

NOTICE

Gran Colombia Gold Corp. (“**Gran Colombia**” or the “**Corporation**”) has adopted amendments to the proposed amendments to the Incentive Stock Option plan to be considered for approval by Gran Colombia shareholders at the Corporation’s annual general and special meeting of shareholders to be held on June 4, 2020 (the “**Meeting**”). Specifically, Gran Colombia has amended the Incentive Stock Option Plan to provide that the aggregate number of common shares reserved for issuance pursuant to options shall not exceed 9.0% of the outstanding common shares at the time of the granting of an option, less the aggregate number of common shares then reserved for issuance pursuant to any other share compensation arrangement. Furthermore, and among other things, the definition of “Eligible Person” has been amended to remove non-employee directors as plan participants. The Incentive Stock Option Plan (attached hereto, as amended) is subject to approval by shareholders at the Meeting.



GRAN COLOMBIA GOLD CORP.
INCENTIVE STOCK OPTION PLAN

For Approval by Shareholders: June 4, 2020

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ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) **“Accelerated Vesting Event”** means the occurrence of any one of the following events:
 - (i) a take-over bid (as defined under applicable securities Laws) is made for Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise of the Convertible Securities, if any, that are the subject of the take-over bid) in any Person or Persons acting jointly or in concert (as determined under applicable securities Laws) or Persons associated or affiliated with such Person or Persons (as determined under applicable securities Laws) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;
 - (ii) the acquisition or continuing ownership by any Person or Persons acting jointly or in concert (as determined under applicable securities Laws), directly or indirectly, of Shares or of Convertible Securities, which, when added to all other securities of the Corporation at the time held by such Person or Persons, Persons associated with such Person or Persons, or Persons affiliated with such Person or Persons (as determined under applicable securities Laws) (collectively, the “Acquirors”), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;
 - (iii) an amalgamation, merger, arrangement or other business combination (a “Business Combination”) involving the Corporation receives the approval of, or is accepted by, the securityholders of the Corporation (or all classes of securityholders whose approval or acceptance is required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Corporation and as a result of that Business Combination, parties to the Business Combination or securityholders of the parties to the Business Combination, other than the securityholders of the Corporation, own, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast at least 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect Directors;
- (b) **“affiliate”** shall have the meaning ascribed thereto by the TSX Company Manual in Part I – Interpretation;
- (c) **“associate”** shall have the meaning ascribed thereto by the TSX Company Manual in Part I – Interpretation;
- (d) **“Award Date”** means the date on which the Board grants and announces a particular Option;
- (e) **“Black Out Period”** means a temporary period during which Participants may not exercise their Options;
- (f) **“Board”** means the board of directors of the Corporation or, as applicable, a committee consisting of not less than 3 directors of the Corporation duly appointed to administer this Plan;

- (g) **"Charitable Organization"** means "charitable organization" as defined in the *Income Tax Act* (Canada) from time to time;
- (h) **"Common Shares"** means the common shares in the capital of the Corporation;
- (i) **"Consultant Company"** means for an individual service provider, a company or partnership of which the individual is an employee, shareholder or partner;
- (j) **"Convertible Securities"** means securities convertible into, exchangeable for or representing the right to acquire Common Shares;
- (k) **"Corporation"** means Gran Colombia Gold Corp. and its predecessor and successor entities;
- (l) **"Director"** means directors, senior officers and Management Company Employees of the Corporation or its subsidiaries, if any, to whom stock options can be granted in reliance on a prospectus exemption under applicable securities Laws;
- (m) **"Disinterested Shareholder Approval"** means approval by a majority of the votes cast by all shareholders entitled to vote at a meeting of shareholders of the Corporation excluding votes attached to shares beneficially owned by insiders to whom options may be granted under this Plan and their Associates;
- (n) **"Distribution"** has the meaning ascribed thereto by the Exchange;
- (o) **"Eligible Person"** means
 - (i) ~~a Director,~~ an Officer, Employee or service provider of the Corporation or its subsidiaries, if any, at the time the option is granted, and includes companies that are wholly owned by Eligible Persons; and
 - (ii) a Charitable Organization at the time the Option is granted;
- (p) **"Employee"** means an individual who:
 - (i) is considered an employee of the Corporation or its subsidiaries, if any, under the *Income Tax Act*, (Canada) i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,
 - (ii) works full-time for the Corporation or its subsidiaries, if any, providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source, or
 - (iii) works for the Corporation or its subsidiaries, if any, on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and method of work as an employee of the Corporation, but for whom income tax deductions are not made at source;
- (q) **"Exchange"** means the Toronto Stock Exchange;
- (r) **"Exercise Period"** means the period during which a particular Option may be exercised, being the period from and including the Award Date through to and including the Expiry Date;

