

ELORO RESOURCES LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting (the "**Meeting**") of shareholders of ELORO RESOURCES LTD. (the "**Corporation**") will be held in a virtual-only format, which will be conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1401> on Tuesday, September 27, 2022, at 2:00 pm EDT (Toronto time) for the following purposes:

1. to pass, with or without variation, a special resolution setting the number of directors of the Corporation at six (6) and authorizing the board of directors of the Corporation to determine the number of directors by resolution;
2. to elect as directors for the forthcoming year the nominees proposed by management of the Corporation in the enclosed management information circular (the "**Information Circular**");
3. to pass, with or without variation, an ordinary resolution re-appointing RSM Canada LLP as the auditors of the Corporation and authorizing the directors to fix the terms of engagement and remuneration for such auditors;
4. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to ratify and approve the proposed long-term incentive plan, attached as Schedule B to the Information Circular, to supersede and replace the Corporation's current stock option plan and restricted share unit plan;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the repeal of the Corporation's current by-laws and adopting the proposed by-laws attached as Schedule C to the Information Circular; and
6. to transact such further or other business as may properly come before the Meeting or any adjournment thereof.

The details of the matters proposed to be put before the Meeting are set forth in the Information Circular accompanying this Notice, which is supplemental to and expressly made a part of this Notice. Shareholders of record as of the close of business on August 15, 2022 (the "**Record Date**") will be entitled to vote at the Meeting and at any adjournment or adjournments thereof.

Shareholders of the Corporation will not be able to attend the Meeting in person. At the virtual Meeting, registered Shareholders of the Corporation and duly appointed proxyholders will have an opportunity to participate, to ask questions, and to vote, all in real time, at the Meeting through an online portal. Non-registered Shareholders must carefully follow the procedures set out in the Circular in order to vote virtually and ask questions through the live audiocast. Guests, including non-registered Shareholders who have not been duly appointed as proxyholders, can log into the virtual Meeting as a guest. Guests may listen to the Meeting but will not be entitled to vote or ask questions during the Meeting.

This Notice is accompanied by a form of proxy (the "**Proxy**") and the Circular. The Corporation has also sent the audited consolidated financial statements of the Corporation for the fiscal year ended March 31, 2022 and related management's discussion and analysis to those shareholders who have previously requested these been sent to them in connection with the Meeting.

In order to ensure as many common shares of the Corporation as possible are represented at the Meeting, the Corporation strongly encourages registered shareholders to complete the enclosed Proxy and return it as soon as possible in accordance with the instructions set out in the accompanying Information Circular. Shareholders who do not hold their common shares in their own name are strongly encouraged to complete the voting instruction forms received from the Corporation or their broker as soon as possible and to follow the instructions set out in the accompanying Information Circular.

Please review the enclosed Information Circular and date, sign and return the enclosed Proxy to the Corporation's transfer agent, TSX Trust Company. To be effective, the Proxy must be delivered by facsimile to (416) 595-9593 or mailed so as to reach or be deposited with the Secretary of the Corporation, c/o TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada M5H 4H1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario), prior to the time set for the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in their discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

The persons named in the enclosed Proxy are directors or officers of the Corporation. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to act for such Shareholder and on such Shareholders behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.

DATED at the City of Toronto, in the Province of Ontario, as of August 22, 2022.

By Order of the Board of Directors of
ELORO RESOURCES LTD.

(signed) "*Thomas Larsen*"

Thomas Larsen
Chairman and Chief Executive Officer

ELORO RESOURCES LTD.
20 Adelaide Street East, Suite 200, Toronto, ON, M5C 2T6

**MANAGEMENT INFORMATION CIRCULAR
FOR THE ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS
to be held on September 27, 2022**

PURPOSE OF SOLICITATION

THIS MANAGEMENT INFORMATION CIRCULAR (the “Circular”) IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF ELORO RESOURCES LTD. (the “Corporation”) FOR USE AT THE ANNUAL AND SPECIAL MEETING (the “Meeting”) OF SHAREHOLDERS OF THE CORPORATION (“Shareholders”) WHICH WILL BE HELD IN A VIRTUAL-ONLY FORMAT, AND WHICH WILL BE CONDUCTED VIA LIVE AUDIO WEBCAST AVAILABLE ONLINE USING <https://virtual-meetings.tsxtrust.com/1401> ON TUESDAY, SEPTEMBER 27, 2022, AT 2:00 PM EDT (TORONTO TIME), FOR THE PURPOSES SET FORTH IN THE ACCOMPANYING NOTICE OF MEETING (THE “Notice of Meeting”) AND AT ANY ADJOURNMENT THEREOF.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors or officers of the Corporation. Arrangements will also be made with brokerage houses and other custodians, nominees, and fiduciaries to forward proxy solicitation material to the beneficial owners of the common shares of the Corporation (the “Common Shares”) pursuant to the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”). The cost of any such solicitation will be borne by the Corporation.

IMPORTANT NOTICE REGARDING THE MEETING

In order to proactively deal with the unprecedented public health impacts of COVID-19 and to mitigate risks to the health and safety of our communities, Shareholders and other stakeholders, and to ensure compliance with local laws or orders restricting the size of public gatherings in response to COVID-19, the Corporation will hold the Meeting as a virtual-only shareholders meeting with participation electronically.

Shareholders of the Corporation will not be able to attend the Meeting in person. At the virtual Meeting, registered Shareholders of the Corporation and duly appointed proxyholders will have an opportunity to participate, to ask questions, and to vote, all in real time, at the Meeting through an online portal. Non-registered Shareholders must carefully follow the procedures set out in the Circular in order to vote virtually and ask questions through the live audiocast. Guests, including non-registered Shareholders who have not been duly appointed as proxyholders, can log into the virtual Meeting as a guest. Guests may listen to the Meeting but will not be entitled to vote or ask questions during the Meeting.

In order to ensure as many Common Shares as possible are represented at the Meeting, the Corporation strongly encourages registered shareholders to complete the enclosed Proxy and return it as soon as possible in accordance with the instructions set out in the accompanying Circular. Shareholders who do not hold Common Shares in their own name are strongly

encouraged to complete the voting instruction forms received from the Corporation or their broker as soon as possible and to follow the instructions set out in the Circular.

This Circular describes the matters to be acted on at the Meeting and the procedures for attending or appointing proxies to vote at the Meeting. Unless otherwise stated, the information provided herein is given as of the 22nd day of August, 2022.

PART ONE

VOTING INFORMATION

APPOINTMENT OF PROXIES

The persons named in the accompanying form of proxy (the “**Proxy**” or “**Proxies**”, as the case may be) are the Chief Executive Officer and the Corporate Secretary respectively, of the Corporation. **A Shareholder wishing to appoint some other person or company (who need not be a Shareholder of the Corporation) to attend and act for the Shareholder at the Meeting has the right to do so, by striking out the names of the two persons named in the accompanying form of Proxy and inserting the desired person’s name in the blank space provided on the form of Proxy or by completing another Proxy.**

To be valid, a Proxy must be signed by the Shareholder or the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney. A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed Proxy with the Corporation’s transfer agent and registrar, TSX Trust Company, Proxy Department, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1, facsimile: (416) 595-9593, **not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the time set for the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.** If you are a beneficial Shareholder and receive these materials through a broker or through another intermediary, please complete and return the Proxy or voting instruction form in accordance with the instructions provided by your broker or other intermediary.

NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or their duly appointed proxy holders are permitted to vote at the Meeting. If you are a registered shareholder, you can vote your shares at the Meeting or by proxy. Most Shareholders of the Corporation are non-registered shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or trust company. A person is not a registered shareholder (a “**Non-Registered Shareholder**”) in respect of Common Shares which are held either:

- (a) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Shareholder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”)) of which the Intermediary is a participant.

In accordance with Canadian securities laws, the Corporation will have distributed copies of the Notice of Meeting, this Circular and the Proxy (collectively the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to a Non-Registered Shareholder unless a Non-Registered Shareholder has waived the right to receive them. Typically, Intermediaries will use a service company such as Broadridge Financial Solutions Inc., (“**Broadridge**”) to forward the Meeting Materials to Non-Registered Shareholders.

Non-Registered Shareholders who have not waived the right to receive Meeting Materials will receive either a voting instruction form or, less frequently, a Proxy. If you are a Non-Registered Shareholder, and the Corporation or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Non-Registered Shareholders should follow the procedures set out below, depending on which type of form they receive.

Voting Instruction Form

In most cases, a Non-Registered Shareholder will receive, as part of the Meeting Materials, a voting instruction form. If the Non-Registered Shareholder does not wish to attend and vote at the Meeting, (or have another person attend and vote on the Shareholder’s behalf), the voting instruction form should be completed, signed and returned in accordance with the directions on the form. Voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone, fax, or through the Internet at www.proxyvote.com. If a Non-Registered Shareholder, who receives a voting instruction form, wishes to attend the vote at the Meeting (or have another person attend and vote on the Shareholder’s behalf), the Non-Registered Shareholder must complete, sign and return the voting instruction form in accordance with the directions provided and a Legal Proxy giving the right to attend and vote at the Meeting will be forwarded to the Non-Registered Shareholder.

Form of Proxy

Less frequently, a Non-Registered Shareholder will receive, as part of the Meeting Materials, a Proxy that 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 uncompleted. If a Non-Registered Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholder’s behalf) the Non-Registered Shareholder must complete the Proxy and deposit it with TSX Trust Company as described above. If a Non-Registered Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholders behalf), the Non-Registered Shareholder must strike out the names of the persons named in the Proxy and insert the Non-Registered Shareholder’s (or such other person’s) name in the blank space provided.

Non-Registered Shareholders should carefully follow the instructions set out on the forms they receive, including those regarding when and where to return the forms received and contact their Intermediary promptly if they need assistance.

REVOCATION OF PROXIES

In addition to any other manner permitted by law, a registered shareholder who has given the Corporation a Proxy may revoke the Proxy by:

- (a) completing and signing a Proxy bearing a later date and depositing it with the Corporation care of TSX Trust Company, as described above;
- (b) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing (i) at the registered office of the Corporation at any time up to the last business day preceding the day of the Meeting, or any adjournment or postponement of the Meeting at which the Proxy is to be used or (ii) with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment or postponement of the Meeting; or
- (c) in any other manner permitted by law.

Non-Registered Shareholders should contact the intermediary through which he or she or it holds shares of the Corporation in order to obtain instructions regarding the procedures for revocation of any voting instructions that he, she or it has provided to his or her intermediary.

A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF PROXIES

Common Shares represented by properly executed Proxies in favour of the persons designated in the enclosed form of Proxy will, where a choice with respect to any matter to be acted upon has been specified in the form of Proxy, be voted in accordance with the specification made. Such Common Shares will be voted in favour of each matter for which no choice has been specified by the Shareholder.

The enclosed form of Proxy, when properly completed and delivered, but not revoked, confers discretionary authority upon the persons appointed as a proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters that may properly come before the Meeting.

In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of Proxy to vote in accordance with their best judgement on such matters of business. At the time of printing this Circular, management of the Corporation knew of no such amendment, variation or other matter which might be presented to the Meeting.

VOTING AT THE VIRTUAL MEETING

Registered Shareholders of the Corporation may vote online by attending the virtual Meeting.

A registered Shareholder of the Corporation may vote at the Meeting, or may appoint another person to represent such registered Shareholder as proxyholder and to vote the Common Shares of such registered Shareholder at the Meeting.

A registered Shareholder may access and vote at the virtual Meeting during the live audio webcast as follows:

- a. Log into <https://virtual-meetings.tsxtrust.com/1401> at least 15 minutes before the start of the Meeting. Registered Shareholders should allow ample time to check into the virtual Meeting and to complete the related procedures.
- b. Click on "**I have a control number**" and enter your 12-digit control number on your form of Proxy.

- c. Enter the password (case sensitive): **eloro2022**
- d. When the ballot is opened, click on the “**Voting**” icon. To vote, simply select your voting direction from the options shown on screen and click “**Submit**”. A confirmation message will appear to show your vote has been received.

Beneficial or Non-Registered Shareholders entitled to vote at the Meeting may vote at the Meeting virtually by following the steps listed below:

- a. Appoint yourself as proxyholder by writing your name in the space provided on the form of proxy or VIF.
- b. Sign and send it to your intermediary, following the voting deadline and submission instructions on the VIF.
- c. Obtain a control number by contacting TSX Trust Company by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.
- d. Log into <https://virtual-meetings.tsxtrust.com/1401> on your browser at least 15 minutes before the Meeting starts.
- e. Click on “**I have a control number**”.
- f. Enter your 12-digit control number provided by tsxtrustproxyvoting@tmx.com.
- g. Enter the password (case sensitive): **eloro2022**
- h. When the ballot is opened, click on the “**Voting**” icon. To vote, simply select your voting direction from the options shown on screen and click “**Submit**”. A confirmation message will appear to show your vote has been received.

If you are a registered Shareholder and you want to appoint someone else (other than the Management nominees) to vote online at the Meeting, you must first submit your proxy indicating who you are appointing. You or your appointee must then register with TSX Trust in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.

If you are a Non-Registered Shareholder and want to vote online at the Meeting, you must appoint yourself as proxyholder and register with TSX Trust in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.

Guests can also listen to the Meeting by following the steps below:

- a. Log into <https://virtual-meetings.tsxtrust.com/1401> on your browser at least 15 minutes before the Meeting starts. Please do not do a Google Search. Do not use Internet Explorer.
- b. Click on “**I am a Guest**”.

If you have any questions or require further information with regard to voting your Common Shares, please contact TSX Trust Company toll-free in North America at 1-866-600-5869 or by email at tmxinvestorservices@tmx.com.

VOTING AND DISCRETIONARY AUTHORITY

The proxyholders named in the accompanying form of proxy shall and will vote the shares represented thereby on any ballot in accordance with the shareholder's direction set forth in the proxy. **IN THE ABSENCE OF SUCH DIRECTION, THE SHARES REPRESENTED THEREBY WILL BE VOTED (i) FOR THE APPROVAL OF THE SPECIAL RESOLUTION TO SET THE NUMBER OF DIRECTORS OF THE CORPORATION AT SIX (6) FOR THE ENSUING YEAR AND AUTHORIZING THE BOARD OF DIRECTORS TO FIX THE NUMBER OF DIRECTORS OF THE CORPORATION, (ii) THE ELECTION OF THE MANAGEMENT NOMINEES NAMED IN THIS CIRCULAR AS DIRECTORS, (iii) FOR THE RE-APPOINTMENT OF RSM CANADA LLP, AS THE AUDITORS OF THE CORPORATION AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THE AUDITORS' REMUNERATION AND TERMS OF ENGAGEMENT, (iv) FOR THE APPROVAL OF THE CORPORATION'S LONG-TERM INCENTIVE PLAN ATTACHED AS SCHEDULE B TO THIS CIRCULAR, (v) FOR THE REPEAL OF THE CORPORATION'S CURRENT BY-LAWS AND ADOPTION OF THE PROPOSED BY-LAWS ATTACHED AS SCHEDULE C TO THIS CIRCULAR,** all as discussed below.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters as may properly come before the Meeting or any adjournments thereof. At the date of this Circular, management of the Corporation knows of no amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. **If amendments, variations to matters identified in the Notice of Meeting or if other matters properly come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote in accordance with their judgment on such matters.**

RECORD DATE

The board of directors of the Corporation (the "**Board of Directors**") has determined that the holders of Common Shares at the close of business on August 15, 2022 (the "**Record Date**") shall be entitled to receive notice of the Meeting and to vote at the Meeting, and any adjournment thereof. Accordingly, only shareholders of record on such Record Date are entitled to vote at the Meeting.

OUTSTANDING VOTING SHARES, VOTING AT MEETINGS AND QUORUM

The authorized capital of the Corporation consists of an unlimited number of Common Shares without par value. As at the date hereof, the Corporation had 69,878,965 Common Shares outstanding, each of which carries one vote per share. Holders of Common Shares as of the Record Date shall be entitled to vote their shares personally or by proxy at the Meeting. Unless otherwise required by law, every question coming before the Meeting shall be determined by a majority of votes duly cast on the matter.

Proxies returned by intermediaries as "non-votes" because the intermediary has not received instructions from the beneficial shareholder with respect to the voting of certain shares or, under applicable regulatory rules, the intermediary does not have the discretion to vote those shares on one or more of the matters that come before the Meeting, will be treated as not entitled to vote on any such matter and will not be counted as having been voted in respect of any such matter. Shares represented by such intermediary "non-votes" will, however, be counted in determining whether there is a quorum.

A quorum for the Meeting and any adjournments thereof is two persons present in person or represented by proxy and entitled to vote thereat.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and senior officers of the Corporation, as at the date hereof, no person or company beneficially owns, directly or indirectly, controls or directs Common Shares carrying 10% or more of the voting rights attached to the outstanding Common Shares. except for:

- (a) Thomas Larsen (7,027,514 Common Shares, representing 10.06% of the outstanding Common Shares)
- (b) Crescat Portfolio Management LLC (7,640,230 Common Shares, representing 10.93% of the outstanding Common Shares)

As at the date hereof, the directors and officers of the Corporation own or control, directly or indirectly, in the aggregate 16,309,531 Common Shares representing approximately 23.3% of the outstanding Common Shares as of August 22, 2022, prior to giving effect to the exercise of any stock options, warrants, or convertible securities of the Corporation.

PART TWO

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Corporation's directors, the only matters to be dealt with at the Meeting are those matters set forth in the accompanying Notice of Meeting and more fully described below:

I. Number of Directors

In accordance with section 125(3) of the *Business Corporations Act* (Ontario), the Corporation may by special resolution set the number of directors for the ensuing year and to authorize the directors to determine the number of directors. It is proposed that the number of directors for the ensuing year to be set at six (6). At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to approve the following special resolution:

“BE IT RESOLVED as a special resolution of the shareholders of Eloro Resources Ltd. (the **“Corporation”**) that:

- (1) The Corporation hereby sets the number of directors of the Corporation at six (6); and
- (2) The board of directors of the Corporation is hereby authorized to determine the number of directors of the Corporation by resolution of the directors.

To be effective, the special resolution in respect of setting the number of directors at six (6) and authorizing the Board of Directors to determine the number of directors must be approved by the affirmative vote of not less than two-thirds (2/3) of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

The management designees, if named as proxy, intend to vote the shares represented by any such proxy FOR the approval of the special resolution setting the number of directors for the ensuing year to be six (6) and to authorize the Board of Directors to determine the number of directors of the Corporation, unless the shareholder has specified in a proxy that his, her or its shares are to be voted against the resolution.

II. Election of Directors

The Articles of the Corporation currently provide for a minimum of three (3) and a maximum of nine (9) directors. The Board of Directors currently consists of five (5) directors, all of whom are elected annually.

