vancouver, BC, V6C 0A3**

**Form 51-102F6V  
STATEMENT OF 2024  
EXECUTIVE COMPENSATION**

## **Compensation Discussion and Analysis**

This compensation discussion and analysis describes and explains the policies and practices of Mkango Resources Ltd. (the “**Company**”) with respect to compensation.

### ***Director and Named Executive Officer compensation excluding compensation securities***

The following table sets forth all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries for the financial year ended December 31, 2024 in respect of the Company’s Named Executive Officers (“**NEOs**”) and Directors. A NEO is defined under Form 51-102F6V - *Statement of Executive Compensation* (“**Form 51-102F6V**”) to include the following individuals:

- (a) the chief executive officer (“**CEO**” or “**Chief Executive Officer**”) of the Company or an individual who acted in a similar capacity during the most recently completed financial year;
- (b) each chief financial officer (“**CFO**” or “**Chief Financial Officer**”) of the Company or an individual who acted in a similar capacity during the most recently completed financial year;
- (c) the Company’s most highly compensated executive officer or most highly compensated individual acting in a similar capacity, other than the CEO and CFO, as at the end of the most recently completed financial year, and whose total compensation was, individually, more than CAD\$150,000 per year; and;
- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year.

The Company’s NEOs for the year ended December 31, 2024 are William Dawes, Alexander Lemon and Robert Sewell. William Dawes was appointed as CEO of the Company effective December 10, 2010 and Alexander Lemon was appointed as President of the Company effective December 10, 2010. Robert Sewell was appointed CFO on June 26, 2022. No other individuals were considered NEOs, as such term is defined in Form 51-102F6V, during the year ended December 31, 2024.

| <b>Table of compensation excluding compensation securities</b> |             |                                                              |                                                     |                                  |
|----------------------------------------------------------------|-------------|--------------------------------------------------------------|-----------------------------------------------------|----------------------------------|
| <b>Name and position</b>                                       | <b>Year</b> | <b>Salary, consulting fee, retainer or commission (US\$)</b> | <b>All other compensation <sup>(3)</sup> (US\$)</b> | <b>Total compensation (US\$)</b> |
| <b>William Dawes, CEO and Director<sup>(1)</sup></b>           | 2024        | 170,377                                                      | 89,529                                              | 259,906                          |
|                                                                | 2023        | 237,794                                                      | Nil                                                 | 237,794                          |
|                                                                | 2024        | 170,377                                                      | 89,529                                              | 259,906                          |

| Table of compensation excluding compensation securities  |      |                                                       |                                              |                           |
|----------------------------------------------------------|------|-------------------------------------------------------|----------------------------------------------|---------------------------|
| Name and position                                        | Year | Salary, consulting fee, retainer or commission (US\$) | All other compensation <sup>(3)</sup> (US\$) | Total compensation (US\$) |
| Alexander Lemon, President and Director <sup>(1)</sup>   | 2023 | 237,794                                               | Nil                                          | 237,794                   |
| Robert Sewell, CFO <sup>(1)</sup>                        | 2024 | 179,138                                               | 40,928                                       | 220,066                   |
|                                                          | 2023 | 205,138                                               | Nil                                          | 205,138                   |
| Derek Linfield, Chairman and Director <sup>(1) (4)</sup> | 2024 | -                                                     | -                                            | -                         |
|                                                          | 2023 | 87,028                                                | Nil                                          | 87,028                    |
| Susan Muir, Director <sup>(4)</sup>                      | 2024 | -                                                     | -                                            | -                         |
|                                                          | 2023 | 25,000                                                | Nil                                          | 25,000                    |
| Shaun Treacy, Director <sup>(4)</sup>                    | 2024 | -                                                     | -                                            | -                         |
|                                                          | 2023 | 25,000                                                | Nil                                          | 25,000                    |
| Philipa Varris, Director <sup>(1)(2)(4)</sup>            | 2024 | -                                                     | -                                            | -                         |
|                                                          | 2023 | 14,708                                                | Nil                                          | 14,708                    |

**Notes:**

- (1) These amounts were paid in Pound Sterling and are stated in United States dollars (“US\$”). The amounts in US\$ were determined using the relevant annual average exchange rate for the year ended December 31, 2024, being £1: US\$1.28.
- (2) Philipa Varris became a director on May 24, 2023.
- (3) In connection with the reduction in executive management salaries and associated bonus scheme as announced on May 10, 2024, the Company issued shares to management. This was structured for tax and regulatory reasons as a cash bonus and private placement of the after-tax amounts of the bonus. The amount recorded in this column was the pre-tax cash bonus.
- (4) To preserve cash, the Non-Executive Directors were not paid any fees during 2024. Payment of fees resumed on January 1, 2025.