- (s) **“Exercise Price”** means the price at which an Option may be exercised in accordance with Section 5.1;
- (t) **“Expiry Date”** means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;
- (u) **“Governmental Authorities”** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:
 - (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
 - (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (v) **“Holding Company”** has the meaning ascribed thereto in section 5.6;
- (w) **“Insider”** shall have the meaning ascribed thereto by the TSX Company Manual in Part I – Interpretation;
- (x) **“Investor Relations Activities”** means any activities, by or on behalf of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:
 - (A) to promote the sale of products or services of the Corporation; or
 - (B) to raise public aware of the Corporation, that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;
 - (ii) activities or communications necessary to comply with the requirements of:
 - (A) applicable securities Laws;
 - (B) Exchange rules or the by-laws, rules or other regulatory instruments of any other self regulatory body or exchange having jurisdiction over the Corporation;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of its, if:
 - (A) the communication is only through the newspaper, magazine or publication, and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - (iv) activities or communications that may be otherwise specified by the Exchange.

- (y) **"Laws"** means currently existing applicable statutes, by-laws, rules, regulations, orders, ordinances or judgments, in each case of any Governmental Authority having the force of law;
- (z) **"Management Company Employee"** means an individual who is employed by a Person providing management services to the Corporation which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities;
- (aa) **"Officer"** means an officer of the Corporation or its subsidiaries, if any;
- (bb) **"Option"** means a non-transferable and non-assignable option to purchase Common Shares granted to an Eligible Person pursuant to the terms of this Plan;
- (cc) **"Other Share Compensation Arrangement"** means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;
- (dd) **"Participant"** means an Eligible Person who has been granted an Option;
- (ee) **"Person"** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;
- (ff) **"Personal Representative"** means (i) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of a Participant who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Participant;
- (gg) **"Plan"** means this incentive stock option plan;
- (hh) **"RRSP"** has the meaning ascribed thereto in section 5.6;
- (ii) **"service provider"** means a person or company engaged by the listed issuer to provide services for an initial, renewable or extended period of twelve months or more; and
- (jj) **"Termination Date"** means the date on which a Participant ceases to be an Eligible Person.

1.2 Interpretation

References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

ARTICLE 2 ESTABLISHMENT OF PLAN

2.1 Purpose

The purpose of this Plan is to advance the interests of the Corporation, through the grant of Options, by:

- (a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Corporation, its Affiliates and its subsidiaries, if any;

- (b) encouraging Eligible Persons to remain with the Corporation, its Affiliates or its subsidiaries, if any; and
- (c) attracting new ~~Directors~~, Officers, Employees and service providers.

2.2 Shares Reserved

- (a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed ~~40~~⁴⁹% of the outstanding Common Shares at the time of the granting of an Option, LESS the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan.
- (b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:
 - (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
 - (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the Exercise Price for such shares or other securities or property; and
 - (iii) the vesting of any Options, including the accelerated vesting thereof on conditions the Board deems advisable and, if it relates to Investor Relations vesting provisions, then subject to the approval of the Exchange,and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Participants as it shall deem advisable.
- (c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.
- (d) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

2.3 Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

2.4 Effective Date

This Plan shall be subject to the approval of any regulatory authority whose approval is required. Any Options granted under this Plan prior to such approvals being given shall be conditional upon such approvals being given, and no such Options may be exercised unless and until such approvals are given.

ARTICLE 3
ADMINISTRATION OF PLAN

3.1 Administration

- (a) This Plan shall be administered by the Board or any committee established by the Board for the purpose of administering this Plan. Subject to the provisions of this Plan, the Board shall have the authority:
 - (i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Participant's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited; and
 - (ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 hereof.
- (b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Participants and all other Persons.

3.2 Compliance with Laws

- (a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign Laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any Governmental Authority as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such Laws, policies, rules and regulations or any condition or requirement of such approvals.
- (b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the applicable securities Laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.
- (c) Common Shares sold, issued and delivered to Participants pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities Laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

ARTICLE 4 OPTION GRANTS

4.1 Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions.