It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed pursuant to the by-laws of the Corporation unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (Ontario) or the Corporation's by-laws. **IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR THE ELECTION OF SAID PERSONS TO THE BOARD OF DIRECTORS. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON ANY OF THE PROPOSED NOMINEES DOES NOT STAND FOR ELECTION OR IS UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT DESIGNEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS OR HER PROXY THAT HIS OR HER COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.**

The following information relating to the nominees as directors is based on information received by the Corporation from said nominees:

Name of Proposed Nominees, Place of Residence and Position with the Corporation	Principal Occupation for Past Five Years and Positions with other Reporting Issuers	Director Since	Common Shares Beneficially Owned⁽²⁾
Thomas Larsen Burlington, Ontario Canada Director, Chairman and Chief Executive Officer	Chairman and Chief Executive Officer of the Corporation since 1997; Cartier Iron Corporation from 1997 to 2012 and from 2014 to present; (all resource exploration corporations). Mr. Larsen is a director of the Corporation and of Cartier Iron Corporation.	2002	1,661,672 ⁽³⁾ 5,365,842 ⁽⁴⁾
Francis Sauve ⁽¹⁾⁽⁵⁾ Tilbury, Ontario Canada Director	Entrepreneur. Director of the Corporation and Cartier Iron Corporation (resource exploration corporations).	2002	1,755,575 ⁽³⁾
Alexander Horvath ⁽¹⁾⁽⁵⁾ L'Orignal, Ontario Canada Director	Professional Engineer. President of A.S. Horvath Engineering Inc. (a geological engineering services company). Chief Operating Officer of Champion Iron Limited from April 2014 to December 31, 2016, Executive Vice President of Exploration and Project Development of Champion Iron Mines Limited from 2008 to 2016. A director of the Corporation since 2010; and Cartier Iron Corporation from 2013 to 2014 and since 2017 (all resource exploration corporations).	2010	325,000 ⁽³⁾ 519,850 ⁽⁴⁾
Dusan Berka ⁽¹⁾ Vancouver, BC Canada Director	Professional Engineer. Director of the Corporation since 2011; President and CEO of Madoro Metals Corp. (formerly Megastar Development Corp.) since 2003; Director of Aquila Copper Corp. (formerly Aquila American Gold Ltd.) since 2011; Director and senior officer of Patriot Battery Metals Inc. (formerly Gaia Metals Corp.) since 2012.	2011	100,890 ⁽³⁾ 420,914 ⁽⁴⁾
Richard Stone ⁽⁵⁾ Toronto, Ontario Canada Director	Chief Investment Strategist of Starlight Capital Corporation since 2022. Chairman and CEO of Stone Asset Management Limited from 1999 to 2022 and of Stone Investment Group Limited from 2006 to 2022 (investment management corporations). Director of the Corporation since January 2017.	2017	280,500 ⁽³⁾ 32,500 ⁽⁴⁾
Pablo Ordoñez Santa Cruz de la Sierra	Partner (Tax) at PPO Abogados since 2020; Partner (Tax) at Ferrere Abogados from 2016 to 2020.	N/A	Nil

Name of Proposed Nominees, Place of Residence and Position with the Corporation	Principal Occupation for Past Five Years and Positions with other Reporting Issuers	Director Since	Common Shares Beneficially Owned ⁽²⁾
Andres Ibañez Bolivia Director Nominee			

Notes:

- (1) Member of the Audit Committee of the Corporation.
- (2) Not including stock options or warrants of the Corporation.
- (3) Held directly.
- (4) Held indirectly including through a corporation owned and/or controlled by the respective director.
- (5) Member of the Nomination and Compensation Committee of the Corporation.

To the knowledge of the Corporation, no proposed director is, at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while that person was acting in that capacity, (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, or (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days.

To the knowledge of the Corporation, no proposed director is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person 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, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Corporation, no proposed director has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became 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 the proposed director.

To the knowledge of the Corporation, no proposed director (a) has been subject to any penalties or sanctions imposed by a court relating to securities legislation, or by a securities regulatory authority; or (b) since December 31, 2000, has entered into a settlement agreement with a securities regulatory authority or, before January 1, 2001, entered into a settlement agreement with a securities regulatory authority which would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director; or (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Directors will be elected by the affirmative vote of a majority of the votes cast on the resolution and will hold office until the next annual meeting of shareholders or until the directors' respective successors are duly elected or appointed.

III. Appointment of Auditors

The Corporation is proposing to reappoint RSM Canada LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix the terms of engagement and remuneration of the auditors. RSM Canada LLP was first appointed as auditors of the Corporation on March 27, 2008.

The management designees, if named as proxy, intend to vote the shares represented by any such proxy FOR the reappointment of RSM Canada LLP, as auditors of the Corporation, at a

remuneration and on terms of engagement to be fixed by the Board of Directors, unless a shareholder has specified on his or her proxy that his or her shares are to be withheld from voting on the appointment of auditors.

IV. Approval of Long-Term Incentive Plan

The Board of Directors recommends that the Corporation adopt a long-term incentive plan (the “**LTIP**”) to attract, retain, and motivate persons of training, experience, and leadership to serve as management, employees, and consultants of the Corporation and that such plan supersede the Corporation’s current stock option plan (the “**Old Plan**”) and restricted share unit plan (the “**Old RSU Plan**”), with prior grants to be administrated under the LTIP following its adoption. A copy of the LTIP is attached as Schedule B to this Circular.

Shareholders will be asked at the Meeting to vote on the following ordinary resolution, with or without variation, to approve the LTIP:

“BE IT RESOLVED THAT:

- 1) The LTIP be and is hereby ratified, affirmed and approved until the date of the Corporation’s next annual general meeting at which Shareholder approval is being sought;
- 2) The form of the LTIP may be amended in order to satisfy the requirements or requests of any regulatory authorities or stock exchange without requiring further approval of the Shareholders of the Corporation;
- 3) Any one director or officer of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolution.

To be approved, the foregoing resolution requires the affirmative vote of at least the majority of the votes cast on the resolution. Proxies received in favour of management will be voted FOR the resolution to approve and ratify the LTIP, unless the shareholder has specified in a proxy that his, her or its shares are to be voted against the resolution.

The following table summarizes the key provisions of the LTIP. This summary is qualified in its entirety by reference to the full text of the LTIP attached as Schedule B to this Circular.

Eligible Participants	For all awards, any director, officer, employee or consultant of the Company or any subsidiary of the Company who is eligible to receive awards under the LTIP.
Types of Awards	Stock options, Performance Share Units (“ PSUs ”), Restricted Share Units (“ RSUs ”) and Deferred Share Units (“ DSUs ”). The awards shall be for Common Shares.
Number of Securities Issued and Issuable	The aggregate number of Common Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all stock options granted under the LTIP, together with all other established security-based compensation arrangements of the Company’s, shall not exceed 10% of the issued and outstanding Common Shares at the time of granting the award (on a non-diluted basis). The stock option component of the LTIP is an “evergreen” plan, thus if the Company issues additional Common Shares in the future the number of the Common Shares issuable under the LTIP will increase accordingly. The aggregate number of Common Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all awards other than stock

	options, shall not exceed 10% of the issued and outstanding Common Shares at the time of shareholder approval of the LTIP.
Plan Limits	When combined with all of the Company's other security-based compensation arrangements, the LTIP shall not result in: • a number of the Common Shares issued to insiders (as a group) within a one-year period exceeding 10% of the issued and outstanding Common Shares, • a number of the Common Shares issuable to insiders (as a group) at any time exceeding 10% of the issued and outstanding Common Shares, • a number of the Common Shares issuable to any one participant within a one-year period exceeding 5% of the issued and outstanding Common Shares, • a number of the Common Shares issuable to any one consultant within a one-year period exceeding 2% of the issued and outstanding Common Shares, • the issuance of awards, other than stock options, to an Investor Relations Service Provider, • a number of the Common Shares issuable to Investor Relations Service Providers (as a group) within a one-year period exceeding 2% of the issued and outstanding Common Shares.
Definition of Market Price	"Market Price" has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 1.1 – <i>Interpretation</i> , as amended from time to time.
Assignability	An award may not be assigned, transferred, charged, pledged or otherwise alienated, other than to a participant's personal representatives.
Amending Procedures	The Board may at any time or from time to time, in its sole and absolute discretion and without Shareholder approval, amend, suspend, terminate or discontinue the LTIP and may amend the terms and conditions of any awards granted thereunder, provided that no amendment may materially and adversely affect any award previously granted to a participant without the consent of the participant. By way of example, amendments that do not require Shareholder approval and that are within the authority of the Board include but are not limited to: • amendments of a "housekeeping nature" (including to give effect to the Share Amendment); • any amendment for the purpose of curing any ambiguity, error or omission in the LTIP or to correct or supplement any provision of the LTIP that is inconsistent with any other provision of the LTIP; • an amendment which is necessary to comply with applicable law or the requirements of any stock exchange on which the Company's Shares are listed; • amendments respecting administration and eligibility for participation under the LTIP; • changes to the terms and conditions on which awards may be or have been granted pursuant to the LTIP, including changes to the vesting provisions and terms of any awards; • any amendment which alters, extends or accelerates the terms of vesting applicable to any Award; and • changes to the termination provisions of an award or the LTIP which do not entail an extension beyond the original fixed term. Notwithstanding the foregoing, Shareholder approval, or disinterested Shareholder approval as applicable, shall be required for the following amendments: • reducing the exercise price of stock options, or canceling and reissuing any stock options so as to in effect reduce the exercise price;

	• extending (i) the term of a stock option beyond its original expiry date, or (ii) the date on which a performance share unit, restricted share unit or deferred share unit will be forfeited or terminated in accordance with its terms, other than in circumstances involving a blackout period; • increasing the fixed maximum number of the Common Shares reserved for issuance under the LTIP; • revising participation limits; • amending the definition of “Eligible Person” that may permit the reintroduction of non-executive directors on a discretionary basis; and • revising the amending provisions.		
Financial Assistance	The Company will not provide financial assistance to participants under the LTIP.		
Other	In the event of a change in control, the Board shall have the right, but not the obligation, to permit each participant to exercise all of the participant’s outstanding stock options and to settle all of the participant’s outstanding PSUs, RSUs and DSUs, subject to completion of the change in control, and has the discretion to accelerate vesting. The LTIP further provides that if the expiry date or vesting date of stock options is during a blackout period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten trading days following the end of the blackout period. In the case of PSUs, RSUs and DSUs, any settlement that is effected during a blackout period shall be in the form of a cash payment.		
Description of Awards			
1. Stock Options			
Stock Option Terms and Exercise Price	The number of the Common Shares subject to each stock option grant, exercise price, vesting, expiry date and other terms and conditions are determined by the Board. The exercise price shall in no event be lower than the Market Price of the Common Shares on the grant date.		
Term	Stock options shall be for a fixed term, not exceeding five years, and exercisable as determined by the Board, provided that if no specific determination as to the scheduled expiry date, then the stock option shall have a term not exceeding seven years.		
Vesting	Unless otherwise specified, each stock option shall vest as to one third on each of the first through third anniversaries of the grant date.		
Exercise of Option	The participant may exercise stock options by payment of (i) the exercise price per share subject to each option; or (ii) at the sole discretion of the Corporation, by payment pursuant to a broker-assisted sale and remittance program authorized by the Board (i.e. cashless exercise);		
Circumstances Involving Cessation of Entitlement to Participate	Reasons for Termination	Vesting	Expiry of Vested Options
	Death	Unvested stock options automatically vest as of the date of death	Stock options expire on the earlier of the scheduled expiry date of the option and one year following the date of death
	Disability	Unvested stock options continue to vest in accordance with the terms of the option	Stock options expire on the earlier of the scheduled expiry date of the option and ninety days following the date of disability
	Retirement	Unvested stock options continue to vest in accordance with the terms of the option	Stock options expire on the earlier of the scheduled expiry date of the option and ninety days

			following the date of retirement
	Resignation	Unvested stock options as of the date of resignation automatically terminate and shall be forfeited	Stock options expire on the earlier of the scheduled expiry date of the option and ninety days following the date of resignation
	Termination without Cause / Constructive Dismissal (No Change in Control)	Unvested stock options continue to vest in accordance with the terms of the option provided that any unvested options that will not, in accordance with its terms, vest prior to the expiry date provided in the event of termination without cause/constructive dismissal shall automatically vest thirty days prior to such expiry date	Stock options expire on the earlier of scheduled expiry date of the option and ninety days following the termination date
	Change in Control	Stock options vest and become immediately exercisable upon a change in control and one of the two below circumstances occur: - the successor fails to continue or assume the obligations under the plan or fails to provide for a substitute award, - or - if the stock option is continued, assumed or substituted, the participant is terminated without cause (or constructively dismissed) within two years following the change in control.	Stock options expire on earlier of the scheduled expiry date of the option and ninety days following the date of Change in Control
	Termination with Cause	Stock options, whether vested or unvested as of the termination date, automatically terminate and shall be forfeited	Stock options, whether vested or unvested as of the termination date, automatically terminate and shall be forfeited

2. Performance Share Units	
PSU Terms	A PSU is a notional security but, unlike other equity-based incentives, vesting is contingent upon achieving certain performance criteria, thus ensuring greater alignment with the long-term interests of shareholders. The terms applicable to PSUs under the LTIP (including the performance cycle, performance criteria for vesting and whether dividend equivalents will be credited to a participant's PSU account) are determined by the Board at the time of the grant.
Credit to PSU Account	As dividends are declared, additional PSUs may be credited to PSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one Common Share on such record date.
Vesting	PSUs do not vest, and cannot be paid out (settled), until the completion of the performance cycle, which shall not be earlier than one year following the date of grant or issuance of the PSU.
Settlement	At the grant date, the Board shall stipulate whether the PSUs are paid in cash, Common Shares, or a combination of both, in an amount equal to the Market Value of the notional Common Shares represented by the performance share units in the holders' account.
3. Restricted Share Units	
RSU Terms	An RSU is a notional security that entitles the recipient to receive cash or Common Shares at the end of a vesting period. The terms applicable to RSUs under the LTIP (including the vesting schedule and whether dividend equivalents will be credited to a participant's RSU account) are determined by the Board at the time of the grant.
Credit to RSU Account	As dividends are declared, additional RSUs may be credited to RSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one Common Share on such record date.
Vesting	RSUs vest upon lapse of the applicable restricted period, which shall not be earlier than one year following the date of grant or issuance of the RSU.
Settlement	At the grant date, the Board shall stipulate whether the RSUs are paid in cash, Common Shares, or a combination of both, in an amount equal to the Market Value of the notional Common Shares represented by the restricted share units in the holders' account.
4. Deferred Share Units	
DSU Terms	A DSU is a notional security that entitles the recipient to receive cash or Common Shares upon resignation from the Board (in the case of directors) or at the end of employment. The terms applicable to DSUs under the LTIP (including whether dividend equivalents will be credited to a participant's DSU account) are determined by the Board at the time of the grant. Typically, DSUs have been granted (i) as a component of a director's annual retainer, or (ii) as a component of an officer's annual incentive grant. The deferral feature strengthens alignment with the long-term interests of Shareholders.
Credit to DSU Account	As dividends are declared, additional DSUs may be credited to DSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one Common Share on such record date.
Vesting	DSUs shall not vest earlier than one year following the date of grant or issuance.

Settlement	DSUs may only be settled after the date on which the holder ceases to be a director, officer, or employee of the Company. At the grant date, the Board shall stipulate whether the DSUs are paid in cash, Common Shares, or a combination of both, in an amount equal to the Market Value of the notional Common Shares represented by the deferred share units in the holders’ account.	
5. PSUs, RSUs and DSUs		
Circumstances Involving Cessation of Entitlement to Participate	Reasons for Termination	Treatment of Awards
	Death	Outstanding awards that were vested on or before the date of death shall be settled as of the date of death. Outstanding awards that were not vested on or before the date of death shall vest and be settled as of the date of death, pro rated to reflect (i) in the case of RSUs and DSUs, the actual period between the grant date and date of death, and (ii) in the case of PSUs, the actual period between the commencement of the performance cycle and the date of death, based on the participant’s performance for the applicable performance period(s) up to the date of death. Subject to the foregoing, any remaining awards shall in all respects terminate as of the date of death.
	Disability	In the case of RSUs and DSUs, outstanding awards as of date of disability shall vest and be settled in accordance with their terms. In the case of PSUs, outstanding PSUs as of date of disability shall vest and be settled in accordance with their terms based on the participant’s performance for the applicable performance period(s) up to the date of the disability. Subject to the foregoing, any remaining awards shall in all respects terminate as of the date of disability.
	Retirement	Outstanding awards that were vested on or before the date of retirement shall be settled as of the date of retirement. Outstanding awards that would have vested on the next vesting date following the date of retirement shall be settled as of such vesting date. Subject to the foregoing, any remaining awards shall in all respects terminate as of the date of retirement.
	Resignation	Outstanding awards that were vested on or before the date of resignation shall be settled as of the date of resignation, after which time the awards shall in all respects terminate.

	Termination without Cause / Constructive Dismissal (No Change in Control)	Outstanding awards that were vested on or before the termination date shall be settled as of the termination date. Outstanding awards that would have vested on the next vesting date following the termination date (in the case of PSUs, pro rated to reflect the actual period between the commencement of the performance cycle and the termination date, based on the participant's performance for the applicable performance period(s) up to the termination date), shall be settled as of such vesting date. Subject to the foregoing, any remaining awards shall in all respects terminate as of the termination date.
	Change in Control	Awards vest and become immediately exercisable upon a change in control and one of the two below circumstances occur: - the successor fails to continue or assume the obligations under the plan or fails to provide for a substitute award, or - if the award is continued, assumed or substituted, the participant is terminated without cause (or constructively dismissed) within two years following the change in control.
	Termination with Cause	Outstanding awards (whether vested or unvested) shall automatically terminate on the termination date and be forfeited.

V. Repeal of Current By-Laws and Adoption of Proposed By-Laws

To account for recent legislative changes to the *Business Corporations Act* (Ontario) (“**OBCA**”) and to provide for advance notice of director nominations (the “**Advance Notice Provisions**”), the Board of Directors recommends that the Corporation repeal its current by-laws and adopt the proposed by-laws attached as Schedule C to this Circular (the “**Proposed By-Laws**”).

Purpose of the Advance Notice Provisions

The purpose of the Advance Notice Provisions is to provide shareholders, directors and management of the Corporation with a clear framework respecting the nomination of persons for election as directors of the Corporation. The Advance Notice Provisions establish a deadline by which holders of record of common shares of the Company must submit nominations for election of directors of the Corporation prior to any annual general meeting of shareholders or special meeting (which is not also an annual general meeting) of shareholders called for the purpose of electing directors. Furthermore, the Advance Notice Provisions set forth the information that a shareholder must include in a written notice to the Corporation in order for a nominee to be eligible for election as a director of the Corporation at any annual general meeting of shareholders or special meeting (which is not also an annual general meeting) of shareholders called for the purpose of electing directors.

Summary of the Advance Notice Provisions

The following is a summary of the principal terms of the Advance Notice Provisions, which summary is qualified in its entirety by reference to the terms of the Advance Notice Provisions.

Nomination of Directors

Only persons who are eligible under the OBCA and who are nominated in accordance with the procedures set forth in the Advance Notice Provisions will be eligible for election as directors of the Corporation.

Timely Notice

The Advance Notice Provisions provide that:

- Where a nomination is made at an annual general meeting of shareholders, notice to the Corporation must be given not less than 30 days prior to the date of the annual general meeting provided however, that in the event the annual general meeting is to be held on a date that is less than 50 days after the date on which the announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such announcement.
- In the case that the meeting is a special meeting of the shareholders (but not also an annual general meeting), such notice must be made not later than close of business on the 15th day following the date on which the announcement of the date of the special meeting was made,

provided that, in either instance, if the Corporation uses “notice-and-access” (as defined in NI 54-101) to send proxy-related materials to shareholders in connection with a meeting of the shareholders described in above, and the notice date in respect of the meeting is not less than fifty (50) days prior to the date of the applicable meeting, the notice must be received not less than forty (40) days prior to the date of the applicable meeting.

Proper Form of Timely Notice

The Advance Notice Provisions also require that the notice of nomination include certain information on each person proposed to be nominated for election as well as certain information regarding the nominating shareholder.

Vote Required

To be effective, the resolution in respect of the repeal of the current by-laws of the Corporation and the adoption of the Proposed By-Laws, must be approved by the affirmative vote of a simple majority of votes cast by Shareholders present in person or represented by proxy at the Meeting. If Shareholders do not approve the resolution, the current by-laws of the Corporation will not be repealed and the Proposed By-Laws will not be adopted.

At the Meeting, Shareholders will be asked to approve the following ordinary resolution:

“BE IT RESOLVED THAT:

- 1) By-Law No.1-B of the Corporation is repealed;
- 2) The Proposed By-Laws as set out in Schedule “C” of the Corporation’s management information circular dated August 22, 2022 are approved, ratified, confirmed and adopted as the by-laws of the Corporation; and
- 3) Any one director or officer of the Corporation be and is hereby authorized and directed to all such acts and things and to execute and deliver, under the corporate seal or otherwise, all such deeds, documents, instruments and assurances as in their opinion may be necessary or desirable to give effect to the foregoing resolutions.

