

COLLINGWOOD RESOURCES CORP.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual General Meeting (the “**Meeting**”) of holders of common shares of Collingwood Resources Corp. (the “**Company**”) will be held at 25th Floor, 700 West Georgia Street, Vancouver, BC, V7Y 1B3, on Monday, November 21, 2022 at 11 a.m. Pacific Time for the following purposes:

1. To receive and consider the audited financial statements of the Company for the fiscal year ended March 31, 2022, and the Auditor’s Report thereon;
2. To fix the number of Directors for the ensuing year at three (3);
3. To elect Directors for the ensuing year;
4. To appoint Davidson & Company LLP, Chartered Accountants, as the Company’s Auditor for the ensuing year and to authorize the Directors to fix the remuneration to be paid to the Auditor;
5. To re-approve the Company’s Rolling 10% Stock Option Plan, as amended; and
6. To consider, and if thought fit, pass a special resolution to authorize the alteration of the Company’s Articles to include Advance Notice Provisions, as more particularly described in the accompanying Information Circular, as more particularly described in the accompanying Information Circular .

An Information Circular accompanies this Notice. The Information Circular contains details of matters to be considered at the Meeting.

The Company intends to hold the Meeting in person. However, due to the COVID-19 pandemic, to mitigate risk to the health and safety of our communities, shareholders and employees, the Company requests that shareholders not attend the Meeting in person. The Company encourages shareholders to instead vote their shares in advance of the Meeting via mail, facsimile or online. No management presentation will be made at the Meeting.

If any shareholder does wish to attend the Meeting in person, please contact Surita Banger at (778) 869-1741 or email surita@venuscorporateservices.com in order for arrangements to be made that comply with all recommendations, regulations and orders related to the COVID-19 pandemic. The Meeting can accommodate no more than seven shareholders in person. Attendance will be on a first come, first served basis. No shareholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person. The Company may take additional precautionary measures in relation to the Meeting as necessary in response to further developments related to the COVID-19 pandemic and shall comply with all applicable recommendations, regulations and orders related thereto. In the event it is not possible or advisable to hold the Meeting in person, the Company will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means.

A shareholder who wishes to ensure that such shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy and deliver it in accordance with the instructions set out in the Form of Proxy and in the Information Circular.

As set out in the enclosed Information Circular to the Form of Proxy, the enclosed proxy is solicited by management and the proposed proxy nominees named in the Form of Proxy, have been appointed by management. However, you may amend the proposed proxy nominees if you so desire, by striking out the names listed therein and inserting in the space provided, the name of the person you wish to represent you at the Meeting.

DATED at the City of Vancouver, in the Province of British Columbia, as of October 11, 2022.

**BY ORDER OF THE BOARD OF
DIRECTORS**

“Scott Gibson”

Scott Gibson
Chief Executive Officer and Director

COLLINGWOOD RESOURCES CORP.

1180 – 625 Howe Street
Vancouver, British Columbia V6C 2T6
Telephone: +1(604) 697-0028

INFORMATION CIRCULAR (containing information as at October 11, 2022)

**For the Annual General Meeting
to be held on November 21, 2022**

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the Management of Collingwood Resources Corp. (the “Company”), for use at the annual general meeting (the “Meeting”), of the shareholders of the Company, to be held on Monday, November 21, 2022 at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. The solicitation will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

The Company intends to hold the Meeting in person. However, due to the COVID-19 pandemic, to mitigate risk to the health and safety of our communities, shareholders and employees, the Company requests that shareholders not attend the Meeting in person. The Company encourages shareholders to instead vote their shares in advance of the Meeting via mail, facsimile or online. No management presentation will be made at the Meeting.

If any shareholder does wish to attend the Meeting in person, please contact Surita Banger at (604) 697-0028 or email surita@venuscorporateservices.com in order for arrangements to be made that comply with all recommendations, regulations and orders related to the COVID-19 pandemic. The Meeting can accommodate no more than seven shareholders in person. Attendance will be on a first come, first served basis. No shareholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person. The Company may take additional precautionary measures in relation to the Meeting as necessary in response to further developments related to the COVID-19 pandemic and shall comply with all applicable recommendations, regulations and orders related thereto. In the event it is not possible or advisable to hold the Meeting in person, the Company will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means.