4.2 Representation

The Corporation represents that an Employee, service provider or Management Company Employee who is granted an Option or Options is a *bona fide* Employee, service provider or Management Company Employee, as the case may be. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

- (a) **To any one Person.** The number of Common Shares reserved for issuance to any one Person in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant (unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit).
- (b) **To Service Providers.** The number of Common Shares reserved for issuance to any one service provider in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (c) **To Persons conducting Investor Relations Activities.** The number of Common Shares reserved for issuance to all Persons employed to provide Investor Relations Activities in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed an aggregate of 2% of the outstanding Common Shares at the time of the grant.
- (d) **To Insiders.** The number of Common Shares:
 - (i) issued to insiders of the Corporation, within any one-year period; and
 - (ii) issuable to insiders of the Company, at any time,under the Plan, or when combined with all of the Corporation's other security-based compensation arrangements, shall not exceed 10.0% of the Corporation's total issued and outstanding Common Shares, respectively.
- (e) **Exercises.** Unless the Corporation has received Disinterested Shareholder Approval to do so, the number of Common Shares issued to any Person within a 12 month period pursuant to the exercise of Options granted under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the exercise.

ARTICLE 5 OPTION TERMS

5.1 Exercise Price

The Exercise Price per Common Share for an Option shall not be less than the market price for the Common Shares (as defined by the policies of the Exchange) at the date of grant.

5.2 Expiry Date

Every Option granted shall, unless sooner terminated, have a term not exceeding and shall therefore expire no later than 10 years after the date of grant.

Notwithstanding anything contained herein, if the Expiry Date occurs during a Black Out Period or within 2 business days of a Black Out Period, the Expiry Date for such option shall be extended to 10 days from the end of the Black Out Period.

5.3 Vesting

- (a) Subject to subsection 5.3(b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.
- (b) Options granted to service providers performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any 3 month period.

5.4 Accelerated Vesting Event

Subject to subsection 5.3(b) and in compliance with the policies of the Exchange, upon the occurrence of an Accelerated Vesting Event, the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any Option, to make such changes to the terms of Options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of Options, conditionally or unconditionally; (b) terminating every Option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the Options are proposed to be granted to or exchanged with the holders of Options, which replacement options treat the holders of Options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such transaction; (c) otherwise modifying the terms of any Option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any Option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

5.5 Withholding Taxes

The exercise of each Option granted under this Plan is subject to the condition that if at any time the Corporation determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is required under applicable law in respect of such exercise, such exercise is not effective unless such withholding has been effected to the satisfaction of the Corporation. In such circumstances, the Corporation may require that the Participant pay to the Corporation, in addition to and in the same manner as the Exercise Price for the Common Shares, such amount as the Corporation is obliged to remit to the relevant taxing authority in respect of the exercise of the Option. Any such additional payment is due no later than the date as of which any amount with respect to the Option exercised first becomes includable in the gross income of the Participant for tax purposes.

5.6 Non-Assignability

Options may not be assigned or transferred, and all Option certificates will be so legended, provided however that (i) the Participant may transfer the Option to a personal holding company wholly-owned and controlled by such Participant ("**Holding Company**") or to a registered retirement savings plan established for the sole benefit of such Participant ("**RRSP**") or from a Holding Company or RRSP to the Participant and, in either such event, the provisions of this Plan shall apply mutatis mutandis as though

they were originally issued to and registered in the name of the Participant, (ii) the Participant may transfer the Option to a permitted assign (as defined in National Instrument 45-106 *Prospectus and Registration Exemptions*) or for estate planning or estate settlement purposes and, in any such event, the provisions of this Plan shall apply mutatis mutandis as though they were originally issued to and registered in the name of the Participant, or (iii) the Personal Representatives of a Participant may, to the extent permitted by section 6.1, exercise the Option within the Exercise Period.

5.7 Ceasing to be Eligible Person

- (a) If a Participant who is an Officer, Employee or service provider is terminated for cause, each Option held by such Participant shall terminate and shall therefore cease to be exercisable upon such termination for cause.
- (b) If a Participant dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is twelve months after the date of the Participant's death.
- (c) Unless an option agreement specifies otherwise, if a Participant ceases to be an Eligible Person for any reason other than death, each Option held by the Participant other than a Participant who is involved in investor relations activities will cease to be exercisable 90 days after the Termination Date or for a "reasonable period" after the Participant ceases to serve in such capacity, as determined by the Board. For Participants involved in investor relations activities, Options shall cease to be exercisable 30 days after the Termination Date or for a "reasonable period" after the Participant ceases to serve in such capacity, as determined by the Board.
- (d) For greater certainty, if a Participant dies, each Option held by such Participant shall be exercisable by the legal representative of such Participant until such Option terminates and therefore ceases to be exercisable pursuant to the terms of this Section.
- (e) If any portion of an Option is not vested at the time a Participant ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Participant or its legal representative, as the case may be, always provided that the Board may, in its discretion and in the case of Options relating to Investor Relations, subject to the approval of the Exchange, thereafter permit the Participant or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates and therefore ceases to be exercisable pursuant to the terms of this Section. For greater certainty, and without limitation, this provision will apply regardless of whether the Participant ceased to be an Eligible Person voluntarily or involuntarily, was dismissed with or without cause, and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option to vest.