The Board of Directors recommends a vote “**FOR**” the approval of the resolution repealing the Corporation’s current by-laws and adopting the Proposed By-Laws. **UNLESS OTHERWISE INDICATED, THE PERSONS DESIGNATED AS PROXY HOLDERS IN THE ACCOMPANYING FORM OF PROXY WILL VOTE THE COMMON SHARES REPRESENTED BY SUCH FORM OF PROXY, PROPERLY EXECUTED, FOR THE APPROVAL OF THE PROPOSED BY-LAWS.**

Other Business at the Meeting

Management of the Corporation is not aware of any other matter to come before the Meeting, other than as set out in this Circular. However, if any other business is properly presented at the Meeting and may properly be considered and acted upon, proxies will be voted by those persons named in the Proxy in their discretion, including with respect to any amendments or variation to the matters identified in the Meeting materials.

Interest of Informed Persons In Material Transactions and Matters to be Acted Upon

Except as set out under the heading “Particulars of Matters to be Acted Upon” above, management is not aware of any material interest, direct or indirect, of any “informed person” of the Corporation, insider of the Corporation, director, or any associate or affiliate of any informed person or director, in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation

An “informed person” means (i) a director or executive officer of the Corporation or of a subsidiary of the Corporation, (ii) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, (iii) a director or officer of a company that is itself an informed person of the Corporation or of a subsidiary of the Corporation, and (iv) any person who has been a director or officer of the Corporation at any time since the beginning the Corporation’s last fiscal year.

Certain corporate entities that are related to the Corporation’s officers and directors provide consulting services to the Corporation. Such transactions were conducted in the normal course of operations and are measured at the exchange amounts. Details are available in the Corporation’s financial statements for the year-ended March 31, 2022.

PART THREE

STATEMENT OF EXECUTIVE COMPENSATION (FORM 51-102F6)

In accordance with the requirements of applicable securities legislation in Canada, the section below entitled “*Compensation Discussion and Analysis*” sets out the “*Summary Compensation Table*” and related tables and narrative disclosures, all as required under Form 51-102F6. The stated objective of Form 51-102F6 is to provide insight into executive compensation as a key aspect of the overall stewardship and governance of a corporation and to help investors understand how decisions about executive compensation are made.

Compensation Discussion and Analysis

All matters relating specifically to senior executive compensation are reviewed and approved by the full Board of Directors, further to recommendations received from the Corporation’s Nomination and Compensation Committee. The Chief Executive Officer, on behalf of management, makes recommendations to the Nomination and Compensation Committee with respect to compensation of the

Corporation's executive officers, including base salaries, annual bonuses and long-term equity participation levels. The CEO also plays a major role in setting performance objectives and outlining progress in meeting corporate objectives. The Nomination and Compensation Committee review and considers the matter and then provides a recommendation to the Board of Directors. The Board of Directors gives final approval on compensation matters.

The Nomination and Compensation Committee is comprised of Francis Sauve, Alexander Horvath and Richard Stone. Each of the members of the Nomination and Compensation Committee are independent as described under *Part 4 – Corporate Governance and Other Information* of the Circular. Each of the members of the Nomination and Compensation Committee have relevant financial experience and/or corporate governance experience for other reporting issuers as further described under *Part 4 - Corporate Governance and Other Information* of the Circular.

The Corporation's overall policy regarding compensation of the Corporation's executive officers is structured to provide competitive salary levels and compensation incentives that support both the short-term and long-term goals of the Corporation, attract and retain suitable and qualified executive management and establish a compensation framework which is industry competitive. The Corporation's policy is to recognize and reward individual performance as well as to place executive compensation within the range of compensation levels in the industry.

Summary Compensation Table

The “*Summary Compensation Table*” below details all of the compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly for the fiscal year ended March 31, 2022 to the Chief Executive Officer, the Chief Financial Officer and the other individuals (to a maximum of three) who were the most highly compensated executive officers of the Corporation and its subsidiaries and whose total compensation from the Corporation and its subsidiaries exceeded \$150,000 in the fiscal year ended March 31, 2022, (collectively, with the Chief Executive Officer and the Chief Financial Officer, the “**Named Executive Officers**” or the “**NEOs**” of the Corporation). During the financial year ended March 31, 2022, the Corporation had five Named Executive Officers: Thomas Larsen (CEO), Miles Nagamatsu (CFO), William Pearson (Executive Vice President, Exploration), Christopher Holden (Vice President, Corporate Development) and Jorge Estepa (Vice President and Secretary-Treasurer).

The following table sets forth particulars concerning the compensation paid for services rendered to the Corporation by its NEOs in all capacities during the most recently completed financial year ended March 31, 2022:

Name and principal position	Year	Salary ⁽¹⁾ (\$)	Share-based awards (\$)	Option-based award ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Thomas Larsen President and CEO	2022	144,000	Nil ⁽⁶⁾	857,279	Nil	Nil	Nil	100,000 ⁽³⁾	1,101,279
	2021	108,000	Nil	770,565	Nil	Nil	Nil	100,000 ⁽³⁾	978,565
	2020	96,000	Nil	57,094	Nil	Nil	Nil	7,500 ⁽³⁾	160,594
Miles Nagamatsu CFO	2022	90,000	Nil ⁽⁷⁾	389,672	Nil	Nil	Nil	50,000 ⁽³⁾	529,672
	2021	67,500	Nil	179,502	Nil	Nil	Nil	37,500 ⁽³⁾	284,502
	2020	60,000	Nil	42,821	Nil	Nil	Nil	3,250 ⁽³⁾	106,071
William Pearson ⁽⁴⁾ Executive VP, Exploration	2022	120,000	Nil ⁽⁸⁾	623,475	Nil	Nil	Nil	50,000 ⁽³⁾	793,475
	2021	14,000	Nil	295,243	Nil	Nil	Nil	45,000 ⁽³⁾	354,243
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Christopher Holden ⁽⁵⁾ VP, Corporate Development	2022	102,000	Nil ⁽⁷⁾	311,738	Nil	Nil	Nil	20,000 ⁽³⁾	433,738
	2021	N/A	N/A	N/A	Nil	Nil	Nil	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jorge Estepa VP, Secretary- Treasurer	2022	90,000	Nil ⁽⁷⁾	389,672	Nil	Nil	Nil	50,000 ⁽³⁾	529,672
	2021	67,500	Nil	179,502	Nil	Nil	Nil	37,500 ⁽³⁾	284,502
	2020	60,000	Nil	42,821	Nil	Nil	Nil	3,250 ⁽³⁾	106,071

Notes:

- (1) Compensation paid or payable as consulting fees to the NEO or to a corporation controlled by the NEO.
- (2) The amount shown in the column represents the grant date fair value of options and may not represent the amount the NEO will actually receive from the awards. The grant date fair value of these options has been calculated using the Black-Scholes option pricing model.
- (3) Bonus paid or payable to the NEO or to a corporation controlled by the NEO.
- (4) Appointed February 16, 2021.
- (5) Appointed March 31, 2021.
- (6) Share-based awards consist of RSUs, to be settled in Common Shares or cash in accordance with the Corporation’s Old RSU Plan. RSUs vest over a specified period of time upon meeting predetermined performance criteria. The market or payout value is based on the closing market price of the Common Shares on the TSXV of \$5.24 per share on March 31, 2022, multiplied by the number of RSUs. Based on the foregoing, the market or fair value of the 600,000 unvested RSUs awarded to Mr. Larsen is \$3,144,000.
- (7) Based on the foregoing, the market or fair value of the 200,000 unvested RSUs awarded to Messrs. Nagamatsu, Estepa and Holden is \$1,048,000, respectively.
- (8) Based on the foregoing, the market or fair value of the 300,000 unvested RSUs awarded to Mr. Pearson is \$1,572,000.

Long-Term Incentive Plans

The Corporation has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Old Plan and restricted share units under the provisions of the Old RSU Plan. On August 29, 2017 the Board approved the adoption of the Old RSU Plan which received TSXV acceptance following shareholder approval.

For a summary of the Old Plan and Old RSU Plan, please refer to the Corporation's management information circular dated August 30, 2021 on SEDAR at www.sedar.com.

Compensation Policy and Key Compensation Components

The Corporation does not have a compensation program other than paying base salaries, incentive bonuses, restricted share units and incentive stock options to the NEOs. The Corporation recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility.

The Corporation has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Corporation at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Base Salary

The objectives of base salary are to recognize market pay, and acknowledge the competencies and skills of individuals. The base salary paid to the NEOs shall be reviewed annually by the Board of Directors as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase shall be in the sole discretion of the Board of Directors.

Incentive Bonuses

The objectives of incentive bonuses in the form of cash payments are designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. No incentive bonuses were paid to NEOs, other executive officers or employees during the most recently completed fiscal year.

Old Stock Option Plan

The objectives of the Old Plan are to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Corporation. As of the date hereof, 5,500,000 Options are currently outstanding with 2,505,000 stock options granted to NEOs, 730,000 to other directors, 310,000 to other executive officers or employees and 1,955,000 stock options to consultants. During the most recently completed fiscal year 825,000 stock options were granted to NEOs, 200,000 to other directors, 200,000 to other executive officers or employees and 1,150,000 stock options to consultants.

Old Restricted Share Unit Plan

The purpose of the Old RSU Plan is to assist and encourage eligible participants to work towards and participate in the growth and development of the Corporation and its related entities and provide such persons with the opportunity to acquire an ownership interest in the Corporation. To date, there have been 3,100,000 issuances pursuant to the Old RSU Plan, of which 1,600,000 were granted to NEOs, none were granted to other directors, 150,000 were granted to other executive officers and employees, and 1,350,000 were granted to consultants. During the most recently completed fiscal year 1,600,000

restricted share units were granted to NEOs, none to other directors, 150,000 to other executive officers or employees and 600,000 restricted share units to consultants.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

NEOs were granted 825,000 stock options and 1,600,000 restricted share units to purchase or acquire securities of the Corporation during the most recently completed financial year ended March 31, 2022. The following table set forth all options and restricted share units granted to the NEOs to purchase or acquire securities of the Corporation which were outstanding on March 31, 2022:

	Option-based Awards				Share-based Awards ⁽²⁾		
Name	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 (\$)	Market or payout value of vested share-based awards not paid out or distributed
Thomas Larsen CEO	275,000 225,000 300,000 200,000	4.65 4.45 0.60 0.40	Mar. 3, 2027 Feb. 1, 2026 Jun. 10, 2025 Feb. 18, 2025	162,250 177,150 1,392,000 968,000	600,000	3,144,000	N/A
Miles Nagamatsu CFO	125,000 50,000 90,000 150,000	4.65 4.45 0.60 0.40	Mar. 3, 2027 Feb. 1, 2026 Jun. 10, 2025 Feb. 18, 2025	73,750 39,500 417,600 726,000	200,000	1,048,000	N/A
William Pearson Executive VP, Exploration	200,000 100,000	4.65 4.45	Mar. 2, 2027 Feb. 1, 2026	118,000 79,000	300,000	1,572,000	N/A
Christopher Holden VP Corporate Development	100,000 45,000 50,000 180,000	4.65 4.45 0.60 0.40	Mar. 2, 2027 Feb. 1, 2026 Jun. 10, 2025 Feb. 18, 2025	59,000 35,550 232,000 871,200	200,000	1,048,000	N/A
Jorge Estepa VP, Secretary- Treasurer	125,000 50,000 90,000 150,000	4.65 4.45 0.60 0.40	Mar. 3, 2027 Feb. 1, 2026 Jun. 10, 2025 Feb. 18, 2025	73,750 39,500 417,600 726,000	200,000	1,048,000	N/A

Notes:

- (1) This amount is based on the difference between the closing market price of the Common Shares on the TSXV of \$5.24 per share on March 31, 2022, and the exercise price of the option.
- (2) Share-based awards consist of RSUs, are settled in Common Shares or cash in accordance with the Corporation's Old RSU Plan. RSUs vest over a specified period of time upon meeting predetermined performance criteria. The market or payout value is based on the closing market price of the Common Shares on the TSXV of \$5.24 per share on March 31, 2022, multiplied by the number of RSUs.

Incentive plan awards - value vested or earned during the year

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year ended March 31, 2022:

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 (\$)
Thomas Larsen President and CEO	162,500	Nil	N/A
Miles Nagamatsu CFO	73,750	Nil	N/A
William Pearson Executive VP, Exploration	118,000	Nil	N/A
Christopher Holden VP Corporate Development	59,000	Nil	N/A
Jorge Estepa VP, Secretary- Treasurer	73,750	Nil	N/A

Notes:

- (1) This amount is based on the difference between the closing market price of the Common Shares on the TSXV of \$5.24 per share on March 31, 2022, and the exercise price of all “in-the-money” options granted during the recently completed financial year ended March 31, 2022.

Pension Plan Benefits

No pension plan or retirement benefit plans have been instituted by the Corporation and none are proposed at this time.

NEO Employment Contracts, Termination and Change of Control Benefits

The Corporation has written consulting services contracts with its NEOs. Each contract provides for the payment and provision of other benefits triggered by a termination without cause or as a result of a change of control.

The Corporation has a consulting services contract with a corporation controlled and wholly-owned by the Chief Executive Officer, Thomas G. Larsen. Mr. Larsen's contract was for a two-year period which expired on January 31, 2019, and thereafter automatically extends on an annual basis for an additional term of one year. Under the terms of the consulting services contract, Mr. Larsen is entitled to receive annual consulting fees of up to \$240,000 payable to a corporation controlled and wholly-owned by Mr. Larsen. Notwithstanding the foregoing, for the year ended March 31, 2022, Mr. Larsen elected to receive consulting fees of \$144,000 with no additional amounts accrued or payable for that period. Pursuant to the services contract, if there is a change in control of the Corporation which results in the termination of office for Mr. Larsen, he would be entitled to receive an amount equal to three times his then current maximum annual consulting services fee as described in the table below. As well, in the event of a corporate reorganization, plan of arrangement, spin-out or change of control in respect of which Mr. Larsen loses his office with the Corporation, Mr. Larsen's stock options will retain their original expiry date which will not be subject to accelerated expiry under the general terms of the Old Plan.

The Corporation also has a consulting services contract with a corporation controlled and wholly-owned by its Chief Financial Officer, Miles Nagamatsu. Mr. Nagamatsu's contract was for a two-year period which expired on January 31, 2019, and thereafter automatically extends on an annual basis for an additional term of one year. Under the terms of the consulting services contract, Mr. Nagamatsu is entitled to receive annual consulting fees of up to \$150,000 payable to a corporation controlled and wholly-owned by Mr. Nagamatsu. Notwithstanding the foregoing, for the year ended March 31, 2022, Mr. Nagamatsu elected to receive consulting fees of \$90,000 with no additional amounts accrued for that period. If there is a change in control of the Corporation which results in the termination of office for Mr. Nagamatsu, he would be entitled to receive an amount equal to three times his then current maximum annual consulting services fee as described in the table below. As well, in the event of a corporate reorganization, plan of arrangement, spin-out or change of control in respect of which Mr. Nagamatsu loses his office with the Corporation, Mr. Nagamatsu's stock options will retain their original expiry date which will not be subject to accelerated expiry under the general terms of the Old Plan.

On May 1, 2022, the Corporation entered into a consulting services contract with its Vice President, Corporate Development, Christopher Holden. Mr. Holden's contract is for a two-year period, scheduled to expire on April 30, 2024, and thereafter automatically extends on an annual basis for an additional term of one year. Under the terms of the consulting services contract, Mr. Holden is entitled to receive annual consulting fees of \$150,000. If there is a change in control of the Corporation which results in the termination of office for Mr. Holden, he would be entitled to receive an amount equal to three times his annual consulting services fee as described in the table below. As well, in the event of a corporate reorganization, plan of arrangement, spin-out or change of control in respect of which Mr. Holden loses his office with the Corporation, Mr. Holden's stock options will retain their original expiry date which will not be subject to accelerated expiry under the general terms of the Old Plan.

The Corporation also has a consulting services contract with a corporation controlled and wholly-owned by its Vice President, Secretary-Treasurer, Jorge Estepa. Mr. Estepa's contract was for a two-year period which expired on January 31, 2019, and thereafter automatically extends on an annual basis for an additional term of one year. Under the terms of the consulting services contract, Mr. Estepa is entitled to receive annual consulting fees of up to \$150,000 payable to a corporation controlled and wholly-owned by Mr. Estepa. Notwithstanding the foregoing, for the year ended March 31, 2022, Mr. Estepa elected to receive consulting fees of \$90,000 with no additional amounts accrued for that period. If there is a change in control of the Corporation which results in the termination of office for Mr. Estepa, he would be entitled to receive an amount equal to three times his then current maximum annual consulting services fee as described in the table below. As well, in the event of a corporate reorganization, plan of arrangement, spin-out or change of control in respect of which Mr. Estepa loses his office with the Corporation, Mr. Estepa's stock options will retain their original expiry date which will not be subject to accelerated expiry under the general terms of the Old Plan.

The Corporation also has a consulting services contract with a corporation controlled and wholly-owned by its Executive Vice President, Exploration, William Pearson. Mr. Pearson's contract is for a three-year period set to expire on December 31, 2023, and thereafter can be extended by mutual agreement for an additional term of two years. Under the terms of the original consulting services contract, Mr. Pearson was entitled to receive annual consulting fees of \$120,000 payable to a corporation controlled and wholly-owned by Mr. Pearson, but effective May 1, 2022, the terms of the consulting services contract were amended, whereby Mr. Pearson is entitled to receive annual consulting fees of \$180,000 payable to a corporation controlled and wholly-owned by Mr. Pearson. If there is a change in control of the Corporation which results in the termination of office for Mr. Pearson, he would be entitled to receive the balance of the fees that he would have received from the termination date to December 31, 2023.

The following table sets forth the estimated incremental payments that would have been required to have been made to each NEO, assuming a triggering event (change of control or termination without cause) took place on March 31, 2022.

Name and principal position	Estimated Cash Payout on Termination		Estimated Value Vested Option-Based Awards on Termination without Cause ⁽¹⁾
	Without Cause (\$)	Change of Control and Termination (\$)	
Thomas Larsen President and CEO	240,000	720,000	2,699,400
Miles Nagamatsu CFO	150,000	450,000	1,256,850
William Pearson Executive VP, Exploration	210,000	210,000	197,000
Christopher Holden ⁽²⁾ VP, Corporate Development	N/A	N/A	1,197,750
Jorge Estepa VP, Secretary-Treasurer	150,000	450,000	1,256,850

Notes:

- (1) This amount is based on the difference between the closing market price of the Corporation's common shares on the TSXV of \$5.24 per share on March 31, 2022, and the exercise price of all "in the money" options.
- (2) Mr. Holden's original consulting services contract with the Corporation expired on December 31, 2021, and a new consulting services agreement with Mr. Holden was entered into on May 1, 2022, subsequent to the financial year ended March 31, 2022.

Director's Compensation

The following table sets forth the value of all compensation paid to the directors of the Corporation who are not NEOs during the most recently completed financial year ended March 31, 2022:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Francis Sauve	Nil	Nil	155,869	Nil	Nil	Nil	155,869
Alexander Horvath	Nil	Nil	155,869	Nil	Nil	Nil	155,869
Dusan Berka	Nil	Nil	155,869	Nil	Nil	Nil	155,869
Richard Stone	Nil	Nil	155,869	Nil	Nil	Nil	155,869

Notes:

- (1) The amount shown in the column represents the grant date fair value of options and may not represent the amount the director will actually receive from the awards. The grant date fair value of these options has been calculated using the Black-Scholes option pricing model.