APPOINTMENT AND REVOCATION OF PROXIES

THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY ARE DIRECTORS AND/OR OFFICERS OF THE COMPANY. A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM OR HER ON HIS OR HER BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED INSTRUMENT OF PROXY. TO EXERCISE THIS RIGHT, A SHAREHOLDER SHALL STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE INSTRUMENT OF PROXY AND INSERT THE NAME OF HIS NOMINEE IN THE BLANK SPACE PROVIDED, OR COMPLETE ANOTHER INSTRUMENT OF PROXY. A PROXY WILL NOT BE VALID UNLESS IT IS DEPOSITED WITH THE COMPANY’S REGISTRAR AND TRANSFER AGENT, TSX TRUST COMPANY (“TSX TRUST”) BY INTERNET AT WWW.VOTEPROXYONLINE.COM; BY MAIL AT 301 – 100 ADELAIDE STREET WEST, TORONTO, ONTARIO, M5H 4H1; BY FAX AT 416-595-9593, BY 11:00 A.M. (PACIFIC DAYLIGHT TIME) ON FRIDAY, NOVEMBER 18, 2022, OR IN THE EVENT OF AN ADJOURNMENT, NOT LESS THAN 48

HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE ADJOURNED MEETING.

The instrument of proxy must be signed by the shareholder or by his attorney in writing, or, if the shareholder is a Company, it must either be under its common seal or signed by a duly authorized officer.

A shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the shareholder or by his attorney authorized in writing, or, if the shareholder is a corporation, the revocation instrument must either be under its common seal, or signed by a duly authorized officer and deposited at the Company's Registrar and Transfer Agent, **TSX Trust Company ("TSX Trust") by internet at www.voteproxyonline.com; by mail at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1; by fax at 416-595-9593**, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

These security holder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly 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 issuer (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.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed. Where directions are given by the shareholder in respect of voting for or against any resolution, the proxy holder will do so in accordance with such direction.

IN THE ABSENCE OF ANY INSTRUCTION IN THE PROXY, IT IS INTENDED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THIS INFORMATION CIRCULAR. The instrument of proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Information Circular, the Management of the Company is not aware of any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the Management should properly come before the Meeting, the proxies hereby solicited will be voted on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an "**Ordinary Resolution**") unless the motion requires a special resolution (a "**Special Resolution**"), in which case a majority of not less than 66⅔% of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, common shares held by Shareholders of the Company who are also "insiders", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name. Shareholders who do not hold their common shares in their own name (referred to in this information circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of common

shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those common shares will not be registered in the Shareholder's name on the records of the Company. Such common shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such common shares are registered under the name CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities which they own ("OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are ("NOBOs" for Non-Objecting Beneficial Owners). Pursuant to National Instrument 54-101 ("NI 54-101") issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy related materials directly to NOBOs.

This year, the Company has decided to take advantage of those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from our Transfer Agent, TSX Trust Company ("TSX Trust"). These VIFs are to be completed and returned to TSX Trust in the envelope provided or by facsimile. In addition, TSX Trust provides internet voting as described on the VIF itself which contains complete instructions. TSX Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

With respect to Beneficial Shareholders who are OBOs, regulatory rules require intermediaries/brokers to seek voting instructions in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders who are OBOs in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder who is an OBO by its broker, agent or nominee is limited to instructing the registered holder of the common shares on how to vote such shares on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("Broadridge"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote common shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such common shares are voted.**

These security holder materials are being sent to both registered and non-registered owners of the shares of the Company. If you are a non-registered owner and the Company or its agent has sent these materials directly 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. In this event, by choosing to send these materials to you directly, the Company (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.

In accordance with the Provisions of NI 54-101, the Company has elected not to pay for mailing to OBO's. As a result, OBO's will only receive paper copies of proxy-related materials if the OBO's intermediary assumes the costs of delivery.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting common shares registered in the name of their broker, agent or nominee, a Beneficial Shareholder may attend the Meeting as a

proxyholder for a shareholder and vote common shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their common shares as a proxyholder.

RECORD DATE, VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Company consists of an unlimited number of common shares and an unlimited number of preferred shares having attached thereto the special rights and restrictions as set forth in the Articles of the Company. On October 11, 2022 (the “**Record Date**”), 1,243,700 common shares were issued and outstanding, each share carrying the right to one vote. No Preferred shares have been issued. The Company has no other classes of voting shares.

Any shareholder of record at the close of business on October 11, 2022 who either personally attends the Meeting or who has completed and delivered a Proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such shareholder’s shares voted at the Meeting.

To the knowledge of the Directors and Senior Officers of the Company, as of the Record Date, no person beneficially owns, or controls or directs, directly or indirectly, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company.