***External Management Companies***

There are currently no contracts with external management companies in effect, other than the agreement with Leo Mining & Exploration Limited (“**Leominex**”) described below under “*Employment, consulting and management agreements – Management Agreements*”.

***Stock options and Other Compensation Securities***

The Company issued the following compensation securities to the directors or NEOs during the year ended December 31, 2024 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

| Name and position                                      | Type of Compensation Security   | Number of Compensation Securities, Number of Underlying Securities and Percentage of Class | Date of Issue or Grant | Exercise Price (C\$) | Closing Price of Common Shares on date of grant (C\$) | Closing Price of Common Shares on December 31, 2024(C\$) | Expiry Date |
|--------------------------------------------------------|---------------------------------|--------------------------------------------------------------------------------------------|------------------------|----------------------|-------------------------------------------------------|----------------------------------------------------------|-------------|
| William Dawes, CEO and Director <sup>(1)</sup>         | Restricted Share Units (“RSUs”) | 1,513,804 <sup>(2)</sup>                                                                   | May 10,2024            | 0.00                 | 0.12                                                  | 0.16                                                     | May 9,2034  |
| William Dawes, CEO and Director <sup>(1)</sup>         | Restricted Share Units (“RSUs”) | 938,333                                                                                    | Oct 28,2024            | 0.00                 | 0.10                                                  | 0.16                                                     | Oct 27,2034 |
| Alexander Lemon, President and Director <sup>(1)</sup> | Restricted Share Units (“RSUs”) | 1,513,804 <sup>(2)</sup>                                                                   | May 10,2024            | 0.00                 | 0.12                                                  | 0.16                                                     | May 9,2034  |
| Alexander Lemon, President and Director <sup>(1)</sup> | Restricted Share Units (“RSUs”) | 1,009,256                                                                                  | Oct 28,2024            | 0.00                 | 0.10                                                  | 0.16                                                     | Oct 27,2034 |
| Robert Sewell, Chief Financial Officer <sup>(1)</sup>  | Restricted Share Units (“RSUs”) | 375,000                                                                                    | May 10,2024            | 0.00                 | 0.12                                                  | 0.16                                                     | May 9,2034  |
| Robert Sewell, Chief Financial Officer <sup>(1)</sup>  | Restricted Share Units (“RSUs”) | 938,333                                                                                    | Oct 28,2024            | 0.00                 | 0.10                                                  | 0.16                                                     | Oct 27,2034 |

**Notes:**

- (1) As at December 31, 2024, each of the directors and NEOs held the following number of Stock Options, EMI Options and RSUs, as applicable: William Dawes held 3,707,500 Stock Options, 840,000 EMI Options and 4,739,717 RSUs; Alexander Lemon held 3,707,500 Stock Options, 840,000 EMI Options and 4,739,717 RSUs; Derek Linfield held 2,160,000 Stock Options; Susan Muir held 1,370,000 Stock Options, Shaun Treacy held 1,370,000 Stock Options and Robert Sewell held 725,000 Stock Options and 1,947,589 RSUs.
- (2) These RSUs vest when first commercial sales of recycled NdFeB at Tyseley Energy Park are achieved.

### ***Exercise/Cancellation of Compensation Securities by Directors and NEOs***

No Stock Options, EMI Options or RSUs were exercised by any Directors or NEOs during the year ended December 31, 2024.

On May 10, 2024, Derek Linfield, the Company's Chairman surrendered 1,250,000 options, previously granted on 30 August 2021 and 30 May 2023 to facilitate the awarding of Restricted Share Units to senior management.

### ***Stock Option Plan, EMI Plan and RSU Plan***

There were no options re-priced under the Stock Option Plan (as defined below) or EMI Plan (as defined below) or RSUs re-priced under the RSU Plan (as defined below) during the Company's financial year ended December 31, 2024.