Share-based awards and option-based awards

There were 200,000 options and nil restricted share units granted to four directors of the Corporation who were not NEOs to purchase or acquire securities of the Corporation outstanding at the end of the most recently completed financial year ended March 31, 2022. The following table set forth the options and restricted share units granted to the directors to purchase or acquire securities of the Corporation which were outstanding on March 31, 2022:

Name	Option-based Awards				Share-based Awards	
	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 (\$)
Francis Sauve	50,000 20,000 25,000 100,000	4.65 4.45 0.60 0.40	Mar. 3, 2027 Feb. 1, 2026 Jun. 10, 2025 Feb. 18, 2025	29,500 15,800 116,000 484,000	Nil	N/A
Alexander Horvath	50,000 20,000 25,000 100,000	4.65 4.45 0.60 0.40	Mar. 3, 2027 Feb. 1, 2026 Jun. 10, 2025 Feb. 18, 2025	29,500 15,800 116,000 484,000	Nil	N/A
Dusan Berka	50,000 20,000 25,000 100,000	4.65 4.45 0.60 0.40	Mar. 3, 2027 Feb. 1, 2026 Jun. 10, 2025 Feb. 18, 2025	29,500 15,800 116,000 484,000	Nil	N/A
Richard Stone	50,000 20,000 25,000 50,000	4.65 4.45 0.60 0.40	Mar. 3, 2027 Feb. 1, 2026 Jun. 10, 2025 Feb. 18, 2025	29,500 15,800 116,000 242,000	Nil	N/A

Notes:

(1) Based on a closing price of the common shares on the TSXV of \$5.24 on March 31, 2022.

Incentive plan awards - value vested or earned during the year

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to directors of the Corporation who were not NEOs during the most recently completed financial year ended March 31, 2022:

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 (\$)
Francis Sauve	29,500	Nil	N/A
Alexander Horvath	29,500	Nil	N/A
Dusan Berka	29,500	Nil	N/A
Richard Stone	29,500	Nil	N/A

Notes:

(1) This amount is based on the difference between the closing market price of the Common Shares on the TSXV of \$5.24 per share on March 31, 2022, and the exercise price of all “in-the-money” options granted during the recently completed financial year ended March 31, 2022.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Corporation's equity compensation plans, currently the Old Plan and Old RSU Plan.

Plan Category	(A) Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	(B) Weighted average option price of outstanding options, warrants and rights (\$)	(C) Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column A) (#)
Equity compensation plans approved by security holders	5,500,000 (Options) 3,100,000 (RSUs)	2.86 (Options)	1,487,897 Options ⁽¹⁾ 100,000 RSUs ⁽²⁾
Equity compensation plans not approved by security holders	Nil	N/A	N/A
Total	8,600,000	2.86 (Options)	1,587,897 ⁽¹⁾⁽²⁾

Notes: (1) Based on a maximum number reserved for issuance of 6,987,897 Common Shares as at August 22, 2022.

(2) Based on a maximum number reserved under the Old RSU Plan of 3,200,000 as at August 22, 2022.

The maximum number of Common Shares reserved under the Old Plan as of the date of this Circular is 6,987,897 and, being a "rolling" 10% plan, such maximum number shall increase or decrease automatically in accordance with the terms of the Old Plan such that the maximum number shall be 10% of the Common Shares outstanding from time to time. The maximum number of Common Shares reserved under the Old RSU Plan as of the date of this Circular is 3,200,000.

Indebtedness of Directors and Officers

No director or senior officer of the Corporation or associate of the foregoing persons, was indebted to the Corporation at any time during the most recently completed financial year ended March 31, 2022.

PART FOUR

CORPORATE GOVERNANCE AND OTHER INFORMATION

General

The Board of Directors believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the "CSA") have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), which prescribes certain disclosure by the Corporation of its corporate governance practices. This disclosure is presented below.

The focus of the Board of Directors is to provide objective, prudent guidance to the Corporation's management. In developing and supervising implementation of the Corporation's strategic plan, the Board of Directors sets objectives for the Chief Executive Officer and the Corporation's senior management. In the financial year ended March 31, 2022, the Board of Directors continued to further its commitment to corporate governance through reviewing existing processes, and where appropriate, developing new ones.

The Board of Directors will continue to ensure an effective process and structure for the management of the Corporation at all levels.

Board of Directors

Composition of the Board

NI 58-101, when taken with section 1.4 of National Instrument 52-110 *Audit Committees*, (“**NI 52-110**”) provides that a member is “independent” if the member has no direct or indirect material relationship with the Corporation, a “material relationship” being one which could, in the view of the Corporation’s Board of Directors, reasonably interfere with the exercise of a member’s independent judgment.

Based on the foregoing, the Corporation has determined that the following individuals are independent within the meaning of NI 58-101 and NI 52-110:

Francis Sauve - Independent Director
 Dusan Berka – Independent Director
 Richard Stone – Independent Director
 Alexander Horvath – Independent Director

The Corporation has determined that the following individuals are not independent based on the guidelines set forth in NI 58-101 and NI 52-110:

Thomas Larsen is not independent as a result of having served as the Chief Executive Officer of the Corporation since 1997 and as Chairman of the Board of Directors since 2002.

Certain of the directors are also directors of other reporting issuers, as follows:

Director	Other Reporting Issuers
Thomas Larsen	Cartier Iron Corporation
Francis Sauve	Cartier Iron Corporation
Alexander Horvath	Cartier Iron Corporation
Dusan Berka	Madero Metals Corp. (formerly Megastar Development Corp.), Aguila Copper Corp. (formerly Aguila American Gold Ltd.), Patriot Battery Metals Inc. (formerly Gaia Metals Corp.)

Mandate of the Board of Directors

The Board of Directors approved a mandate which includes, among other duties and responsibilities, the following objectives: to approve and monitor the strategic, business and financial plans of the Corporation; to supervise performance and succession planning of senior officers; to assess the principal risk factors relating to the business of the Corporation; and to monitor and oversee the integrity of the financial reporting and disclosure practices of the Corporation. Every Director is required to act honestly and in good faith and in the best interests of the Corporation and to exercise the care, diligence and skill of a reasonably prudent person. Responsibilities not delegated to senior management or to a committee of the Board of Directors remain those of the full Board of Directors.

Orientation and Continuing Education of Board Members

New members to the Board of Directors receive an orientation package which includes company policies and public disclosure filings by the Corporation. Meetings of the Board of Directors are held at the Corporation’s facilities and are combined with presentations by the Corporation’s management and

employees to give the directors additional insight into the Corporation's business. In addition, management of the Corporation makes itself available for discussion with all members of the Board of Directors.

Measures to Encourage Ethical Business Conduct

The Board of Directors has adopted a written code of business conduct and ethics that encourages and promotes a culture of ethical business conduct. A whistle blower policy has also been implemented whereby employees are encouraged to report unethical behaviour directly to the Board of Directors.

Nomination of Members to the Board of Directors

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

The Board of Directors does not have a nominating committee and these functions are currently performed by the Board of Directors as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

Board Composition and Committees

The Board of Directors is currently comprised of five (5) members of which four are independent directors. The Board of Directors has also appointed an Audit Committee and a Nomination and Compensation Committee.

Audit Committee

The Board of Directors has developed written terms of reference outlining the Audit Committee's roles and responsibilities and providing appropriate guidance to Audit Committee members as to their duties. The Audit Committee reviews the annual and interim financial statements of the Corporation and makes recommendations to the Board of Directors with respect to such statements. The Audit Committee also reviews the nature and scope of the annual audit as proposed by the auditors and management, and the adequacy of the internal accounting control procedures and systems within the Corporation. The Audit Committee is responsible for ensuring that management has implemented an effective system of internal control and has oversight responsibility for management reporting on internal control. The full text of the Audit Committee Charter is attached as Schedule "A" hereto.

Composition of the Audit Committee

The Audit Committee is currently comprised of Francis Sauve, Dusan Berka and Alexander Horvath. Messrs. Berka, Sauve and Horvath are independent and all of the members of the Audit Committee are financially literate within the meaning of NI 52-110. They are all experienced directors and/or officers of public companies, and are sufficiently versed in the expectations of independent directors and fully capable of exercising independent judgment.

Relevant Education and Experience

The following relevant education and experience of the members of the Audit Committee have been used in assessing their financial literacy:

Francis Sauve owns his own business and in such capacity has experience in the preparation, analysis and/or evaluation of financial statements generally and an understanding of internal control

and procedures for financial reporting. Over the past 25 years, Mr. Sauve has been, and is currently, a director of a number of publicly traded resource exploration companies.

Dusan Berka has obtained significant financial experience and exposure to accounting and financial issues in past positions as an officer and/or director of a number of publicly traded resource exploration companies.

Alexander Horvath has obtained significant financial experience and exposure to accounting and financial issues in past positions as an officer and/or director of a number of publicly traded resource exploration companies.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

Even though the Corporation is a venture issuer on the TSXV, it voluntarily files an annual information form. At no time since the Corporation's most recently completed financial year has the Company relied on the exemptions provided Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), an exemption from subsection 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Even though venture issuers are not required to file an annual information form, Part 5 of the NI 52-110 applies to the Corporation since it did voluntarily file an annual information form and this related disclosure appears in the Corporation's most recently completed annual information form for the financial year ended March 31, 2022.

Pre-approval Policies and Procedures

The Audit Committee pre-approves all audit services and all permitted non-audit services in excess of \$5,000.

External Auditor Service Fees (By Category)

The following table provides information about the fees billed to the Corporation for professional services rendered by RSM Canada LLP, during the financial years ended March 31, 2022 and March 31, 2021 and paid or estimated to be payable for services rendered in the year indicated:

	2021 (\$)	2022 (\$)
Audit Fees ⁽¹⁾	27,000	35,000
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	4,500	9,000
All Other Fees ⁽⁴⁾	53,628	Nil
Total:	85,128	44,000

Notes:

- (1) **“Audit Fees”** include fees necessary to perform the annual audit of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) **“Audit-Related Fees”** include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) **“Tax Fees”** include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) **“All Other Fees”** include all other non-audit services, which for 2021 included fees related to two bought deal financings, including the review of the Company’s interim financial statements and the prospectus filings.

The Audit Committee met four (4) times in the year ended March 31, 2022 to fulfill its mandate. The Audit Committee meets with the Corporation’s auditors regularly, independent of management, and has direct communication channels with the external auditors to discuss and review specified issues as appropriate.

ADDITIONAL INFORMATION

Financial information is provided in the Corporation’s audited financial statements and accompanying managements’ discussion and analysis (“**MD&A**”) for the year ended March 31, 2022 available under the Corporation’s profile on SEDAR at www.sedar.com.

Under NI 54-101, any person or company who wishes to receive interim financial statements from the Corporation may deliver a written request for such material to the Corporation or the Corporation’s registrar and transfer agent, together with a signed statement that the person or company is the owner of securities of the Corporation. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Corporation’s registrar and transfer agent, **TSX Trust Company**, 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1. The Corporation will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

Additional information relating to the Corporation is available on the SEDAR website at www.sedar.com.

GENERAL

Unless otherwise indicated, all matters referred to herein for approval by the shareholders require a simple majority of the shareholders voting, in person or by proxy, at the Meeting.

The contents and sending of this information circular have been approved by the Board of Directors.

Unless otherwise stated, the information provided herein is given as of the 22nd day of August, 2022.

By Order of the Board of Directors

(signed) “*Thomas G. Larsen*”

Thomas G. Larsen
Chairman and Chief Executive Officer

SCHEDULE “A”**ELORO RESOURCES LTD.**
(the “Corporation”)**Audit Committee Charter****OVERALL ROLE AND RESPONSIBILITY**

The Audit Committee shall:

- (a) assist the Board of Directors in its oversight role with respect to:
 - (i) the quality and integrity of financial information;
 - (ii) the independent auditor’s performance, qualifications and independence;
 - (iii) the performance of the Corporation’s internal audit function, if applicable; and
 - (iv) the Corporation’s compliance with legal and regulatory requirements; and
- (b) prepare such reports of the Audit Committee required to be included in the Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP AND MEETINGS

The Audit Committee shall consist of three or more Directors appointed by the Board of Directors, the majority of whom shall be independent and unrelated to the Corporation and as such shall not be officers (other than a non-executive Chairman or Corporate Secretary who is not an employee of the Corporation) or employees of or have a meaningful business relationship with the Corporation or any of the Corporation’s affiliates or be an immediate family member of any of the foregoing. Each of the members of the Audit Committee shall satisfy the applicable independence and financial literacy of the laws governing the Corporation, the applicable stock exchanges on which the Corporation’s securities are listed and applicable securities regulatory authorities.

The Board of Directors shall designate one member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board of Directors.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Make recommendations to the Board of Directors for the appointment and replacement of the independent auditor.
- Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Obtain from the independent auditor and review the independent auditor's report regarding the management internal control report of the Corporation to be included in the Corporation's annual proxy circular, as required by applicable law.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (currently at least every 5 years).

Financial Reporting

- Review and discuss with management and the independent auditor:
 - prior to the annual audit the scope, planning and staffing of the annual audit,
 - the annual audited financial statements,
 - the Corporation's annual and quarterly disclosures made in management's discussion and analysis,
 - approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation,
 - the Corporation's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards,
 - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,

- any significant changes in the Corporation's selection or application of accounting principles,
 - any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies, and
 - other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor (if any) all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

Approval of Audit and Remitted Non-Audit Services Provided by External Auditors

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the External Auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this Protocol. The CFO shall act as the primary contact to receive and assess any proposed engagements from the External Auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.

SCHEDULE “B”

LONG-TERM INCENTIVE PLAN

ELORO RESOURCES LTD.

LONG-TERM INCENTIVE PLAN

1. PURPOSE

The purpose of the Plan is to attract, retain and motivate persons of training, experience and leadership as directors, officers, employees and consultants of the Corporation (as such term is defined below) and its Subsidiaries and its Affiliates, to advance the long-term interests of the Corporation by providing such persons with the opportunity and incentive, through equity-based compensation, to acquire an ownership interest in the Corporation, and to promote a greater alignment of interests between such persons and shareholders of the Corporation.

2. DEFINITIONS AND INTERPRETATION

2.1 **Definitions.** For purposes of the Plan, the following words and terms shall have the following meanings:

“affiliate” means an “affiliated company” determined in accordance with the *Securities Act* (Ontario) and includes those entities that are similarly related, whether or not any of the entities are corporations, companies, partnerships, limited partnerships, trusts, income trusts or investment trusts or any other organized entity issuing securities, it also means, with respect to any Person, any other Person directly or indirectly controlling, controlled or under common control with such Persons;

“associate” means an “**associate**” determined in accordance with the *Securities Act* (Ontario);

“Award” means an Option, Performance Share Unit, Restricted Share Unit and/or Deferred Share Unit granted under the Plan (as applicable);

“Award Agreement” means an Option Award Agreement, a PSU Award Agreement, an RSU Award Agreement and/or a DSU Award Agreement (as applicable);

“Blackout Period” means an interval of time during which (a) trading in securities of the Corporation is restricted in accordance with the policies of the Corporation; or (b) the Corporation has otherwise determined that one or more Participants may not trade in securities of the Corporation because they may be in possession of undisclosed material information (as defined under applicable securities laws);

“Board” means the board of directors of the Corporation or, if established and duly authorized to act, a committee of the board of directors of the Corporation;

“Business Day” means any day, other than Saturday, Sunday or any statutory holiday in the Province of Ontario, Canada;

“Canadian Taxpayer” means a Participant (other than a consultant) liable to pay income taxes in Canada as a result of the receipt of an Award or the settlement thereof;

“Change in Control” means the occurrence of any one or more of the following events:

- (a) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its subsidiaries and another corporation or other entity, as a result of which the holders of Shares prior to the completion of the transaction hold less than 50% of the votes attached to all of the outstanding voting securities of the successor corporation or entity after completion of the transaction;
- (b) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
- (c) any person, entity or group of persons or entities acting jointly or in concert (the **“Acquiror”**) acquires, or acquires control (including the power to vote or direct the voting) of, voting securities of the Corporation which, when added to the voting securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or direct the casting of 50% or more of the votes attached to all of the Corporation’s outstanding voting securities which may be cast to elect directors of the Corporation or the successor corporation (regardless of whether a meeting has been called to elect directors);
- (d) the sale, transfer or other disposition of all or substantially all of the assets of the Corporation;
- (e) as a result of or in connection with the contested election of directors where the nominees named in the most recent management information circular of the Corporation for election to the Board of Directors of the Corporation shall not constitute a majority of the directors;
- (f) the Board adopts a resolution to the effect that a transaction or series of transactions involving the Corporation or any of its affiliates that has occurred or is imminent is a Change in Control,

and for purposes of the foregoing, **“voting securities”** means the Shares and any other shares entitled to vote for the election of directors, and shall include any securities, whether or not issued by the Corporation, which are not shares entitled to vote for the election of directors but which are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities;

“Common Share” means the common shares in the capital of the Corporation as constituted on the effective date of this plan;

“consultant” means a person, other than a director, officer or employee of the Corporation or of any subsidiary of the Corporation, that:

- (a) is engaged to provide *bona fide* services to the Corporation or subsidiary, other than services provided in relation to a distribution of securities;
- (b) provides the services under a written contract with the Corporation or subsidiary; and
- (c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or any of its subsidiaries;

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner, and, for greater certainty, includes consultants who provide outsourced or contract labour to the Corporation or a subsidiary, and employees of such consultants;

“Corporation” means Eloro Resources Ltd., a corporation existing under the laws of Ontario;

“Deferred Annual Amount” has the meaning ascribed thereto in Section 8.1(b);

“Deferred Share Unit” means a deferred share unit granted in accordance with Section 8.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Deferred Share Unit;

“Disability” means a medical condition that would qualify a Participant for benefits under a long-term disability plan of the Corporation or a subsidiary of the Corporation;

“Discounted Market Price” has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 1.1 – *Interpretation*, as amended from time to time;

“Dividend Equivalents” means the right, if any, granted under Section 15, to receive payments in cash or in Shares, based on dividends declared on Shares;

“DSU Account” has the meaning ascribed thereto in Section 8.3;

“DSU Award Agreement” means a written confirmation agreement, substantially in the form of Schedule E – *DSU Award Agreement*, setting out the terms and conditions relating to a Deferred Share Unit and entered into in accordance with Section 8.2;

“DSU Separation Date” means, with respect to Deferred Share Units granted to a Participant, the date on which the Participant ceases to be a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation for any reason, without regard to any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law);

“Effective Date” means September 27, 2022;

“Eligible Person” means any director, officer, employee or consultant of the Corporation or any corporations that are wholly-owned by any of the foregoing, or consultant companies of the Corporation or any subsidiary of the Corporation who is eligible to receive Awards under the Plan;

“Grant Date” means the date on which an Award is made to an Eligible Person in accordance with the provisions hereof;

“Insider” means an **“insider”** determined in accordance with the policies of the TSXV, as such definition may be amended, supplement or replaced from time to time;

“Investor Relations Service Provider” has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 4.4 – *Security Based Compensation*, as amended from time to time;

“Management Company Employee” has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 4.4 – *Security Based Compensation*, as amended from time to time;

“Market Price” has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 1.1 – *Interpretation*, as amended from time to time;

“Option” means an option to purchase Shares granted under Section 5.1;

“Option Award Agreement” means a written award agreement, substantially in the form of Schedule A – *Option Award Agreement* setting out the terms and conditions relating to an Option and entered into in accordance with Section 5.2;

“Option Price” has the meaning ascribed thereto in Section 5.2(a);

“Participant” means an Eligible Person selected by the Board to participate in the Plan in accordance with the Plan, or his or her Personal Representatives, as the context requires;

“Performance Share Unit” means a performance share unit granted in accordance with Section 6.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Performance Share Unit;

“Person” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

“Personal Representative” means:

- (a) in the case of a Participant who, for any reason, is incapable of managing its affairs, the Person entitled by law to act on behalf of such Participant; and

- (b) 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;

“Plan” means this Long-Term Incentive Plan of the Corporation, as amended or amended and restated from time to time;

“PSU Account” has the meaning ascribed thereto in Section 6.3;

“PSU Award Agreement” means a written confirmation agreement, substantially in the form of Schedule B – *PSU Award Agreement*, setting out the terms and conditions relating to a Performance Share Unit and entered into in accordance with Section 6.2;

“PSU Vesting Date” means, with respect to Performance Share Units granted to a Participant, the date determined in accordance with Section 6.4, which date, for Canadian Taxpayers, shall not be later than the date referred to in Section 6.2(b);

“Restricted Share Unit” means a restricted share unit granted in accordance with Section 7.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Restricted Share Unit;

“Retirement” means:

- (a) in the case of a director or an employee of the Corporation or any subsidiary of the Corporation, retirement as determined in accordance with the retirement policy of the Corporation or subsidiary, as such policy may exist from time to time; and
- (b) in the case of a consultant, the completion of the term of the consultant’s Service Agreement in accordance with its terms (for greater certainty, without being renewed);

“RSU Account” has the meaning ascribed thereto in Section 7.3;

“RSU Award Agreement” means a written confirmation agreement, substantially in the form of Schedule C – *RSU Award Agreement*, setting out the terms and conditions relating to a Restricted Share Unit and entered into in accordance with Section 7.2;

“RSU Vesting Date” means, with respect to Restricted Share Units granted to a Participant, the date determined in accordance with Section 7.4, which date, for Canadian Taxpayers, shall not be later than the date referred to in Section 7.2(b);

“Security-Based Compensation Arrangement” means:

- (a) stock option plans for the benefit of employees, insiders, service providers, or any one of such groups;
- (b) individual stock options granted to employees, service providers, or insiders if not granted pursuant to a plan previously approved by the Corporation’s security holders;

- (c) stock purchase plans where the Corporation provides financial assistance or where the Corporation matches the whole or a portion of the securities being purchased;
- (d) stock appreciation rights involving issuances of securities from treasury;
- (e) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the Corporation;
- (f) security purchases from treasury by an employee, insider, or service provider which is financially assisted by the Corporation by any means whatsoever; and
- (g) for the avoidance of doubt, “Security-Based Compensation Arrangements” shall expressly include the Plan.