ARTICLE 6 EXERCISE PROCEDURE

6.1 Exercise Procedure

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Participant only upon the Participant's delivery to the Corporation at its head office of:

- (a) a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;
- (b) the originally signed option agreement with respect to the Option being exercised;

- (c) a certified cheque or bank draft made payable to the Corporation for the aggregate Exercise Price for the number of Common Shares with respect to which the Option is being exercised; and
- (d) documents containing such representations, warranties, agreements and undertakings, including such as to the Participant's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the Laws of any jurisdiction;

and on the business day following, the Participant shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Participant.

ARTICLE 7

APPROVALS, AMENDMENTS AND TERMINATION

7.1 Approvals Required for Plan

Prior to its implementation by the Corporation, this Plan is subject to the receipt of approval by the shareholders of the Corporation at a general meeting and approval of the Exchange.

7.2 Permitted Amendments

The Board may, at any time and from time to time, amend, suspend or terminate the Plan without shareholder approval, provided that no such amendment, suspension or termination may be made without obtaining any requisite regulatory or Exchange approval or the consent or deemed consent of a Participant where such amendment, suspension or termination materially prejudices the rights of the Participant. The types of amendments that do not require shareholder approval include but are not limited to:

- (a) amendments of a "housekeeping" nature, including those required to clarify any ambiguity or rectify any inconsistency in the Plan;
- (b) amendments required to comply with mandatory provisions of applicable law, including the rules and regulations of the Exchange;
- (c) amendments which are advisable to accommodate changes in tax laws;
- (d) extension of accelerated expiry dates to, but not beyond, the expiry date originally set at the time of the option grant;
- (e) amendments to the vesting provisions of any grant under the Plan; and
- (f) amendments to the terms of options in order to maintain option value in connection with a conversion, change, reclassification, redesignation, subdivision or consolidation of the Common Shares or a reorganization, amalgamation, consolidation, merger or takeover bid or similar type of transaction involving the Corporation.

7.3 Amendments Requiring Shareholder Approval

Notwithstanding the provisions of Section 7.2, the Board may not, without the prior approval of the shareholders of the Corporation, make amendments to the Plan for any of the following purposes:

- (a) to increase in the maximum number of Shares issuable under the Plan as set out in Section 2.2(a);

- (b) to reduce the Exercise Price of outstanding Options;
- (c) to cancel an Option for the purpose of ~~exchange for reissuance at a lower Exercise Price~~exchanging or re-issuing Options to the same person;
- (d) to extend the original Expiry Date of an outstanding Option, except where the Expiry Date is extended because it would have occurred during a Black Out Period;
- (e) to extend the Expiry Date of an outstanding Option, except where the Expiry Date has been accelerated due to the death, termination upon retirement, termination by reason of disability or otherwise of the Participant, provided however, that the Option cannot be extended beyond the Expiry Date originally set at the time of the Option grant;
- (f) to amend the Plan to permit the grant of an Option with an Expiry Date of more than 10 years from the Award Date;
- (g) to amend the transferability provision of the Plan, other than to permitted assigns or for estate planning or estate settlement purposes;
- (h) to amend this Section 7.3; and
- (i) to expand the ~~class of Participants~~Eligible Persons to whom Options may be granted under the Plan.

7.4 Consent to Amend

The Board may amend any Option with the consent of the affected Participant and the Exchange, including any shareholder approval required by the Exchange. For greater certainty, Disinterested Shareholder Approval is required for: (i) a reduction in the Exercise Price of an Option if the Participant is an Insider at the time of the proposed amendment; or (ii) an extension of the term of an Option if the Participant is an Insider at the time of the proposed amendment.

7.5 Amendment Subject to Approval

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

7.6 Termination

The Board may terminate this Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Participant pursuant to any Option awarded prior to the date of such termination and notwithstanding such termination the Corporation, such Options and such Participants shall continue to be governed by the provisions of this Plan.

7.7 Agreement

The Corporation and every person to whom an Option is awarded hereunder shall be bound by and subject to the terms and conditions of this Plan.

ARTICLE 8 MISCELLANEOUS

8.1 No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon a Participant any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Participant shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

8.2 No Right to Employment

Nothing in this Plan or any Option shall confer upon a Participant any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate the Participant's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Participant beyond the time which the Participant would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.

8.3 Governing Law

This Plan, all option agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the Laws of the Province of British Columbia and the federal Laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.