The following table sets out equity compensation plan information as at December 31, 2024:

|                                                            | <b>Number of securities to be issued upon exercise of outstanding Stock Options, EMI Options, RSUs, warrants and rights</b> | <b>Weighted-average exercise price of outstanding Stock Options, EMI Options, RSUs, warrants and rights (C\$)</b> | <b>Number of securities remaining available for future issuance under equity compensation plans</b> |
|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Equity compensation plans approved by security holders     | 29,707,876                                                                                                                  | 0.09                                                                                                              | 362,519                                                                                             |
| Equity compensation plans not approved by security holders | Nil                                                                                                                         | Nil                                                                                                               | Nil                                                                                                 |
| <b>Total</b>                                               | <b>29,707,876</b>                                                                                                           | <b>0.09</b>                                                                                                       | <b>362,519</b>                                                                                      |

### ***Stock Option Plan***

The Company's stock option plan (the "**Stock Option Plan**") was last approved by shareholders of the Company ("**Shareholders**") at the Company's annual meeting held on November 26, 2024.

The Stock Option Plan provides for the issuance of stock options to acquire up to that number of Common Shares that is equal to 10% of the issued and outstanding Common Shares, provided that in no case can options be granted under the Stock Option Plan, EMI Options granted under the

EMI Plan and RSUs issued under the RSU Plan that would require the issuance of more than 10% of the issued and outstanding Common Shares at the date of grant. The Stock Option Plan is a Rolling Plan and is required to be approved each year by the Shareholders.

The Stock Option Plan was established to recognize contributions made by directors, officers, employees and consultants of the Company, to provide incentives to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Board administers the Stock Option Plan and it is their responsibility to ensure that the provisions of the Stock Option Plan are adhered to. Under the Stock Option Plan, options are issued pursuant to option agreements to directors, officers, employees or consultants of the Company or a subsidiary of the Company. Options issued under the Stock Option Plan expire on a date not later than ten years after the issuance of such option. As at December 31, 2024, there were 16,238,334 Stock Options outstanding and vested under the Stock Option Plan to purchase Common Shares, representing approximately 5.5% of the issued and outstanding Common Shares.

### ***EMI Plan***

The Company's Enterprise Management Incentive plan (the "**EMI Plan**") was last approved by Shareholders at the Company's annual meeting held on November 26, 2024. The EMI Plan is a Rolling Plan and is required to be approved each year by the Shareholders.

The EMI Plan has the following material terms:

#### ***Eligible Participants***

Participation in the EMI Plan is restricted to employees of the Company and its subsidiaries who: (i) are required to spend on average at least the statutorily required minimum time on the business of the Company or its group companies, (ii) do not, together with Associates (as defined in the EMI Plan), have a Material Interest (defined to be 30% or more of the issued and outstanding Common Shares) in the Company, and (iii) do not have Associates who have a Material Interest (each, an "**EMI Eligible Person**").

#### ***Transferability***

Options granted under the EMI Plan (each, an "**EMI Option**") are not transferable or assignable other than by operation of law on death.

#### ***Grant of EMI Options***

The EMI Plan permits the Company to issue an EMI Option to an EMI Eligible Person and to determine the vesting schedule applicable to such EMI Options.

Following vesting, an EMI Option Holder will be entitled to exercise its EMI Options to purchase Common Shares at the exercise price included in the option agreement entered into by the EMI Eligible Person and the Company on the date on which the EMI Option is granted.

### *Exercise Price of EMI Options*

The Board determines the purchase price for Common Shares under the EMI Options but in no event shall the price be less than the market price (as defined in the policies of the TSX-V or such other exchange that the Common Shares may be listed on) less any permitted discounts.

### *EMI Option Limits*

No EMI Options may be granted which would cause the total Market Value (as such term is defined in the EMI Plan) of the Common Shares that can be acquired on exercise of all EMI Options at the relevant grant dates to exceed £3 million.

If and for so long as the Common Shares are listed on the TSX-V, the number of Common Shares which may be issuable under the EMI Plan, together with any other Share Compensation Arrangement, shall be limited to 10 percent (10%) of the issued and outstanding common shares of the Company. In addition, if and for so long as the Common Shares are listed on the TSXV, the number of Common Shares which may be issuable under the EMI Plan, together with any other Share Compensation Arrangement, within any one-year period: (i) to any EMI Eligible Person, will not exceed 5% of the total issued and outstanding Common Shares, (ii) to any Insiders as a group, will not exceed 10% of the total number of issued and outstanding Common Shares on the grant date on a non-diluted basis; and (iii) to any EMI Eligible Person conducting investor relations activities, will not exceed 2% of issued and outstanding Common Shares. Any EMI Options issued to EMI Eligible Persons performing investor relations activities must vest in stages over no less than 12 months with no more than 1/4 of the EMI Options vesting in any three-month period.

