

STOCK OPTION PLAN OF ALPHA PEAK LEISURE INC.

1. Purpose

The purpose of the Stock Option Plan (the “**Plan**”) of **ALPHA PEAK LEISURE INC.** (the “**Company**”) is to advance the interests of the Company by encouraging the directors, officers, employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire common shares in the capital of the Company (the “**Shares**”), thereby increasing their equity interest in the Company to encourage them to remain associated with the Company and to furnish them with additional incentive in their efforts on behalf of the Company.

2. Administration

The Plan shall be administered by the board of directors of the Company or by a special committee of the board of directors appointed from time to time by the board of directors pursuant to rules of procedures fixed by the board of directors (such committee or, if no such committee is appointed, the board of directors of the Company, collectively, the “**Board**”). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the Board.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all Participants (as defined below) and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Company and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the common shares in the capital of the Company are listed and any other regulatory body having jurisdiction hereof (collectively, the “**Exchange**”).

4. Shares Subject to Plan

Subject to adjustment as provided in Section 16 hereof, the Shares reserved under the Plan shall be common shares in the capital of the Company. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares in the capital of the Company at the time of the option grant.

However, other than in connection with a “Qualifying Transaction” as defined in Policy 2.4 *Capital Pool Companies* (“**Policy 2.4**”) of the TSX Venture Exchange (the “**TSX Venture**”) or otherwise accepted by the Exchange, during the time that the Company is a “Capital Pool Company” (as defined in Policy 2.4) the aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the common shares of the Company issued and outstanding at the closing of the Company’s initial public offering. If any

of the option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of the plan.

5. Maintenance of Sufficient Capital

The Company shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. Eligibility and Participation

Directors, officers, consultants, and employees of the Company, and of its subsidiaries and affiliates, if any, and employees of a person or company which provides management services to the Company, and of its subsidiaries and affiliates, if any, (the “**Management Company Employees**”) shall be eligible for selection to participate in the Plan (collectively, the “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Company or Management Company Employees, the option agreements to which they are party must contain a representation of the Company that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Company, and of its subsidiaries and affiliates, if any.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

7. Exercise Price

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the Discounted Market Price as that term is defined in Policy 1.1 *Interpretation* (“**Policy 1.1**”) of the TSX Venture.
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may only be reduced if the Board shall so determine, provided however, in the case of options held by Insiders of the Company (as defined in Policy 1.1), the exercise price of an option may be reduced only if disinterested shareholder approval (“**Disinterested Shareholder Approval**”) is obtained in accordance with subsections 2.10(b) and (c) of Policy 4.4 *Incentive Stock Options* of TSX Venture.

8. Number of Optioned Shares

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.

- (b) Subject to Sections 8(c) and 8(d) hereof, options shall not be granted if the exercise thereof would result in the issuance of more than 5% of the issued and outstanding common shares in the capital of the Company in any twelve-month period to any one Participant unless the Company has obtained Disinterested Shareholder Approval in respect of such grant and meets applicable Exchange requirements.
- (c) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued and outstanding common shares in the capital of the Company in any twelve-month period to any one consultant of the Company.
- (d) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued and outstanding common shares in the capital of the Company in any twelve-month period to any Participant providing investor relation activities. Options granted to any Participant providing investor relations activities will vest in stages over 12 months with no more than ¼ of the options vesting any three month period.

9. Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed a maximum of 10 year exercise term from the date of option grant.

10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Company or its subsidiaries and affiliates, if any, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Company.
- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Company or any of its subsidiaries, or a Management Company Employee of the Company or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Company at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common

shares of the Company unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

11. Ceasing To Be a Director, Officer, Consultant or Employee

- (a) If a Participant shall cease to be a director, officer, consultant, employee of the Company, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Company.
- (b) If the Participant does not continue to be a director, officer, consultant, employee of the Resulting Issuer (as that term is defined in Policy 1.1) upon completion of the Company's Qualifying Transaction, the options granted hereunder must be exercised by the Participant within the later of 12 months after completion of the Qualifying Transaction and 90 days after the Participant ceases to become a director, officer, consultant or employee of the Resulting Issuer.
- (c) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Company or of any of its subsidiaries or affiliates, if any.

12. Death of Participant

Notwithstanding section 11, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

13. Rights of Optionee

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Company in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

14. Proceeds from Sale of Shares

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Company and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

15. Disinterested Shareholder Approval

Disinterested Shareholder Approval is required where the Plan, together with all of the Company's previously established and outstanding stock option plans or grants, could result at

any time in:

- (a) the number of Shares reserved for issuance under stock options granted to Insiders exceeding 10% of the issued and outstanding Shares;
- (b) the grant to Insiders, within a 12 month period, of a number of options exceeding 10% of the issued and outstanding Shares; or
- (c) the issuance to any one Optionee, within a 12 month period, of a number of Shares exceeding 5% of the issued and outstanding Shares.

16. Adjustments

If the outstanding common shares of the Company are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Company or another Company or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

17. Transferability

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

18. Tax Withholding

Notwithstanding any other provision contained herein, in connection with the exercise of an option by a Participant or assignee from time to time, as a condition to such exercise:

- (a) the Company shall require such Participant or assignee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local law relating to the withholding of tax or other required deductions (the “**Applicable Withholdings and Deductions**”) relating to the exercise of such options; or
- (b) in the event a Participant or assignee does not pay the amount specified in (a), the Company shall be permitted to engage a broker or other agent, at the risk and expense of the Participant or assignee, to sell an amount of underlying common shares issuable on the exercise of such option and to apply the cash received on the sale of such underlying common shares as necessary so as to ensure that the Company is in compliance with the Applicable Withholdings and Deductions relating to the exercise of such options. In addition, the Company shall be entitled to withhold from any amount payable to a Participant or assignee, either under this Plan or otherwise, such amount as may be necessary so as to ensure that the Company is in compliance with Applicable Withholdings and Deductions relating to the exercise of such options.

19. Amendment and Termination of Plan

Subject to applicable approval of the Exchange, the Board may, at any time, suspend or terminate the Plan. Subject to applicable approval of the Exchange, the Board may also at any time amend or revise the terms of the Plan; provided that no such amendment or revision shall result in a material adverse change to the terms of any options theretofore granted under the Plan, unless shareholder approval, or Disinterested Shareholder Approval, as the case may be, is obtained for such amendment or revision.

20. Necessary Approvals

The ability of a Participant to exercise options and the obligation of the Company to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Company and any regulatory authority or stock exchange having jurisdiction over the securities of the Company. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Company to issue such Shares shall terminate and any option exercise price paid to the Company will be returned to the Participant.

21. Effective Date of Plan

The Plan has been adopted by the Board of the Company subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approval being obtained.

22. Interpretation

The Plan will be governed by and construed in accordance with the laws of the Province of British Columbia.