“**Service Agreement**” means any written agreement between a Participant and the Corporation or a subsidiary of the Corporation (as applicable), in connection with that Participant’s employment, service or engagement as a director, officer, employee or consultant or the termination of such employment, service or engagement, as amended, replaced or restated from time to time;

“**Shares**” mean common shares of the Corporation;

“**subsidiary**” means a “**subsidiary**” determined in accordance with National Instrument 45-106 - *Prospectus and Registration Exemptions of the Canadian Securities Administrators*;

“**Substitute Award**” means any Award granted in assumption of or in substitution for an award of a company or business acquired by the Corporation or a subsidiary or with which the Corporation or an affiliate combines;

“**Termination Date**” means the date on which the Participant ceases to be actively employed by, ceases to actively perform services to, or ceases to be actively engaged by the Corporation and/or any subsidiary of the Corporation (and not, for greater certainty, the date that is the end of any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law)), without regard to whether the Participant continues thereafter to receive any compensatory payments or other amounts from the Corporation or any subsidiary of the Corporation;

“**TSXV**” means the TSX Venture Exchange;

“**United States**” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

“**U.S. Securities Act**” means the U.S. Securities Act of 1933, as amended;

2.2 Headings. The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.

- 2.3 Context; Construction.** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.
- 2.4 Statutes.** Any reference to a statute, regulation, rule, instrument, or policy statement shall refer to such statute, regulation, rule, instrument, or policy statement as the same may be amended, replaced, or re-enacted from time to time.
- 2.5 Canadian Funds:** Unless otherwise specifically provided, all references to dollar amounts in the Plan are references to lawful money of Canada. Any amounts paid on exercise or in settlement of an Award shall be paid in Canadian dollars.
- 2.6 Schedules:** The following schedules are attached to, form part of, and shall be deemed to be incorporated in, the Plan:

Schedule	Title
A	Option Award Agreement (including Appendix 1 - Notice of Exercise of Option)
B	PSU Award Agreement (including Appendix 1 - Notice of Settlement of Performance Share Units)
C	RSU Award Agreement (including Appendix 1 - Notice of Settlement of Performance Share Units)
D	Deferred Share Unit Election Notice
E	DSU Award Agreement (including Appendix 1 - Notice of Settlement of Deferred Share Units)

3. ADMINISTRATION OF THE PLAN

- 3.1** The Plan shall be administered by the Board.
- 3.2** The Board shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan:
- (a) to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan and to amend or revoke such policies, rules and regulations;
 - (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Award awarded pursuant to the Plan, and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;

- (c) to determine the time or times when Awards will be awarded, subject to the requirements of applicable securities laws and regulatory requirements;
- (d) to recommend to the Board which Eligible Persons should be granted Awards, subject to the approval of the Board;
- (e) to recommend to the Board the number of Awards to be awarded to be awarded to Eligible Persons, subject to the approval of the Board;
- (f) to determine the term of Awards and the vesting criteria applicable to Awards (including performance vesting, if applicable);
- (g) to determine if Shares which are subject to an Award will be subject to any restrictions upon the exercise or vesting of such Award;
- (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of Awards including the form of Option Award Agreements, RSU Award Agreements, DSU Award Agreements and all ancillary documents and instruments related to the Plan and Awards; and
- (i) subject to Section 14, to make all other determinations under, and such interpretations of, and to take all such other steps and actions in connection with the proper administration of the Plan as it, in its sole discretion, may deem necessary or advisable.
- (j) to require that any participant to the Plan provide certain representations, warranties, and certifications to the Corporation to satisfy the requirements of applicable securities laws, including, without limitation, exemptions or exclusions from the registration requirements of the U.S. Securities Act and applicable state securities laws;

The Board's guidelines, rules, regulation, interpretations and determinations shall be conclusive and binding upon the Corporation and all other Persons.

- 3.3 Delegation.** The Board may delegate to any director, officer or employee of the Corporation, including but not limited to a committee of the Board, such of the Board's duties and powers relating to the Plan as the Board may see fit, subject to applicable law.
- 3.4 Use of Administrative Agent.** The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer Awards granted under the Plan and to act as trustee to hold and administer the Plan and the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion.
- 3.5 Limitation of Liability and Indemnification.** No member of the Board or a committee of the Board will be liable for any action or determination taken or made in good faith with respect to the Plan or any Awards granted thereunder and each such member shall be

entitled to indemnification by the Corporation with respect to any such action or determination in the manner provided for by the Board or a committee of the Board.

4. SHARES SUBJECT TO THE PLAN AND PARTICIPATION LIMITS

- 4.1 Shares Subject to Awards.** Subject to adjustment under the provisions of Section 10, the aggregate number of Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all Options granted under this Plan, shall not exceed 10% of the issued and outstanding Shares at the time of the granting of the Award (on a non-diluted basis). The Option component of the Plan is an “evergreen” plan. Accordingly, if the Corporation issues additional Shares in the future the number of Shares issuable under the Plan for Options will be increased accordingly.

Subject to adjustment under the provisions of Section 10, the aggregate number of Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all Awards other than Options granted under this Plan, shall not exceed 10% of the issued and outstanding Shares at the time of shareholder approval of the Plan. The non-Option component of the Plan is a “fixed” plan.

- 4.2 Shares Available for Future Grants.** Any Shares subject to an Award which for any reason expires without having been exercised or is forfeited or terminated shall again be available for future Awards under the Plan and any Shares subject to an Award that is settled in cash and not Shares shall again be available for future Awards under the Plan. The full number of Shares with respect to which an Option is granted shall count against the aggregate number of Shares available for grant under the Option component of the Plan. Accordingly, if in accordance with the terms of the Plan, a Participant pays the Option Price by either tendering previously owned Shares or having the Corporation withhold Shares, then such Shares surrendered to pay the Option Price shall continue to count against the aggregate number of Shares available for grant under the Option component of the Plan. In addition, if in accordance with the terms of the Plan, a Participant satisfies any tax withholding requirement with respect to any taxable event arising as a result of this Plan by either tendering previously owned Shares or having the Corporation withhold shares, then such Shares surrendered to satisfy such tax withholding requirements shall continue to count against the aggregate number of Shares available for grant under the Plan.

- 4.3 Participation Limits.** The Plan, when combined with all of the Corporation’s other previously established Security Based Compensation Arrangements, shall not result at any time in:

- (a) a number of Shares issued to Insiders (as a group) within a one-year period exceeding 10% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to any Insider, unless disinterested shareholder approval is obtained pursuant to the rules of the TSXV;
- (b) a number of Shares issuable to Insiders (as a group) at any time exceeding 10% of the issued and outstanding Shares, unless disinterested shareholder approval is obtained pursuant to the rules of the TSXV;

- (c) a number of Shares issued to any one Participant within a one-year period exceeding 5% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to the Participant, unless disinterested shareholder approval is obtained pursuant to the rules of the TSXV;
- (d) a number of Shares issued to any one consultant within a one-year period exceeding 2% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to the consultant.
- (e) the issuance of Awards, other than Options, to an Investor Relations Service Provider.
- (f) a number of Shares issued to Investor Relations Service Providers (as a group) within a one-year period exceeding 2% of the issued and outstanding Shares, calculated as at the date any Option is granted or issued to the Investor Relations Service Provider.

4.4 Fractional Shares. No fractional Shares shall be issued upon the exercise of Options or the settlement of Performance Share Units, Restricted Share Units or Deferred Share Units in Shares, and the Board may determine the manner in which fractional share value shall be treated.

5. OPTIONS

5.1 Grant. Options may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution. The Grant Date of an Option for purposes of the Plan will be the date on which the Option is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

5.2 Terms and Conditions of Options. Options shall be evidenced by an Option Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Shares to which the Options to be awarded to the Participant pertain;
- (b) the exercise price per Share subject to each Option (the “**Option Price**”), which shall in no event be lower than the Market Price on the Grant Date;
- (c) the Option’s scheduled expiry date, which shall not exceed five (5) years from the Grant Date (provided that if no specific determination as to the scheduled expiry date is made by the Board, the scheduled expiry date shall be five years from the Grant Date); and
- (d) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each Option Award Agreement may contain terms and conditions in addition to those set forth in the Plan.

5.3 Vesting. Subject to Section 13 and the applicable rules of any stock exchange on which the Shares are listed for trading, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant's Service Agreement or Option Award Agreement, each Option shall vest as to one-third of the number of Shares granted by such Option on each of the first three anniversaries of the Grant Date of such Option.

5.4 Exercise of Option. Options may be exercised only to the extent vested. Options may be exercised by the Participant by delivering to the Corporation a notice of exercise, substantially in the form attached as Appendix 1 - *Notice of Exercise of Option* attached to the Option Award Agreement (or such other form as the Board may determine), specifying the number of Shares with respect to which the Option is being exercised. Payment of the Option Price may be made by one or more of the following methods (or any combination thereof) to the extent provided in the Option Award Agreement:

- (a) in cash, by certified cheque made payable to the Corporation, by wire transfer of immediately available funds, or other form of payment acceptable to the Board;
- (b) at the sole discretion of the Corporation, by payment pursuant to a broker-assisted sale and remittance program authorized by the Board (i.e. a "**cashless exercise**") to which the Corporation has an arrangement with a brokerage firm that will loan money to a Participant to purchase Shares underlying the Option. The brokerage firm then sells a sufficient number of underlying Shares to cover the exercise price, plus any applicable withholding tax, of the Option in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Shares from the exercise of the Option and the Participant then receives the balance of Shares or the cash proceeds from the balance of such Shares; or

No certificates for Shares so purchased will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance and sale of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the exercise of the Option. The delivery of certificates representing the Shares to be purchased pursuant to the exercise of an Option will be contingent upon receipt from the Participant by the Corporation of the full purchase price for such Shares, full payment of any applicable withholding tax, and the fulfillment of any other requirements contained in the Option Award Agreement or applicable provisions of laws.

5.5 Compliance with Securities Laws. As a condition to an Eligible Person's right to purchase shares pursuant to the due exercise of an Option, the Corporation may, in its discretion, require that such other steps, if any, as counsel for the Corporation shall consider necessary to comply with any law applicable to the issue of such Shares by the Corporation, be taken by the Corporation, the Eligible Person, or both.

5.6 Termination of Option Due to Termination of Employment, Service or Engagement. Subject to the applicable rules of any stock exchange on which the Shares are listed for trading, unless otherwise determined by the Board, or unless otherwise provided in the Participant's Service Agreement or Option Award Agreement, if a Participant's

employment, service or engagement terminates in any of the following circumstances, subject to Section 13, Options shall be treated in the manner set forth below:

Reason for Termination	Vesting	Expiry of Option
Death	Unvested Options automatically vest as of the date of death	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of death
Disability	Unvested Options continue to vest in accordance with the terms of the Option	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of disability. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option and 30 days following the date of disability
Retirement	Unvested Options continue to vest in accordance with the terms of the Option	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of retirement. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option and 30 days following the date of retirement
Resignation	Unvested Options as of the date of resignation automatically terminate and shall be forfeited	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of resignation. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option

Reason for Termination	Vesting	Expiry of Option
		and 30 days following the date of resignation
Termination without Cause/Constructive Dismissal - No Change in Control Involved	Unvested Options continue to vest in accordance with the terms of the Option, provided that any unvested Options that will not, in accordance with the term of the Option, vest prior to the expiry date provided in this Section 5.6 shall automatically vest thirty days prior to such expiry date	Options expire on the earlier of scheduled expiry date of the Option and 90 days following the Termination Date. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option and 30 days following the Termination Date.
Change in Control	Options shall vest in accordance with Section 13	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of Change in Control. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option and 30 days following the date of Change in Control.
Termination with Cause	Options, whether vested or unvested as of the Termination Date, automatically terminate and shall be forfeited	Options, whether vested or unvested as of the Termination Date, automatically terminate and shall be forfeited

6. PERFORMANCE SHARE UNITS

- 6.1 Grant.** Performance Share Units may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant Date of a Performance Share Unit for purposes of the Plan will be the date on which the Performance Share Unit is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

6.2 Terms and Conditions of Performance Share Units. Performance Share Units shall be evidenced by a PSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Performance Share Units to be awarded to the Participant;
- (b) the performance cycle applicable to each Performance Share Unit, which shall be the period of time between the Grant Date and the date on which the performance criteria specified in Section 6.2(c) must be satisfied before the Performance Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination; however, the performance cycle for Canadian Taxpayers shall in no case end later than December 31 of the calendar year which is three years after the calendar year in which the Grant Date occurs;
- (c) the performance criteria, which may include criteria based on the Participant's personal performance and/or the performance of the Corporation and/or its subsidiaries, that shall be used to determine the vesting of the Performance Share Units;
- (d) whether and to what extent Dividend Equivalents will be credited to a Participant's PSU Account in accordance with Section 15; and
- (e) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each PSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

6.3 PSU Accounts. A separate notional account shall be maintained for each Participant with respect to Performance Share Units granted to such Participant (a "**PSU Account**") in accordance with Section 16.3. Performance Share Units awarded to the Participant from time to time pursuant to Section 6.1 shall be credited to the Participant's PSU Account and shall vest in accordance with Section 6.4. On the vesting of the Performance Share Units pursuant to Section 6.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 6.5, or on the forfeiture or termination of the Performance Share Units pursuant to the terms of the Award, the Performance Share Units credited to the Participant's PSU Account will be cancelled.

6.4 Vesting. Subject to Section 13, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant's Service Agreement or PSU Award Agreement, each Performance Share Unit shall vest and shall be settled as at the date that is the end of the performance cycle (which shall be the "**PSU Vesting Date**"), which shall not be earlier than one year following the date of grant or issuance of the Performance Share Unit, subject to any performance criteria having been satisfied.

6.5 Settlement.

- (a) The Performance Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as Appendix 1 - *Notice of Settlement of Performance Share Units* attached to the PSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each vested Performance Share Unit being settled, deliver to the Participant a cash payment equal to the Market Price of one Share as of the PSU Vesting Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the PSU Vesting Date, in the sole discretion of the Board. No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Performance Share Units. The delivery of certificates representing the Shares to be issued in settlement of Performance Share Units will be contingent upon the fulfillment of any requirements contained in the PSU Award Agreement or applicable provisions of laws.
- (b) For greater certainty, for Canadian Taxpayers, in no event shall such settlement be later than the period of time specified in Section 6.2(b).

6.6 Termination of Performance Share Unit Due to Termination of Employment, Service or Engagement. Unless otherwise determined by the Board, or unless otherwise provided in the Participant's Service Agreement or PSU Award Agreement, if a Participant's employment, service or engagement terminates in any of the following circumstances, Performance Share Units shall be treated in the manner set forth below subject to TSXV requirements that Performance Share Units must expire within a period not exceeding 12 months following the ceasing of the Participant's eligibility under the Plan and in the event of the death of the Participant subject to the requirements specified in Section 9:

Reason for Termination	Treatment of Performance Share Units
Death	Outstanding Performance Share Units that were vested on or before the date of death shall be settled in accordance with Section 6.5 as of the date of death. Outstanding Performance Share Units that were not vested on or before the date of death shall vest and be settled in accordance with Section 6.5 as of the date of death, prorated to reflect the actual period between the commencement of the performance cycle and the date of death, based on the Participant's performance for the applicable performance period(s) up to the date of death. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate as of the date of death.

Reason for Termination	Treatment of Performance Share Units
Retirement	Outstanding Performance Share Units that were vested on or before the date of Retirement shall be settled in accordance with Section 6.5 as of the date of Retirement. Outstanding Performance Share Units that would have vested on the next PSU Vesting Date following the date of Retirement shall be settled in accordance with Section 6.5 as of such PSU Vesting Date. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate as of the date of Retirement.
Disability	Outstanding Performance Share Units as of the date of Disability shall continue to vest and be settled in accordance with Section 6.5 in accordance to their terms, based on the Participant's performance for the applicable performance period(s) up to the date of Disability. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate as of the date of Disability.
Resignation	Outstanding Performance Share Units that were vested on or before the date of resignation shall be settled in accordance with Section 6.5 as of the date of resignation, after which time the Performance Share Units shall in all respects terminate.
Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding Performance Share Units that were vested on or before the Termination Date shall be settled in accordance with Section 6.5 as of the Termination Date. Outstanding Performance Share Units that would have vested on the next PSU Vesting Date following the Termination Date, prorated to reflect the actual period between the commencement of the performance cycle and the Termination Date, based on the Participant's performance for the applicable performance period(s) up to the Termination Date, shall be settled in accordance with Section 6.5 as of such PSU Vesting Date. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate as of the Termination Date.
Change in Control	Performance Share Units vest in accordance with Section 13.
Termination of the Participant for Just Cause	Outstanding Performance Share Units (whether vested or unvested) shall automatically terminate on the Termination Date and be forfeited.

7. RESTRICTED SHARE UNITS

7.1 Grant. Restricted Share Units may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant Date of a Restricted Share Unit for purposes of the Plan will be the date on which the Restricted Share Unit is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

7.2 Terms and Conditions of Restricted Share Units. Restricted Share Units shall be evidenced by an RSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Restricted Share Units to be awarded to the Participant;
- (b) the period of time between the Grant Date and the date on which the Restricted Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination, which period of time, for Canadian Taxpayers, shall in no case be later than December 31 of the calendar year which is three years after the calendar year in which the Grant Date occurs and taking into account the year referred to in Section 7.2(d);
- (c) whether and to what extent Dividend Equivalents will be credited to a Participant's RSU Account in accordance with Section 15;
- (d) in the case of a Canadian Taxpayer, in respect of each Restricted Share Unit that may be awarded under the RSU Award Agreement, the year in which the services to which the Restricted Share Unit relates were rendered; and
- (e) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each RSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

7.3 RSU Accounts. A separate notional account shall be maintained for each Participant with respect to Restricted Share Units granted to such Participant (an “**RSU Account**”) in accordance with Section 16.3. Restricted Share Units awarded to the Participant from time to time pursuant to Sections 7.1 shall be credited to the Participant's RSU Account and shall vest in accordance with Section 7.4. On the vesting of the Restricted Share Units pursuant to Section 7.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 7.5, or on the forfeiture or termination of the Restricted Share Units pursuant to the terms of the Award, the Restricted Share Units credited to the Participant's RSU Account will be cancelled.

7.4 Vesting. Subject to Section 13, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant's Service

Agreement or RSU Award Agreement, each Restricted Share Unit shall vest and shall be settled when all applicable restrictions shall have lapsed (which shall be the “**RSU Vesting Date**”), which shall not be earlier than one year following the date of grant or issuance of the Restricted Share Unit.