In addition, no EMI Option will be granted to an EMI Eligible Person which would cause the total Market Value at the relevant grant dates of the Common Shares that an EMI Eligible Person may acquire on exercise of the EMI Options to exceed £249,999.

### *Termination of Employment*

An EMI Option Holder who gives or receives notice of termination of employment (whether or not lawful) and an EMI Option Holder who ceases to be an Employee (whether or not following notice) may not exercise an EMI Option at any time while the notice remains effective or after ceasing to be an Employee, except that where the EMI Option Holder ceases to be an employee as a result of death, disability, retirement, resignation, dismissal without Cause (as defined in the EMI Plan) or such other circumstances as may be approved by the Board, the EMI Option will be exercisable for a specified period of time thereafter. In all of these cases, EMI Options will be exercisable only to the extent that they have vested on the termination date except that where an EMI Option Holder is dismissed without Cause (as defined in the EMI Plan), its unvested EMI Options will become exercisable in full.

### *Change of Control*

If an offer to purchase all of the Common Shares is made by a third party, the Company will be required to use its best efforts to bring such offer to the attention of EMI Option Holders as soon as practicable and the Company may, at its option, require the acceleration of the time for the exercise of EMI Options and for the fulfilment of any conditions or restrictions on such exercise.

As at December 31, 2024, there were 1,680,000 EMI Options outstanding under the EMI Plan to purchase Common Shares, representing approximately 0.6% of the issued and outstanding Common Shares.

### ***Restricted Share Unit Plan***

The Company's Restricted Share Unit Plan (the "**RSU Plan**") was last approved by Shareholders at the Company's last annual meeting held on November 26, 2024.

The RSU Plan has the following material terms:

#### *Eligible Participants*

Participation in the RSU Plan is restricted to employees of the Company and its subsidiaries (an "**RSU Eligible Person**").

#### *Transferability*

RSUs are not transferable or assignable other than by will or the laws of descent and distribution.

#### *Grant of RSUs*

The RSU Plan permits the Remuneration Committee of the Board, or if there is no such committee, the Board, to grant awards of RSUs to an RSU Eligible Person and to determine the RSU Redemption Date applicable to such RSUs. In addition, the Committee may, at its sole discretion, at the time of the grant of RSUs, make such RSUs subject to performance conditions to be achieved by the Company to entitle the holder thereof to receive the Common Shares.

Following vesting, the RSUs will be redeemed on or about (but not later than 30 days following) each applicable RSU Redemption Date (as defined in the RSU Plan) (the "**RSU Redemption Date**"), and the Eligible RSU Person will be entitled to receive and the Company will issue to such Eligible RSU Person, as applicable: (i) the number of Common Shares equal to the numbers of RSUs vested on the RSU Redemption Date. The RSU Redemption Date in respect of any RSU is the date provided for in the agreement granting the RSUs or if no date is set, the tenth (10<sup>th</sup>) anniversary of the grant date, unless otherwise provided for in the RSU Plan. The Remuneration Committee has the discretion to stipulate the length of time for vesting and to determine various performance objectives based on certain business criteria as a pre-condition to an RSU vesting.

#### *Payment of Dividend Equivalents*

When dividends are paid on Common Shares, an RSU Eligible Person shall be credited with dividend equivalents in respect of the RSUs credited to such RSU Eligible Person's Account as of the record date for payment of dividends provided, however, that the Company shall be entitled to make a payment in cash in lieu of issuing Common Shares if the number of Common Shares available for issuance under this Plan have been exhausted. Such dividend equivalents shall be converted into additional RSUs (including fractional RSUs) based on the fair market value per Common Share on the date credited and redeemed on the date of redemption, of the RSUs with respect to which the dividend equivalent was granted.