7.5 Settlement.

- (a) The Restricted Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as Appendix 1 - *Notice of Settlement of Restricted Share Units* attached to the RSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each vested Restricted Share Unit being settled, deliver to the Participant a cash payment equal to the Market Price of one Share as of the RSU Vesting Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the RSU Vesting Date, in the sole discretion of the Board. No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Restricted Share Units. The delivery of certificates representing the Shares to be issued in settlement of Restricted Share Units will be contingent upon the fulfillment of any requirements contained in the RSU Award Agreement or applicable provisions of laws.
- (b) For greater certainty, for Canadian Taxpayers, in no event shall such settlement be later than the period of time specified in Section 7.2(b).

7.6 Termination of Restricted Share Unit Due to Termination of Employment, Service or Engagement. Unless otherwise determined by the Board, or unless otherwise provided in the Participant’s Service Agreement or RSU Award Agreement, if a Participant’s employment, service or engagement terminates in any of the following circumstances, Restricted Share Units shall be treated in the manner set forth below subject to TSXV requirements that Restricted Share Units must expire within a period not exceeding 12 months following the ceasing of the Participant’s eligibility under the Plan and in the event of the death of the Participant subject to the requirements specified in Section 9:

Reason for Termination	Treatment of Restricted Share Units
Death	Outstanding Restricted Share Units that were vested on or before the date of death shall be settled in accordance with Section 7.5 as of the date of death. Outstanding Restricted Share Units that were not vested on or before the date of death shall vest and be settled in accordance with Section 7.5 as of the date of death, prorated to reflect the actual period between the Grant Date and the date of death. Subject to the foregoing, any remaining

Reason for Termination	Treatment of Restricted Share Units
	Restricted Share Units shall in all respects terminate as of the date of death.
Retirement	Outstanding Restricted Share Units that were vested on or before the date of Retirement shall be settled in accordance with Section 7.5 as of the date of Retirement. Outstanding Restricted Share Units that would have vested on the next RSU Vesting Date following the date of Retirement shall be settled in accordance with Section 7.5 as of such RSU Vesting date. Subject to the foregoing, any remaining Restricted Share Units shall in all respects terminate as of the date of Retirement.
Disability	Outstanding Restricted Share Units as of the date of Disability shall continue to vest and be settled in accordance with Section 7.5 in accordance their terms, after which time the Restricted Share Units shall in all respects terminate.
Resignation	Outstanding Restricted Share Units that were vested on or before the date of resignation shall be settled in accordance with Section 7.5 as of the date of resignation, after which time the Restricted Share Units shall in all respects terminate.
Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding Restricted Share Units that were vested on or before the Termination Date shall be settled in accordance with Section 7.5 as of the Termination Date. Outstanding Restricted Share Units that would have vested on the next RSU Vesting Date following the Termination Date shall be settled in accordance with Section 7.5 as of such RSU Vesting Date. Subject to the foregoing, any remaining Restricted Share Units shall in all respects terminate as of the Termination Date.
Change in Control	Restricted Share Units vest in accordance with Section 13.
Termination of the Participant for Just Cause	Outstanding Restricted Share Units (whether vested or unvested) shall automatically terminate on the Termination Date and be forfeited.

8. DEFERRED SHARE UNITS

8.1 Grant.

- (a) **Discretionary Deferred Share Units.** Deferred Share Units may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant

Date of a Deferred Share Unit for purposes of the Plan will be the date on which the Deferred Share Unit is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

(b) **Mandatory or Elective Deferred Share Units.** In addition to the foregoing, on fixed dates established by the Board and subject to such terms and conditions and other procedures as the Board shall determine, pursuant to recommendations of the Board, the Board may require a Participant to defer, or may permit a Participant to elect to defer, receipt of all or a portion of the following amounts payable by the Corporation or any subsidiary of the Corporation:

- (i) Director's Retainer - in the case of a member of the Board who is not also an officer or employee of the Corporation, an amount equal to all or a portion of his or her annual directors' retainer payable on account of his or her services as a member of the Board (which amount shall not include committee chairperson retainers, committee members retainers, Board or committee meeting fees, or special remuneration for ad hoc services rendered to the Board); or
- (ii) Officers' and Employees' Annual Incentive - in the case of an officer or employee of the Corporation or any subsidiary of the Corporation (as applicable), an amount equal to all or a portion of his or her annual incentive bonus for a calendar year,

(the "Deferred Annual Amount"), and receive in lieu thereof an Award of Deferred Share Units equal to the greatest whole number which may be obtained by dividing (i) the amount of the Deferred Annual Amount, by (ii) the Market Price of one Share on the date of payment of such Deferred Annual Amount. For elective Deferred Share Units, the form of election shall be substantially in the form of the form of Schedule D - DSU Election Notice.

8.2 Terms and Conditions of Deferred Share Units. Deferred Share Units shall be evidenced by a DSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Deferred Share Units to be awarded to the Participant;
- (b) for Deferred Share Units awarded under Section 8.1(a):
 - (i) the period of time between the Grant Date and the date on which the Deferred Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination, subject to Section 8.5(b) for Canadian Taxpayers;
 - (ii) any performance criteria, which may include criteria based on the Participant's personal performance and/or the financial performance of the Corporation and/or its subsidiaries, that may be used to determine the vesting of the Deferred Share Units (if applicable); and

- (iii) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters;
- (c) in the case of Deferred Share Units awarded to a Canadian Taxpayer, such terms and conditions as may be necessary to meet the requirements of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada); and

For greater certainty, each DSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

8.3 DSU Accounts. A separate notional account shall be maintained for each Participant with respect to Deferred Share Units granted to such Participant (a “**DSU Account**”) in accordance with Section 16.3. Deferred Share Units awarded to the Participant from time to time pursuant to Section 8.1 shall be credited to the Participant’s DSU Account and shall vest in accordance with Section 8.4. On the vesting of the Deferred Share Units pursuant to Section 8.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 8.5, or on the forfeiture and termination of the Deferred Share Units pursuant to the terms of the Award, the Deferred Share Units credited to the Participant’s DSU Account will be cancelled.

8.4 Vesting. Subject to Section 13, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant’s Service Agreement or DSU Award Agreement:

- (a) each Deferred Share Unit awarded under Section 8.1(a) shall vest in accordance with the DSU Award Agreement, which shall not be earlier than one year following the date of grant or issuance of the Deferred Share Unit; and
- (b) each Deferred Share Unit awarded under Section 8.1(b) shall immediately vest at the time it is credited to the Participant’s DSU Account, which shall not be earlier than one year following the date of grant or issuance of the Deferred Share Unit.

8.5 Settlement.

- (a) The Deferred Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as Appendix 1 - Notice of Settlement of Deferred Share Units attached to the DSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each such vested Deferred Share Unit, deliver to the Participant a cash payment equal to the Market Price of one Share as of the DSU Separation Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the DSU Separation Date, in the sole discretion of the Board. No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due

as a result of the settlement of the Deferred Share Units. The delivery of certificates representing the Shares to be issued in settlement of Deferred Share Units will be contingent upon the fulfillment of any requirements contained in the DSU Award Agreement or applicable provisions of laws.

- (b) Notwithstanding the foregoing, all settlements of Deferred Share Units granted to a Participant who is a Canadian Taxpayer shall take place (i) after the DSU Separation Date; and (ii) by December 31 of the first calendar year that commences after such time.

8.6 Termination of Deferred Share Unit Due to Termination of Employment, Service or Engagement. Unless otherwise determined by the Board, or unless otherwise provided in the Participant's Service Agreement or DSU Award Agreement, if a Participant's employment, service or engagement terminates in any of the following circumstances, Deferred Share Units shall be treated in the manner set forth below subject to TSXV requirements that Deferred Share Units must expire within a period not exceeding 12 months following the ceasing of the Participant's eligibility under the Plan and in the event of the death of the Participant subject to the requirements specified in Section 9:

Reason for Termination	Treatment of Deferred Share Units
Death	Outstanding Deferred Share Units that were vested on or before the date of death shall be settled in accordance with Section 8.5 as of the date of death. Outstanding Deferred Share Units that were not vested on or before the date of death shall vest and be settled in accordance with Section 8.5 as of the date of death, prorated to reflect the actual period between the Grant Date and the date of death. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the date of death.
Retirement	Outstanding Deferred Share Units that were vested on or before the date of Retirement shall be settled in accordance with Section 8.5 as of the date of Retirement. Outstanding Deferred Share Units that would have vested on the next vesting date following the date of Retirement shall be settled in accordance with Section 8.5 as of such vesting date. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the date of Retirement.
Disability	Outstanding Deferred Share Units as of the date of Disability shall continue to vest and be settled in accordance with Section 8.5 in accordance their terms. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the date of Disability.

Reason for Termination	Treatment of Deferred Share Units
Resignation	Outstanding Deferred Share Units that were vested on or before the date of resignation shall be settled in accordance with Section 8.5 as of the date of resignation, after which time the Deferred Share Units shall in all respects terminate.
Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding Deferred Share Units that were vested on or before the Termination Date shall be settled in accordance with Section 8.5 as of the Termination Date. Outstanding Deferred Share Units that would have vested on the next vesting date following the Termination Date shall be settled in accordance with Section 8.5 as of such vesting date. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the Termination Date.
Change in Control	Deferred Share Units vest in accordance with Section 13.
Termination of the Participant for Just Cause	Outstanding Deferred Share Units (whether vested or unvested) shall automatically terminate on the Termination Date and be forfeited.

9. NON-ASSIGNABILITY AND NON-TRANSFERABILITY OF AWARDS

An Award granted pursuant to this Plan is personal to the Participant and may not be assigned, transferred, charged, pledged or otherwise alienated, other than to a Participant's Personal Representatives. In the event of the death of the Participant, the period in which the deceased's Personal Representatives may make claims for the Award shall not exceed one year from the Participant's death.

10. ADJUSTMENTS

10.1 The number and kind of Shares to which an Award pertains and, with respect to Options, the Option Price, shall be adjusted in the event of a reorganization, recapitalization, stock split or redivision, reduction, combination or consolidation, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Corporation, in such manner, if any, and at such time, as the Board, subject to prior acceptance of the TSXV, as applicable, may determine to be equitable in the circumstances. Failure of the Board to provide for an adjustment shall be conclusive evidence that the Board has determined that it is equitable to make no adjustment in the circumstances. If an adjustment results in a fractional share, the fraction shall be disregarded.

10.2 If at any time the Corporation grants to its shareholders the right to subscribe for and purchase pro rata additional securities of any other corporation or entity, there shall be no

adjustments made to the Shares or other securities subject to an Award in consequence thereof and the Awards shall remain unaffected.

- 10.3** The adjustments provided for in this Section 10 shall be cumulative.
- 10.4** On the happening of each and every of the foregoing events, the applicable provisions of the Plan shall be deemed to be amended accordingly and the Board shall take all necessary action so as to make all necessary adjustments in the number and kind of securities subject to any outstanding Award (and the Plan) and, with respect to Options, the Option Price.

11. UNITED STATES SECURITIES LAW MATTERS

- 11.1 United States Securities Law Matters.** No Awards shall be made in the United States and no Common Shares shall be issued upon exercise, conversion or settlement of any such Awards in the United States unless such securities are registered under the U.S. Securities Act and any applicable U.S. state securities laws, or an exemption from such registration is available. Any Awards issued, and any Common Shares issued upon exercise, conversion or settlement thereof, will be “restricted securities” (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Any certificate or instrument representing such securities shall bear a legend restricting transfer under applicable United States federal and state securities laws in substantially the following form:

“THE SECURITIES REPRESENTED HEREBY [AND THE SECURITIES ISSUABLE UPON EXERCISE / CONVERSION / SETTLEMENT HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE CORPORATION AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE CORPORATION AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.”

The Board may require that a participant of this Plan provide certain representations, warranties and certifications to the Corporation to satisfy the requirements of applicable securities laws, including without limitation, the registration requirements of the U.S. Securities Act and applicable state securities laws or exemptions or exclusions therefrom.

12. PRIORITY OF AGREEMENTS

12.1 Priority of Agreements. In the event of any inconsistency or conflict between the provisions of a Participant's Award Agreement and the Plan, the provisions of the Plan shall prevail with respect to such Participant. In the event of any inconsistency or conflict between the provisions of (i) the Plan and/or a Participant's Award Agreement, and (ii) a Participant's Service Agreement, the provisions of the Participant's Service Agreement shall prevail with respect to such Participant unless the terms of the Participant's Service Agreement would (i) cause the Plan to be a "**salary deferral arrangement**" as defined in the *Income Tax Act* (Canada) in respect of a Participant that is a Canadian Taxpayer, in which case the terms of the Plan shall prevail. Notwithstanding the foregoing or anything contained herein to the contrary: (i) the applicable rules of any stock exchange on which the Shares are listed for trading shall prevail over the provisions of the Plan, any Participant's Award Agreement, or any Participant's Service Agreement in the event of a conflict; and (ii) no provision of a Participant's Service Agreement shall be relied upon if such reliance would result in a change to the terms of the Plan that would otherwise require shareholder approval.

12.2 Vesting and Termination Provisions in Service Agreements. In the event that a Participant's Service Agreement contains provisions respecting the vesting of the dates upon which any or all outstanding Awards shall be exercisable or settled, without regard to whether such Awards have otherwise vested in accordance with their terms, or provisions respecting the expiry, forfeiture and termination of such Awards, the vesting or expiry, forfeiture and termination of such Awards, as applicable, shall be governed by the terms and conditions of the Participant's Service Agreement with respect to such Participant.

13. CHANGE IN CONTROL - TREATMENT OF AWARDS

13.1 Change in Control - Awards Granted On and After Effective Date. Unless otherwise determined by the Board, or unless otherwise provided in the Participant's Service Agreement or Award Agreement, if a Change in Control shall conclusively be deemed to have occurred and at least one of the two additional circumstances described below occurs, then there shall be immediate full vesting of each outstanding Award granted on and after the Effective Date, which may be exercised and settled, in whole or in part, even if such Award is not otherwise exercisable or vested by its terms:

- (a) upon a Change in Control, the surviving corporation (or any affiliate thereof) or the potential successor (or any affiliate thereto) fails to continue or assume the obligations with respect to each Award or fails to provide for the conversion or replacement of each Award with an equivalent award that satisfies the criteria set forth in Section 13.1(b)(i)(A) or 13.1(b)(i)(B); or

- (b) in the event that the Awards were continued, assumed, converted or replaced as contemplated in 13.1(b)(i), during the two-year period following the effective date of a Change in Control, the Participant is terminated by the Corporation without cause or the Participant resigns for good reason,

and for purposes of Section 13.1:

- (i) the obligations with respect to each Participant shall be considered to have been continued or assumed by the surviving corporation (or any affiliate thereto) or the potential successor (or any affiliate thereto), if each of the following conditions are met, which determination shall be made solely in the discretionary judgment of the Board, which determination may be made in advance of the effective date of a particular Change in Control and shall be final and binding:
 - (A) the Shares remain publicly held and widely traded on an established stock exchange; and
 - (B) the terms of the Plan and each Award are not materially altered or impaired without the consent of the Participant;
- (ii) the obligations with respect to each Award shall be considered to have been converted or replaced with an equivalent award by the surviving corporation (or any affiliate thereto) or the potential successor (or any affiliate thereto), if each of the following conditions are met, which determination shall be made solely in the discretionary judgment of the Board, which determination may be made in advance of the effective date of a particular Change in Control and shall be final and binding
 - (A) each Award is converted or replaced with a replacement award in a manner that qualifies under Subsection 7(1.4) of the *Income Tax Act* (Canada) in the case of a Participant that is a Canadian Taxpayer in respect to an Award that is subject to section 7 of the *Income Tax Act* (Canada), on all or any portion of the benefit arising in connection with the grant, exercise and/or other disposition of such award;
 - (B) the converted or replaced award preserves the existing value of each underlying Award being replaced, contains provisions for scheduled vesting and treatment on termination of employment (including with respect to termination for cause or constructive dismissal) that are no less favourable to the Participant than the underlying Award being replaced, and all other terms of the converted award or replacement award (but other than the security and number of shares represented by the continued award or replacement award) are substantially similar to the underlying Award being converted or replaced; and

- (C) the security represented by the converted or replaced Award is of a class that is publicly held and widely traded on an established stock exchange.

- 13.2 Change in Control.** Notwithstanding Section 13.1, in the event of a Change in Control, the Board shall have the right, but not the obligation, and without the consent of any Participant, to permit each Participant, within a specified period of time prior to the completion of the Change in Control as determined by the Board, to exercise all of the Participant's outstanding Options and to settle all of the Participant's outstanding Performance Share Units, Restricted Share Units and Deferred Share Units (to the extent then vested and exercisable, including by reason of acceleration by the Board pursuant to Section 13.3 or in accordance with the Award Agreement) but subject to and conditional upon the completion of the Change in Control.
- 13.3 Discretion to Accelerate Awards.** Notwithstanding Section 13.1, in the event of a Change in Control whereby the holder ceases to be an eligible Participant, the Board may accelerate the dates upon which any or all outstanding Awards shall vest and be exercisable or settled, without regard to whether such Awards have otherwise vested in accordance with their terms. Notwithstanding the foregoing, the acceleration of vesting for Options granted to Investor Relations Service Providers, must conform to the prescribed vesting requirements under TSX Venture Exchange Policy 4.4 – *Security Based Compensation*, as amended from time to time.
- 13.4 Termination of Awards on Change in Control.** Subject to and conditional upon completion of the Change in Control event, the Plan and all outstanding Awards, vested and unvested, shall be deemed to be terminated, without further act or formality, except to the extent required under Sections 13.1 and 17.2, if applicable.
- 13.5 Further Assurances on Change in Control.** The Participant shall execute such documents and instruments and take such other actions, including exercise or settlement of Awards vesting pursuant to Section 13.2 or the Award Agreement, as may be required consistent with the foregoing; provided, however, that the exercise or settlement of Awards vesting pursuant to Section 13.2 or the Award Agreement shall be subject to the completion of the Change in Control event.
- 13.6 Awards Need Not be Treated Identically.** In taking any of the actions contemplated by this Section 13, the Board shall not be obligated to treat all Awards held by any Participant, or all Awards in general, identically.
- 13.7 Canadian Taxpayer.** In the case of a Deferred Share Unit held by a Participant that is a Canadian Taxpayer, and subject to any further limitations provided in any Award Agreement, (i) no settlement payment shall be made to the Participant under this Section 13 until after the time that the Participant ceases to be a director of the Corporation or any subsidiary of the Corporation or an employee or consultant of the Corporation or any subsidiary of the Corporation for any reason, without regard to any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law); and (ii) all settlements to such Participant under this Section 13 shall be made by December 31 of the first calendar year that commences after such time.

14. AMENDMENT, SUSPENSION OR TERMINATION OF PLAN AND AWARDS

14.1 Discretion to Amend the Plan and Awards. Subject to Section 14.2, the Board may amend the Plan or Awards at any time, provided, however, that no such amendment may materially and adversely affect any Award previously granted to a Participant without the consent of the Participant, except to the extent required by applicable law (including TSXV requirements). Any amendment under this Section shall be subject to all necessary regulatory approvals. Without limiting the generality of the foregoing, the Board may make certain amendments to the Plan or Awards without obtaining the approval of the shareholders of the Corporation including, but not limited to amendments which are intended to:

- (a) ensure compliance with applicable laws, regulations or policies, including, but not limited to the rules and policies of any stock exchange on which the Shares are listed for trading;
- (b) provide additional protection to shareholders of the Corporation;
- (c) remove any conflicts or other inconsistencies which may exist between any terms of the Plan and any provisions of any applicable laws, regulations or policies, including, but not limited to the rules and policies of any stock exchange on which the Shares are listed for trading;
- (d) cure or correct any typographical error, ambiguity, defective or inconsistent provision, clerical omission, mistake or manifest error;
- (e) facilitate the administration of the Plan;
- (f) amend the definitions of the terms used in the Plan, the dates on which Participants may become eligible to participate in the Plan, the minimum and maximum permitted payroll deduction rate, the amount of Participants' contributions and the procedures for making, changing, processing, holding and using such contributions, vesting, the rights of holders of Participant Shares and Employer Shares, the rights to sell or withdraw Plan Shares and cash credited to a Participant's Account and the procedures for doing the same, the interest payable on cash credited to a Participant's Account, the transferability of Plan Shares, contributions or rights under the Plan, the adjustments to be made in the event of certain transactions, Plan expenses, restrictions on corporate action, or use of funds; or
- (g) make any other change that is not expected to materially adversely affect the interests of the shareholders of the Corporation.

14.2 Amendments Requiring Shareholder Approval. Notwithstanding Section 14.1, no amendments to the Plan or Awards:

- (a) with respect to Options, reduce the Option Price, or cancel and reissue any Options so as to in effect reduce the Option Price;

- (b) extend (i) the term of an Option beyond its original expiry date, or (ii) the date on which a Performance Share Unit, Restricted Share Unit or Deferred Share Unit will be forfeited or terminated in accordance with its terms, other than in accordance with Section 17.3;
- (c) increase the fixed maximum number of Shares reserved for issuance under the Plan (including a change from a fixed maximum number of Shares to a fixed maximum percentage of Shares);
- (d) revise the participation limits set out in Section 4.3;
- (e) amendments to the definition of “**Eligible Person**” that may permit the introduction or reintroduction of non-executive directors on a discretionary basis; or
- (f) revise the amending provisions set forth in Section 14.1 or 14.2;

shall be made without obtaining approval of the shareholders, or disinterested shareholders, as applicable, of the Corporation in accordance with the requirements of the TSXV.

14.3 Amendment, Suspension or Discontinuance. No amendment, suspension or discontinuance of the Plan or of any Award may contravene the requirements of the TSXV or any securities commission or other regulatory body to which the Plan or the Corporation is now or may hereafter be subject to. Termination of the Plan shall not affect the ability of the Board to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

14.4 Tax Provisions. Notwithstanding the foregoing:

- (a) no amendment to the Plan shall cause the Plan or Performance Share Units, Restricted Share Units or Deferred Share Units granted to a Canadian Taxpayer hereunder to be made without the consent of such Canadian Taxpayer if the result of such amendment would be to cause the Performance Share Units, Restricted Share Units or Deferred Share Units to be a “**salary deferral arrangement**” under the *Income Tax Act* (Canada); and
- (b) no amendment to the Plan shall cause the Plan or Deferred Share Units granted to a Canadian Taxpayer hereunder to cease to meet the conditions of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada) without the consent of such Canadian Taxpayer.

15. DIVIDEND EQUIVALENTS

The Board may determine whether and to what extent Dividend Equivalents will be credited to a Participant’s PSU Account, RSU Account and DSU Account with respect to Awards of Performance Share Units, Restricted Share Units or Deferred Share Units respectively. Dividend Equivalents to be credited to a Participant’s PSU Account, RSU Account or DSU Account shall be credited as follows:

- (a) any cash dividends or distributions credited to the Participant's PSU Account, RSU Account or DSU Account shall be deemed to have been invested in additional Performance Share Units, Restricted Share Units or Deferred Share Units, as applicable, on the record date established for the related dividend or distribution in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date by (ii) the Market Price of one Share on such record date, and such additional Performance Share Units, Restricted Share Unit or Deferred Share Unit, as applicable, shall be subject to the same terms and conditions as are applicable in respect of the Performance Share Unit, Restricted Share Unit or Deferred Share Unit, as applicable, with respect to which such dividends or distributions were payable; and
- (b) if any such dividends or distributions are paid in Shares or other securities, such Shares and other securities shall be subject to the same vesting, performance and other restrictions as apply to the Performance Share Units, Restricted Share Units or Deferred Share Unit, as applicable, with respect to which they were paid and such Shares and other securities shall be subject to the limits specified under Sections 4.1 and 4.3 of the Plan.

No Dividend Equivalent will be credited to or paid on Awards of Performance Share Units, Restricted Share Units or Deferred Share Units that have expired or that have been forfeited or terminated.

16. MISCELLANEOUS

- 16.1 No Rights as a Shareholder.** Nothing contained in the Plan nor in any Award granted hereunder shall be deemed to give any Person any interest or title in or to any Shares or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation whatsoever with respect to Shares issuable pursuant to an Award until such Person becomes the holder of record of Shares.
- 16.2 Employment.** Nothing contained in the Plan shall confer upon any Participant any right with respect to employment or continued employment or the right to continue to serve as a director or a consultant as the case may be, or interfere in any way with the right of the Corporation to terminate such employment or service at any time. Participation in the Plan by an Eligible Person is voluntary. The Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide employee, consultant or Management Company Employee for the purposes of eligibility under the Plan.
- 16.3 Record Keeping.** The Corporation shall maintain appropriate registers in which shall be recorded all pertinent information with respect to the granting, amendment, exercise, vesting, expiry, forfeiture and termination of Awards. Such registers shall include, as appropriate:
 - (a) the name and address of each Participant;
 - (b) the number of Awards credited to each Participant's account;

- (c) any and all adjustments made to Awards recorded in each Participant's account; and
- (d) such other information which the Corporation considers appropriate to record in such registers.

16.4 Income Taxes. As a condition of and prior to participation in the Plan, an Eligible Person shall authorize the Corporation in written form to withhold from any payment otherwise payable to such Eligible Person any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of such participation in the Plan, the issuance of any Shares pursuant to the Plan or the settlement in cash and/or Shares of any Awards under the Plan. In addition, as a condition for the exercise of an Option, the Corporation may require a Participant to deliver to the Corporation all or a portion of the taxes required to be withheld or remitted by the Corporation under the *Income Tax Act* (Canada) and any applicable Canadian provincial taxation statute as a result of the exercise of the Option (including by payment pursuant to a broker-assisted sale and remittance program authorized by the Board). The Board may require, or may allow a Participant to elect, to satisfy such obligations (up to maximum statutory rates) to be satisfied, in whole or in part, (i) by causing the Corporation to withhold the number of Shares otherwise issuable to the Participant as may be necessary to satisfy such withholding obligation, or (ii) by delivering to the Corporation Shares already owned by the Participant. The Shares so delivered or withheld shall have an aggregate fair market value equal to such withholding obligations (up to maximum statutory rates). The fair market value of the Shares used to satisfy such withholding obligation shall be determined by the Corporation as of the date that the amount of tax to be withheld is to be determined.

16.5 No Representation or Warranty. The Corporation makes no representation or warranty as to the future market value of any Shares issued pursuant to the Plan.

16.6 Direction to Transfer Agents. Upon receipt of a certificate of an authorized officer of the Corporation directing the issue of Shares issuable under the Plan, the transfer agent of the Corporation is authorized and directed to issue and countersign share certificates for the Shares subject to the applicable Award in the name of such Participant or as may be directed in writing by the Participant.

17. TERM OF AWARD, EXPIRY, FORFEITURE AND TERMINATION OF AWARDS / BLACKOUT PERIODS

17.1 Term of Award. Subject to Section 17.3, in no circumstances shall the term of an Award exceed five years from the Grant Date.

17.2 Expiry, Forfeiture and Termination of Awards. If for any reason an Award expires without having been exercised or is forfeited or terminated, and subject to any extension thereof in accordance with the Plan, such Award shall forthwith expire and be forfeited and shall terminate and be of no further force or effect.

17.3 Blackout Periods. Notwithstanding any other provision of the Plan, if the expiry date or vesting date of an Award, other than a Performance Share Unit, Restricted Share Unit or

Deferred Share Unit awarded to a Canadian Taxpayer, as applicable, is during a Blackout Period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten trading days following the end of the Blackout Period. In the case of a Performance Share Unit, Restricted Share Unit or Deferred Share Unit awarded to a Canadian Taxpayer, any settlement that is effected during a Blackout Period in order to comply with Section 14.4 in the case of a Canadian Taxpayer (subject to the requirements of applicable law) be settled in cash, notwithstanding any other provision hereof.

18. GOVERNING LAW

The Plan shall be construed in accordance with and be governed by the laws of Ontario and shall be deemed to have been made therein.

19. REGULATORY APPROVAL

19.1 The Plan shall be subject to the approval of any relevant regulatory authority whose approval is required. Any Awards granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Awards may be exercised or shall vest unless such approval and acceptance is given.

20. EFFECTIVE DATE OF THE PLAN

The Plan is dated with effect as of the Effective Date.

SCHEDULE “C”

PROPOSED BY-LAWS

BY-LAW NO. 1-C
of
ELORO RESOURCES LTD.
(the “Corporation”)

1. REGISTERED OFFICE

- 1.1 The registered office of the Corporation shall be in the place within Ontario specified in the articles of the Corporation and at such location therein as the Directors may from time to time determine.

2. CORPORATE SEAL

- 2.1 Until changed by the Directors the corporate seal of the corporation shall be in the form impressed in the margin hereof.

3. DIRECTORS

- 3.1 Number and Quorum. The number of Directors shall be not fewer than the minimum and not more than the maximum provided in the articles, at least one-third of whom shall not be officers or employees of the Corporation or of any of its affiliates. The number of Directors shall be determined by the Directors when they are empowered by special resolution to make such determination and otherwise the number of Directors shall be determined by special resolution. A majority of the number of Directors so determined or such greater number as may be fixed by the Directors or shareholders shall constitute a quorum for the transaction of business at any meeting of Directors.
- 3.2 Qualification. No person shall be qualified to be a director if they are less than eighteen years of age; if they are incapable as described in the *Business Corporations Act* (Ontario) (“Act”); or if they have the status of a bankrupt.
- 3.3 Election and Term of Office. The Directors shall be elected at each annual meeting of shareholders of the Corporation and each director shall hold office until the close of the first annual meeting following their election provided that if an election of Directors is not held at an annual meeting of shareholders, the Directors then in office shall continue in office until their successors are elected. Retiring Directors are eligible for re-election.
- 3.4 Vacation of Office. A director ceases to hold office if they die, is removed from office by the shareholders, ceases to be qualified for election as a director or, subject to the Act, resigns by a written resignation

received by the Corporation. A written resignation of a director becomes effective at the time it is received by the Corporation, or at the time specified in the resignation, whichever is later.

- 3.5 Removal of Directors. The shareholders may by ordinary resolution at an annual or special meeting of shareholders remove any director or Directors from office provided that where the holders of any class or series of shares have an exclusive right to elect one or more Directors, a director so elected may only be removed by an ordinary resolution of the shareholders of that class or series. A vacancy created by the removal of a director may be filled at the meeting of the shareholders at which the director is removed.
- 3.6 Vacancies. Subject to the Act, a quorum of Directors may fill a vacancy among the Directors. A director appointed or elected to fill a vacancy holds office for the unexpired term of their predecessor.
- 3.7 Action by Directors. The Directors shall manage or supervise the management of the business and affairs of the Corporation. The powers of the Directors may be exercised at a meeting (subject to sections 3.7 and 3.8) at which a quorum is present or by resolution in writing signed by all the Directors entitled to vote on that resolution at a meeting of the Directors. Where there is a vacancy in the Board of Directors the remaining Directors may exercise all the powers of the board so long as a quorum remains in office.
- 3.8 Meeting by Telephone. If all the Directors of the Corporation present at or participating in the meeting consent, a meeting of Directors or of a committee of Directors may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at that meeting.
- 3.9 Place of Meetings. Meetings of Directors may be held at any place within or outside of Ontario. A majority of the meetings of Directors need not be held within Canada in any financial year of the Corporation.
- 3.10 Calling of Meetings. Meetings of the Directors shall be held at such time and place as the Chairman of the Board, the President and Chief Executive Officer or any two Directors may determine.
- 3.11 Notice of Meeting. Notice of the time and place of each meeting of Directors shall be given to each director by telephone not less than 48 hours before the time of the meeting or by written notice not less than four days before the day of the meeting and need not specify the purpose of or the business to be transacted at the meeting. Meetings of the Directors may be held at any time without notice if all the Directors have waived or are deemed to have waived notice.
- 3.12 First Meeting of New Board. No notice shall be necessary for the first meeting of newly-elected Directors held immediately following their election at a meeting of shareholders.

- 3.13 Adjourned Meeting. Notice of an adjourned meeting of Directors is not required if the time and place of the adjourned meeting is announced at the original meeting.
- 3.14 Regular Meetings. The Directors may appoint a day or days in any month or months for regular meetings and shall designate the place and time at which such meetings are to be held. A copy of any resolution of Directors fixing the place and time of regular meetings of the board shall be sent to each director forthwith after being passed, and no other notice shall be required for any such regular meeting.
- 3.15 Chairman. The Chairman of the Board, or in their absence the Chief Executive Officer if a director, or in their absence a director chosen by the Directors at the meeting shall be the chairman of any meeting of Directors.
- 3.16 Voting at Meetings. Questions arising at any meeting of Directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting, in addition to their original vote, shall have a second or casting vote.
- 3.17 Conflict of Interest. A director or officer who is a party to, or who is a director or officer of or has a material interest in, any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose the nature and extent of their interest at the time and in the manner provided by the Act. Such a director shall not attend any part of a meeting of Directors during which the contract or transaction is discussed and shall not vote on any resolution to approve the contract or transaction, except as permitted by the Act. If, as a result of the foregoing restriction on attendance, no quorum exists for the purpose of voting on a resolution to approve such contract or transaction, then, notwithstanding section 3.1, the remaining Directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. However, where all of the Directors are required to make the disclosure required by this section 3.17, the contract or transaction may only be approved by the shareholders.
- 3.18 Remuneration and Expenses. The Directors shall be paid such remuneration as the Directors may from time to time by resolution determine. The Directors shall also be entitled to be paid their travelling and other expenses properly incurred by them in going to, attending and returning from meetings of Directors or committees of Directors. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a body corporate which is employed by or performs services for the Corporation, the fact of their being a director or officer of the Corporation shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

4. **COMMITTEES**

- 4.1 Committees of Directors. The Directors may appoint from among their number one or more committees of Directors and delegate to them any of the powers of the Directors except those which under the Act a committee of Directors has no authority to exercise.
- 4.2 Audit Committee. The Directors shall appoint from among their number an audit committee composed of not fewer than three Directors, a majority of whom are not officers or employees of the Corporation or any affiliate of the Corporation. The audit committee shall review the financial statements of the Corporation and shall report thereon to the Directors of the Corporation before such financial statements are approved by the Directors. The auditor of the Corporation or any member of the audit committee may call a meeting of the committee.
- 4.3 Transaction of Business. Subject to section 3.8 the powers of a committee appointed by the Directors may be exercised at a meeting at which a quorum is present or by resolution in writing signed by all members of the committee entitled to vote on that resolution at a meeting of the committee. Meetings of a committee may be held at any place in or outside Canada.
- 4.4 Procedure. Unless otherwise determined by the Directors each committee shall have power to fix its quorum and to regulate its procedure.

5. **OFFICERS**

- 5.1 General. The Directors may from time to time appoint a Chairman of the Board, a Chief Executive Officer, a President, one or more Executive Vice-Presidents, Vice-President, a Secretary, a Treasurer and such other officers as the Directors may determine, including one or more assistants to any of the officers so appointed. The officers so appointed may but need not be members of the Board of Directors except as provided in sections 5.3 and 5.4.
- 5.2 Term of Office. Any officer may be removed by the Directors at any time but such removal shall not affect the rights of such officer under any contract of employment with the Corporation. Otherwise, each officer shall hold office until their successor is appointed.
- 5.3 The Chairman of the Board. The Chairman of the Board, if any, shall be appointed from among the Directors and shall, when present, be chairman of meetings of shareholders and Directors and shall have such other powers and duties as the Directors may determine.
- 5.4 The President and Chief Executive Officer. Unless the Directors otherwise determine, the President and Chief Executive Officer of the Corporation shall have general supervision of its business and affairs and in

the absence of the Chairman of the Board shall be chairman at meetings of shareholders and Directors when present.

- 5.5 Executive Vice-President. An Executive Vice-President shall have such powers and duties as the Directors or the Chief Executive Officer may determine.
- 5.6 Secretary. The Secretary shall give, or cause to be given, all notices required to be given to shareholders, Directors, auditors and members of committees; shall attend and be secretary of all meetings of shareholders, Directors and committees appointed by the Directors and shall enter or cause to be entered on books kept for that purpose minutes of all proceedings at such meetings; shall be the custodian of the corporate seal of the Corporation and of all records, books, documents and other instruments belonging to the Corporation; and shall have such other powers and duties as the Directors or the Chief Executive Officer may determine.
- 5.7 Treasurer. The Treasurer shall keep proper books of account and accounting records with respect to all financial and other transactions of the Corporation; shall be responsible for the deposit of money, the safe-keeping of securities and the disbursement of the funds of the Corporation; shall render to the Directors when required an account of all their transactions as Treasurer and of the financial position of the Corporation; and shall have such other powers and duties as the Directors or the President may determine.
- 5.8 Other Officers. The powers and duties of all other officers shall be such as the Directors or the Chief Executive Officer may determine. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Directors or the Chief Executive Officer otherwise direct.
- 5.9 Variation of Duties. The Directors may, from time to time, vary, add to or limit the powers and duties of any officer.
- 5.10 Conflict of Interest. An officer shall disclose their interest in any material contract or proposed material contract in accordance with section 3.17.
- 5.11 Agents and Attorneys. The Directors shall have power from time to time to appoint agents or attorneys for the Corporation in or out of Canada with such powers (including the power to sub-delegate) of management, administration or otherwise as the Directors may specify.

6. PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

- 6.1 Indemnification of Directors and Officers. The Corporation shall indemnify a director or officer, a former director or officer, or another individual who acts or acted at the Corporation's request as a director or

officer, or an individual acting in a similar capacity, of another entity, and their heirs and legal representatives, to the maximum extent permitted by the Act.

- 6.2 Insurance. The Corporation may purchase and maintain insurance for the benefit of any person referred to in section 6.1 to the extent permitted by the Act.

7. **MEETINGS OF SHAREHOLDERS**

- 7.1 Annual Meetings. The annual meeting of the shareholders shall be held at the registered office of the Corporation or at such other place, in or outside Ontario, at such time in each year as the Directors may determine, for the purpose of receiving the reports and statements required to be placed before the shareholders at an annual meeting, electing Directors, appointing an auditor or auditors, and for the transaction of such other business as may properly be brought before the meeting.
- 7.2 Other Meetings. The Directors shall have power at any time to call a special meeting of shareholders to be held at such time and at such place, in or outside Ontario, as may be determined by the Board of Directors.
- 7.3 Electronic Meetings. A meeting of shareholders may be held by telephonic or electronic means and a shareholder who, through those means, votes at a meeting or establishes a communications link to a meeting shall be deemed to be present at that meeting.
- 7.4 Notice of Meetings. Notice of the time and place of a meeting of shareholders shall be given not less than twenty-one days nor more than fifty days before the meeting to each holder of shares carrying voting rights at the close of business on the record date for notice, to each director and to the auditor of the Corporation. Notice of a meeting of shareholders at which special business is to be transacted shall state or be accompanied by a statement of the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall include the text of any special resolution or by-law to be submitted to the meeting. All business transacted at a special meeting of shareholders and all business transacted at an annual meeting of shareholders, except consideration of the minutes of an earlier meeting, the financial statements and auditor's report, election of Directors and reappointment of the incumbent auditor, shall be deemed to be special business.
- 7.5 Record Date for Notice. For the purpose of determining shareholders entitled to receive notice of a meeting of shareholders, the Directors may fix in advance a date as the record date for such determination of shareholders, but the record date shall not precede by more than fifty days or by less than twenty-one days the date on which the meeting is to be held. Where no record date is fixed, the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders shall be at the close of business on the day immediately preceding the day on which the notice is given, or, if no notice is given, shall be the day on which the meeting is held. If a record date is fixed, unless notice of the record date is

waived in writing by every holder of a share of the class or series affected whose name is set out in the securities register at the close of business on the day the Directors fix the record date, notice thereof shall be given, not less than seven days before the date so fixed, by advertisement in a newspaper published or distributed in the place where the Corporation has its registered office and in each place in Canada where it has a transfer agent or where a transfer of its shares may be recorded and by written notice to each stock exchange in Canada on which the shares of the Corporation are listed for trading.