### *Maximum Number of Common Shares Issued*

The number of Common Shares which may be reserved for issuance under the RSU Plan for the redemption of RSUs, provided that all RSUs granted shall be deemed to be redeemed into Common Shares for the purpose of this calculation will not exceed 15,000,000 Common Shares, which represents not more than 10% of the number of issued and outstanding Common Shares on the date of initial adoption of the RSU Plan. No RSUs may be issued under the RSU Plan if such issuance, when aggregated with the number of Common Shares which may be issuable under all other share compensation arrangements of the Company, would exceed 10% of the number of issued and outstanding Common Shares at the time of grant, subject to customary adjustments in accordance with the RSU Plan and, if required by the TSX-V Policies or any other stock exchange on which the Common Shares may then be listed, and by the shareholders of the Company.

If and for so long as the Common Shares are listed on the TSX-V, the number of Common Shares which may be issuable under the RSU Plan for the redemption of RSUs granted under such plan, and any other share compensation arrangement, within any one-year period: (i) to any RSU Eligible Person, will not exceed 5% of the total issued and outstanding Common Shares on the grant date on a non-diluted basis, (ii) to any Insiders as a group, will not exceed 10% of the total number of issued and outstanding Common Shares at any point in time, provided that, in determining the number of Common Shares issuable, all RSUs granted shall be deemed to be redeemed into Common Shares.

If and for so long as the Common Shares are listed on the TSX-V, no RSUs will be granted under the RSU Plan to any RSU Eligible Person whose role and duties primarily consist of Investor Relations Activities, as defined under the TSX-V Policies.

### *Termination of Employment*

If, prior to an RSU Redemption Date, an RSU Eligible Person terminates its employment in accordance with its employment agreement with the Company or a subsidiary, or where the Company or a subsidiary terminates the employment of RSU Eligible Person, provided no circumstances amounting to Cause (as defined in the RSU Plan) exist, the RSU Redemption Date will be deemed to be the date on which the termination of such employment takes effect and all RSUs granted to such RSU Eligible Person and outstanding under the RSU Plan will, on such termination date, immediately vest and be redeemed in accordance with the terms of the RSU Plan.

If, prior to an RSU Redemption Date, the employment of an RSU Eligible Person is terminated by the Company or a subsidiary or by an RSU Eligible Person where Cause exists or if an RSU Eligible Person voluntarily terminates its employment other than in accordance with its employment agreement, all of the RSU Eligible Person's RSUs will be cancelled and no amount will be paid by the Company to such RSU Eligible Person in respect of the RSUs so cancelled.

### *Change of Control*

In the event of a change of control of the Company, all RSUs granted to RSU Eligible Persons and outstanding under the RSU Plan will immediately vest and will be redeemed.

As at December 31, 2024, there were 11,427,023 RSUs outstanding under the RSU Plan to purchase Common Shares, representing approximately 3.8% of the issued and outstanding Common Shares.

### ***Employment and Services Agreement***

On October 1, 2021, William Dawes and Alexander Lemon each entered into an employment agreement with Mkango Rare Earths UK Limited (the “**Employment Agreements**”), a wholly-owned subsidiary of the Company incorporated in the UK. Furthermore, on June 26, 2022, Robert Sewell was appointed as Chief Financial Officer of the group. On March 16, 2023, Mkango Rare Earths UK Limited was transferred to become a subsidiary of Maginito Limited, a BVI company of which the Company owns 79.4% of the shares, as it was focused on long loop rare earth magnet recycling in the UK via a chemical route. On the same date the Employment Agreements with William Dawes, Alexander Lemon and Robert Sewell were transferred from Mkango Rare Earths UK Limited to a newly formed UK subsidiary of the Company, Mkango ServiceCo Limited.

### ***Material Terms of Employment Agreements***

The Named Executive Officers and non-executive directors’ compensation is agreed by the Board.

### ***Other Compensation***

Other than as set forth herein, the Company did not pay any other compensation to Named Executive Officers of the Company (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year.

### ***Termination and Change of Control Benefits***

There is no employment contract, compensatory plan, or other arrangement in place with the Named Executive Officers, nor are there any agreements between the Company and the Named Executive Officers that provide for payment to the Named Executive Officers of the Company in connection with any termination, resignation, retirement or change in responsibilities of the Named Executive Officers, except as discussed under the section entitled “Executive Compensation” and other than pursuant to the Employment Agreements with William Dawes and Alexander Lemon which provide that:

- (a) upon termination without cause, the employee will be entitled to an amount equal to 1.5 times the employee’s annual salary; and
- (b) upon a Change of Control (as defined below), the employee will be entitled to an amount equal to 1.5 times the employee’s annual salary.