- 7.6 Persons Entitled to be Present. The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the Directors, the auditor and other persons who are entitled or required under any provision of the Act or the articles or by-laws of the Corporation to attend a meeting of shareholders of the Corporation. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.
- 7.7 Chairman. The Chairman of the Board, or in their absence the Chief Executive Officer, or in their absence a person chosen by a vote at the meeting shall be chairman of meetings of shareholders.
- 7.8 Scrutineers. At each meeting of shareholders one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.
- 7.9 Quorum. At least two holders of common shares collectively representing or holding not less than five percent (5%) of the issued Common Shares of the Corporation entitled to vote at the Meeting shall constitute a quorum for the Meeting in respect of holders of the shareholders..
- 7.10 Right to Vote. The Corporation shall prepare a list of shareholders entitled to receive notice of a meeting, arranged in alphabetical order and showing the number of shares held by each shareholder, which list shall be prepared,
- 7.10.1 if a record date is fixed as hereinbefore provided, not later than ten days after that date;
- 7.10.2 if no record date is fixed, at the close of business on the day immediately preceding the day on which the notice is given, or where no notice is given, on the day on which the meeting is held.
- A person named in the said list is entitled to vote the shares shown opposite their name at the meeting to which the list relates.
- 7.11 Joint Shareholders. Where two or more persons hold shares jointly, one of those holders present at a meeting of shareholders may in the absence of the others vote the shares, but if two or more of those persons are present, in person or by proxy, they shall vote as one on the shares jointly held by them.

- 7.12 Representatives. Where a body corporate or association is a shareholder of the Corporation, the Corporation shall recognize any individual authorized by a resolution of the Directors or governing body of the body corporate or association to represent it at meetings of shareholders of the Corporation. An individual so authorized may exercise on behalf of the body corporate or association they represent all the powers it could exercise if it were an individual shareholder.
- 7.13 Executors and Others. An executor, administrator, committee of a mentally incompetent person, guardian or trustee and, where a corporation is such executor, administrator, committee, guardian or trustee of a testator, intestate, mentally incompetent person, ward or cestui que trust, any duly appointed representative of such corporation, upon filing with the secretary of the meeting sufficient proof of their appointment, shall represent the shares in their or its hands at all meetings of shareholders of the Corporation and may vote accordingly as a shareholder in the same manner and to the same extent as the shareholder of record. If there be more than one executor, administrator, committee, guardian or trustee, the provisions of this by-law respecting joint shareholders shall apply.
- 7.14 Proxyholders. Every shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders, as their nominee to attend and act at the meeting in the manner, to the extent and with the authority conferred by the proxy. A proxyholder or an alternate proxyholder has the same rights as the shareholder who appointed them to speak at a meeting of shareholders in respect of any matter, to vote by way of ballot at the meeting and, except where a proxyholder or an alternate proxyholder has conflicting instructions from more than one shareholder, to vote at such meeting in respect of any matter by way of any show of hands. A proxy shall be executed by the shareholder or their attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized and ceases to be valid one year from its date. A proxy shall be in such form as may be prescribed from time to time by the Directors or in such other form as the chairman of the meeting may accept and as complies with all applicable laws and regulations.
- 7.15 Time for Deposit of Proxies. The Directors may by resolution fix a time not exceeding forty-eight hours, excluding Saturdays and holidays, preceding any meeting or adjourned meeting of shareholders before which time proxies to be used at that meeting must be deposited with the Corporation or an agent thereof, and any period of time so fixed shall be specified in the notice calling the meeting.
- 7.16 Votes to Govern. Subject to the Act and the articles of the Corporation, at all meetings of shareholders every question shall be decided, either on a show of hands or by ballot, by a majority of the votes cast on the question. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
- 7.17 Show of Hands. Voting at a meeting of shareholders shall be by show of hands except where a ballot is demanded by a shareholder or proxyholder entitled to vote at the meeting or where required by the

chairman. A ballot may be demanded either before or after any vote by show of hands. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon be required or demanded, an entry in the minutes of a meeting of shareholders to the effect that the chairman declared a motion to be carried is admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion. A demand for a ballot may be withdrawn at any time prior to taking of a poll on the ballot.

- 7.18 Ballots. If a ballot is demanded or required, the vote upon the question shall be taken in such manner as the chairman of the meeting shall direct and each person present and entitled to vote at the meeting shall, unless the articles of the Corporation otherwise provide, be entitled to one vote for each share in respect of which they are entitled to vote at the meeting.
- 7.19 Adjournment. The chairman of any meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the same from time to time and from place to place. If a meeting of shareholders is adjourned for less than thirty days it is not necessary to give notice of the adjourned meeting other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of thirty days or more, notice of the adjourned meeting shall be given as for an original meeting. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling such original meeting.
- 7.20 Resolution in Lieu of Meeting. A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of shareholders except where a written statement in respect thereof has been submitted by a director or where representations in writing are submitted by the auditor of the Corporation, in either case, in accordance with the Act.

8. SHARES

- 8.1 Issue. Subject to the Act and the articles of the Corporation, shares of the Corporation may be issued at such times and to such persons and for such consideration as the Directors may determine, provided that no shares may be issued until it is fully paid as provided in the said Act.
- 8.2 Commissions. The Directors may authorize the Corporation to pay a reasonable commission to any person in consideration of their purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

- 8.3 Share Certificate. Every shareholder is entitled at their option to a share certificate in respect of the shares held by them that complies with the Act or to a non-transferable written acknowledgement (“written acknowledgement”) of their right to obtain a share certificate from the Corporation in respect of the shares of the Corporation held by them, but the Corporation is not bound to issue more than one share certificate or written acknowledgement in respect of a share or shares held jointly by several persons and delivery of a share certificate or written acknowledgement to one of several joint holders is sufficient delivery to all. Written acknowledgements shall be in such form or forms as the Directors shall from time to time by resolution determine. The Corporation may charge a fee in accordance with the Act for a share certificate issued in respect of a transfer. Subject to the provisions of the Act and to the requirements of any stock exchange on which shares of the Corporation may be listed, share certificates shall be in such form or forms as the Directors shall from time to time approve. Unless otherwise determined by the Directors, share certificates shall be signed by the Chairman of the Board, the President and Chief Executive Officer, or an Executive Vice-President or a director and by the Secretary or an Assistant Secretary and need not be under the corporate seal and certificates for shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned on behalf of such transfer agent and/or registrar. Share certificates shall be signed manually by at least one director or officer of the Corporation or by or on behalf of a registrar, transfer agent, branch transfer agent or issuing or other authenticating agent of the Corporation and any additional signatures required on share certificates may be printed or otherwise mechanically reproduced thereon. A manual signature is not required on a share certificate representing a fractional share. If a share certificate contains a printed or mechanically reproduced signature of a person, the Corporation may issue the share certificate, notwithstanding that the person has ceased to be a director or an officer of the Corporation, and the share certificate is as valid as if they were a director or an officer at the date of its issue.
- 8.4 Transfer Agents and Registrars. For each class of shares issued by it, the Corporation may appoint one or more agents to keep the securities register and the register of transfers and one or more branch registers. Such an agent may be designated as a transfer agent or registrar according to functions and one agent may be designated both transfer agent and registrar. The securities register and the register of transfers shall be kept at the registered office of the Corporation or at such other places in Ontario as are designated by the Directors, and the branch register or registers of transfers may be kept at such offices of the Corporation or other places, either within or outside Ontario, as are designated by the Directors.
- 8.5 Transfer of Shares. Subject to the Act, no transfer of a share shall be registered except upon presentation of the certificate representing such share with an endorsement which complies with the Act, together with such reasonable assurance that the endorsement is genuine and effective as the Directors may prescribe, upon payment of all applicable taxes and fees and upon compliance with the articles of the Corporation.

- 8.6 Non-Recognition of Trust. Subject to the Act, the Corporation may treat the registered holder of any share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of the share, and to exercise all the rights and powers of an owner of the share.
- 8.7 Replacement of Share Certificates. Where the owner of a share certificate claims that the share certificate has been lost, apparently destroyed or wrongfully taken, the Corporation shall issue or cause to be issued a new certificate in place of the original certificate if the owner (i) so requests before the Corporation has notice that the share certificate has been acquired by a bona fide purchaser; (ii) files with the Corporation an indemnity bond sufficient in the Corporation's opinion to protect the Corporation and any transfer agent, registrar or other agent of the Corporation from any loss that it or any of them may suffer by complying with the request to issue a new share certificate; and (iii) satisfies any other reasonable requirements imposed from time to time by the Corporation.
9. **DIVIDENDS AND RIGHTS**
- 9.1 Declaration of Dividends. Subject to the Act the Directors may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation.
- 9.2 Cheques. A dividend payable in money shall be paid by cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at the address of such holder in the Corporation's securities register, unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all such joint holders and mailed to them at their address in the Corporation's securities register. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.
- 9.3 Non-Receipt of Cheques. In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the Directors may from time to time prescribe, whether generally or in any particular case.
- 9.4 Record Date for Dividends and Rights. The Directors may fix in advance a date, preceding by not more than fifty days the date for payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the rights to subscribe for such securities, and notice of any such record date shall be given not less than seven days before such record date in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities

of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the Directors.

- 9.5 Unclaimed Dividends. Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

10. **NOTICES**

- 10.1 General. A notice or document required by the Act, the regulations thereunder, the articles or the by-laws of the Corporation to be sent to a shareholder or director of the Corporation may be sent by prepaid mail addressed to, or may be delivered personally to, the shareholder at their latest address as shown in the records of the Corporation or to the director at their latest address as shown in the records of the Corporation or in the most recent notice filed under the Corporations Information Act, whichever is the more current. A notice or document if mailed to a shareholder or director of the Corporation shall be deemed to have been received on the fifth day after mailing. If the Corporation sends a notice or document to a shareholder in accordance with this section and the notice or document is returned on three consecutive occasions because the shareholder cannot be found, the Corporation is not required to send any further notices or documents to the shareholder until he informs the Corporation in writing of their new address. A notice or document referred to in this section 10.1 may be sent by electronic means in accordance with the Act.
- 10.2 Computation of Time. In computing the time when a notice or document must be given or sent under any provision requiring a specified number of days' notice of any meeting or other event, a "day" shall mean a clear day and the period of days shall be deemed to commence the day following the event that began the period and shall be deemed to terminate at midnight of the last day of the period except that if the last day of the period falls on a Sunday or holiday the period shall terminate at midnight of the day next following that is not a Sunday or holiday.
- 10.3 Omission and Errors. The accidental omission to give any notice or send any document to any shareholder, director or other person or the non-receipt of any notice or document by any shareholder, director or other person or any error in any notice or document not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded on such notice or document.
- 10.4 Notice to Joint Shareholders. All notices or documents with respect to any shares registered in more than one name may, if more than one address appears on the securities register of the Corporation in respect of such joint holding, be given to such joint shareholders at the first address so appearing, and all notices so given or documents so sent shall be sufficient notice to all the holders of such shares.
- 10.5 Proof of Service. A certificate of the Secretary or other duly authorized officer of the Corporation, or of any agent of the Corporation, as to facts in relation to the mailing or delivery or sending of any notice or

document to any shareholder or director of the Corporation or to any other person or publication of any such notice or document, shall be conclusive evidence thereof and shall be binding on every shareholder or director or other person as the case may be.

10.6 Signature on Notice. The signature on any notice or document given by the Corporation may be printed or otherwise mechanically reproduced thereon or partly printed or otherwise mechanically reproduced thereon.

10.7 Waiver of Notice. Notice may be waived or the time for the sending of a notice or document may be waived or abridged at any time with the consent in writing of the person entitled thereto. Attendance of any director at a meeting of the Directors or of any shareholder at a meeting of shareholders is a waiver of notice of such meeting, except where they attend for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

11. **BUSINESS OF THE CORPORATION**

11.1 Voting Shares and Securities in Other Corporations. All of the shares or other securities carrying voting rights of any other body corporate or bodies corporate held from time to time by the Corporation may be voted at any and all meetings of holders of such securities of such other body corporate or bodies corporate in such manner and by such person or persons as the Directors of the Corporation shall from time to time determine or failing such determination the proper signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation instruments of proxy and arrange for the issue of voting certificates and other evidence of the right to vote in such names as they may determine.

11.2 Bank Accounts, Cheques, Drafts and Notes. The Corporation's bank accounts shall be kept in such chartered bank or banks, trust company or trust companies or other firm or corporation carrying on a banking business as the Directors may by resolution from time to time determine. Cheques on bank accounts, drafts drawn or accepted by the Corporation, promissory notes given by it, acceptances, bills of exchange, orders for the payment of money and other instruments of a like nature may be made, signed, drawn, accepted or endorsed, as the case may be, by such officer or officers, person or persons as the Directors may by resolution from time to time name for that purpose. Cheques, promissory notes, bills of exchange, orders for the payment of money and other negotiable paper may be endorsed for deposit to the credit of any one of the Corporation's bank accounts by such officer or officers, person or persons, as the Directors may by resolution from time to time name for that purpose, or they may be endorsed for such deposit by means of a stamp bearing the Corporation's name.

11.3 Execution of Instruments. The Chairman of the Board, the President and Chief Executive Officer, an Executive Vice-President, the Secretary, the Treasurer, Assistant Secretary, or Assistant Treasurer, collectively any two individuals shall have authority to sign in the name and on behalf of the Corporation

all instruments in writing and any instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The Board of Directors shall have power from time to time by resolution to appoint any other officer or officers or any person or persons on behalf of the Corporation either to sign instruments in writing generally or to sign specific instruments in writing. Any signing officer may affix the corporate seal to any instrument requiring the same. The term “instruments in writing” as used herein shall, without limiting the generality thereof, include contracts, documents, powers of attorney, deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property (real or personal, immovable or movable), agreements, tenders, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, stocks, bonds, debentures or other securities, instruments of proxy and all paper writing.

- 11.4 Fiscal Year. Until changed by resolution of the Directors the fiscal year of the Corporation shall terminate on the 31st day of March in each year.

12. **INTERPRETATION**

- 12.1 In this by-law, wherever the context requires or permits, the singular shall include the plural and the plural the singular; the word “person” shall include firms and corporations, and masculine gender shall include the feminine and neuter genders. Wherever reference is made to any determination or other action by the Directors such shall mean determination or other action by or pursuant to a resolution passed at a meeting of the Directors, or by or pursuant to a resolution consented to by all the Directors as evidenced by their signatures thereto. Wherever reference is made to “the *Business Corporations Act*” or the “Act”, it shall mean the *Business Corporations Act* of the Province of Ontario, and every other act or statute incorporated therewith or amending the same, or any act or statute substituted therefor. Unless the context otherwise requires, all words used in this by-law shall have the meanings given to such words in the Act.

13. **REPEAL**

- 13.1 All prior by-laws of the Corporation are hereby repealed without prejudice to any action or actions taken therewith.

14. **ADVANCE NOTICE PROVISIONS**

14.1 Definitions

In this Article 14, unless the context otherwise requires:

- 1) “Applicable Securities Laws” means the applicable securities statutes of each relevant province and territory 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 commission and similar regulatory authority of each relevant province and territory of Canada;
- 2) “Person” includes an individual, firm, association, trustee, executor, administrator, legal or personal representative, body corporate, company, corporation, trust, partnership, limited partnership, joint venture, syndicate or other form of unincorporated association, a government and its agencies or

instrumentalities, any entity or group (whether or not having legal personality), any successor (by merger, statutory amalgamation or otherwise) and any of the foregoing acting in any derivative, representative or fiduciary capacity;

- 3) “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 Corporation under its profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

14.2 Nomination of Directors

Only Persons who are eligible under the *Business Corporations Act* and who are nominated in accordance with the provisions herein shall be eligible for election as directors of the Corporation. At any annual general meeting of shareholders, or any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors, nominations of Persons for election to the Board of Directors may be made only:

- a) by or at the direction of the Board of Directors, including pursuant to a notice of meeting;
- b) by or at the direction or request of one or more shareholders pursuant to a “proposal” made in accordance with section 99 of the *Business Corporations Act*, or pursuant to a requisition of the shareholders made in accordance with section 105 of the *Business Corporations Act*; or
- c) by any Person (a “Nominating Shareholder”): (i) who, at the close of business on the date that the Nominating Shareholder’s Notice (as defined below) is given and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Corporation 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 provides evidence of such ownership that is satisfactory to the Corporation, acting reasonably; and (ii) who complies with all notice procedures set forth herein.

14.3 Timely Notice

In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with Section 14.4 below) and in proper written form (in accordance with Section 14.5 below) to the Secretary of the Corporation at the registered office of the Corporation (as set out in Section 14.8 below)

14.4 Manner of Timely Notice

To be timely, the Nominating Shareholder’s Notice to the Secretary of the Corporation must be made:

- a) in the case of an annual general meeting of shareholders, not less than thirty (30) days prior to the date of the annual general meeting of shareholders; provided, however, that in the event that the annual general meeting of shareholders is to be held on a date that is less than fifty (50) days after the date (the “Notice Date”) on which the first Public Announcement of the date of the annual general meeting was made, the Nominating Shareholder’s Notice may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- b) in the case of a special meeting (which is not also an annual general meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first Public Announcement of the date of the special meeting of shareholders was made,

provided that, in either instance, if the Corporation uses “notice-and-access” (as defined in National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer*) to send proxy-related materials to shareholders in connection with a meeting of the shareholders described in Section 14.4(a) or 14.4(b) above, and the Notice Date in respect of the meeting is not less than fifty (50) days prior to

the date of the applicable meeting, the notice must be received not less than forty (40) days prior to the date of the applicable meeting.

14.5 Proper Form of Timely Notice

To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth:

- a) as to each Person whom the Nominating Shareholder proposes to nominate for election as a director:
 - (i) the name, age, business address and residential address of the Person; (ii) the present principal occupation or employment of the Person and the principal occupation or employment within the five years preceding the notice; (iii) the country of residence of the Person; (iv) the class or series and number of shares in the capital of the Corporation which are directly or indirectly controlled or directed or which are owned beneficially or of record by the Person as of the record date for the annual general meeting of shareholders, or the special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors, (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (iv) full particulars regarding any agreements between the Person and/or the Nominating Shareholder and/or any other person or company relating to the Person's nomination for election as a director of the Corporation; and (v) 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 *Business Corporations Act* and Applicable Securities Laws; and
- b) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; (collectively with Section 14.5(a), the "Nominating Shareholder's Notice").

The Corporation may require any proposed nominee to furnish such other information as may be required to be contained in a dissident's proxy circular or by Applicable Securities Laws to determine the independence of the proposed nominee or the eligibility of such proposed nominee to serve as a director of the Corporation.

14.6 Notice to be Updated

To be considered timely and in proper written form, the Nominating Shareholder's Notice will be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such Nominating Shareholder's Notice will be true and correct as of the record date for the annual general meeting of shareholders, or the special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors.

14.7 Eligibility for Nomination as a Director

No Person shall be eligible for election as a director of the Corporation (except pursuant to Section 14.2(a) unless nominated in accordance with the provisions of this Article 14; provided, however, that nothing in this Article 14 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at any annual general meeting of shareholders, or any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors, of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the *Business Corporations Act* or at the discretion of the Chairman of the Board. The Chairman of the Board of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this Article 14, and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination shall be deemed voided and subsequently disregarded.

14.8 Delivery of Notice

Notwithstanding any other provision in this Article 14, notice given to the Secretary of the Corporation pursuant to this Article 14 may only be given by personal delivery, facsimile transmission or email (provided that the Secretary has stipulated an e-mail address for purposes of this Article 14), and shall be deemed to have been given and received only at the time it is served by personal delivery or sent by facsimile transaction (provided that receipt of confirmation of such transmission has been received) or by e-mail (at the address as aforesaid) to the Secretary at the registered office of the Corporation as follows:

20 Adelaide Street East
Suite 200
Toronto, Ontario
M5C 2T6

provided that if such delivery or electronic transmission is made on a day which is not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic transmission shall be deemed to have been made on the subsequent day that is a business day

14.9 Board's Discretion

Notwithstanding the foregoing, the Board of Directors may, in its sole discretion, waive any and all requirements in this Article 14.

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MADE by the board as of the 27th day of September, 2022.

Jorge Estepa, Vice President