The payments referred to above as being payable upon termination without cause and Change of Control are in addition to the employee’s entitlements under the Option Plan, the EMI Plan and the RSU Plan, as described above.

Under the respective Employment Agreements, a “**Change of Control**” shall occur if:

- (a) a person, or persons acting jointly or in concert, beneficially holds more than 50% of the voting securities of the Company and, as a result, can exercise the right to elect a majority of the members of the Board;
- (b) any merger or consolidation of the Company with, or sale of all or substantially all of the Company’s assets or business to, another person (other than an affiliate of the Company);
- (c) there is a sale of ownership of 50% or more of the voting securities of the Company to another person (other than to an affiliate or subsidiary of the Company);
- (d) a person, or persons acting jointly or in concert, as a result of any powers conferred by the articles of association or any other document or law/stock exchange regulation regulating the Company can direct that the affairs of the Company are conducted in accordance with their wishes; or
- (e) any similar transaction or combination of the foregoing which would have substantially the same effect as any of the foregoing.

***Oversight and description of Director and NEO compensation***

The Company’s compensation philosophy is to provide competitive compensation with a view to attract, motivate and retain highly qualified executive officers capable of achieving the Company’s strategic and performance objectives and ultimately creating and preserving shareholder value. Consistent with this philosophy, the Company’s compensation program is designed to achieve the following key objectives:

- recruit, inspire and retain highly skilled executives;
- reward those who meet and exceed both short-term operational and long-term strategic goals; and
- align the interests of executives with corporate performance, and therefore shareholders’ interests.

The Remuneration Committee recognises that a key risk associated with the Company’s compensation policies relates to the retention and motivation of key personnel in a competitive market. As such, remuneration structures and their components are reviewed periodically to ensure alignment with corporate objectives and available resources.

These components are intended to provide a total compensation package that is designed to attract, retain and motivate the executive management of the Company with competitive remuneration packages. The remuneration policy is aligned to the Company’s appetite for risk and both short and long-term strategic goals. A proportion of remuneration is structured so as to link rewards to corporate and individual performance and designed to promote the success of the Company. In determining such policy, the Remuneration Committee takes into account all factors which it deems necessary, including relevant legal and regulatory requirements and the provisions and recommendations of relevant regulator guidance, as well as the Company’s relative size and stage of development.

The NEOs and directors of the Company are not formally prohibited from purchasing financial instruments designed to hedge or offset a decrease in the market value of shares, including shares granted or underlying share-based compensation or otherwise held directly or indirectly by an NEO or a director. In the view of the Board, the structure and nature of directors and executive compensation is designed to reduce the need to hedge or offset any potential decrease in the price of shares of the Company and is adequate to ensure that the interests of the directors and NEOs are adequately aligned with those of the Company generally.

#### Elements of Compensation Program

As discussed in further detail below, the Company's compensation program is comprised of two main elements:

- (1) base salaries;
- (2) long-term incentives in the form of security-based awards.

#### Base Salary

The primary element of the Company's compensation program is base salary. The Company's view is that a competitive base salary is a necessary element for attracting and retaining qualified executive officers. The amount payable to a NEO as a base salary is determined primarily by past performance, anticipated future contribution and internal value of the NEOs.

#### Stock Options, EMI Options and Restricted Share Units

The Stock Option Plan, the EMI Plan and the RSU Plan are intended to align NEOs' long-term incentives with the interests of shareholders. Under the Stock Option Plan and EMI Plan, options are awarded to senior executives for present and potential contribution to the performance of the Company. Options issued by the Company vest over time and have a maximum ten-year term, providing incentives to executives to support long-term corporate goals and shareholder interests, further encouraging the long-term retention of such individuals. The grant of option-based awards to NEOs is approved by the Board.

Individual grants under the Stock Option Plan, the EMI Plan and the RSU Plan are determined by an assessment by the Board (who will receive recommendations from the Remuneration Committee) of an NEO's current and expected performance, contribution to the Company, level of responsibility, importance of position and take into account the number of options already held by the individual.

#### ***Pension Plan***

The Company has no pension plans (whether defined contribution or defined benefit) that provide for payments or benefits to any director or NEO at, following, or in connection with retirement.