EXECUTIVE COMPENSATION

In accordance with the provisions of applicable securities legislation, the Company had one Named Executive Officer during the financial year ended March 31, 2022, namely Mr. Scott Gibson, CEO, CFO and Corporate Secretary of the Company.

Definitions: For the purpose of this Information Circular:

“**CEO**” means an individual who acted as chief executive officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**closing market price**” means the price at which the company’s security was last sold, on the applicable date,

- (1) in the security’s principal marketplace in Canada, or
- (2) if the security is not listed or quoted on a marketplace in Canada, in the security’s principal marketplace;

“**company or corporation**” includes other types of business organizations such as partnerships, trust and other unincorporated business entities;

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment*.

“**external management company**” includes a subsidiary, affiliate or associate of the external management company.

“**grant date**” means a date determined for financial statement reporting purposes under IFRS 2 *Share-based Payment*.

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**incentive plan award**” means compensation awarded, earned, paid, or payable under an incentive plan;

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (1) a CEO;
- (2) a CFO;
- (3) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102, Form 51-102F6, for that financial year; and
- (4) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

“**NI 52-107**” means National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency;

“**non-equity incentive plan**” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company’s Board of Directors is responsible for adopting appropriate procedures with respect to the compensation of the Company’s executive officers. The Board aims to ensure that total compensation paid to all NEOs is fair and reasonable and is consistent with the Company’s compensation philosophy.

The Board is also responsible for recommending compensation for the directors and granting stock options to the directors, officers and employees of, and consultants to, the Company pursuant to the Company’s share option plan.

The philosophy of the Company in determining compensation is that the compensation should (i) reflect the Company’s current state of development, (ii) reflect the Company’s performance, (iii) reflect individual performance, (iv) align the interests of executives with those of the shareholders, (v) assist the Company in retaining key individuals, and (vi) reflect the Company’s overall financial status.

Compensation Components

The company is currently listed on the TSX Venture Exchange (the “**Exchange**” or “**TSXV**”) as a “Capital Pool Company”. In accordance with Exchange policies, until the Company has completed its Qualifying Transaction (as defined under Exchange policies), compensation of NEOs and directors is comprised exclusively of long-term incentive in the form of stock options granted in accordance with the share option plan.

In establishing levels of compensation, the Board relies on the experience of its members as officers and directors of other reporting issuers in assessing compensation levels taking into account the stage of development of the Company, the size of the Company's assets, available capital, revenues, as well as the particular officer's level of responsibility, duties, amount of time dedicated to the affairs of the Company and contribution to the Company's long term success. These other companies are identified in Schedule "B" of this Circular. The purpose of this process is to:

- understand the competitiveness of current pay levels for each executive position relative to other reporting issuers;
- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish a basis for developing salary adjustments and short-term and long-term incentive awards.

To date, no specific formulas have been developed to assign a specific weighting to each of these components. Instead, the independent directors consider the Company's performance and determine compensation based on this assessment.

The Board has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board when implementing its compensation policies and the Board do not believe that the Company's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

Use of Financial Instruments

The Company does not have a policy that would prohibit a NEO or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. However, management is not aware of any NEO or director purchasing such an instrument.

Option Based Awards

The Company's stock option plan (the "**Stock Option Plan**") is used to attract, retain and incentivize qualified and experienced personnel. The Stock Option Plan is an important part of the Company's long-term incentive strategy for its NEOs, as well as for its other directors, officers, other management, employees and consultants (collectively, "**eligible persons**"), aligning their interests with those of shareholders and permitting them to participate in any appreciation of the market value of the Company's common shares over a stated period of time. The Stock Option Plan is designed to foster a proprietary interest in stock ownership, and to reinforce a commitment to the Company's long-term growth, performance and success as well as increasing shareholder value.

The Board reviews the grant of stock options to NEOs and other eligible persons from time to time, based on various factors such as their level of responsibility and their role and importance in the Company achieving its corporate goals, objectives and prospects, and increasing shareholder value. Previous grants of options are taken into account when considering new grants of stock options to NEOs.

The Company has no equity compensation plans other than the Stock Option Plan.

Summary Compensation Table

The following table sets out certain information respecting the compensation paid to the NEOs for the financial years ended March 2022, 2021 and 2020 in which they were acting in the capacity of a NEO.

Name and principal position (a)	Year (b)	Salary (\$) (c)	Share-based awards (\$) (d)	Option-based awards (\$) ⁽¹⁾ (e)	Non-equity incentive plan compensation (\$) (f)		Pension value (\$) (g)	All other compensation (\$) (h)	Total compensation (\$) (i)
					Annual incentive plans (f1)	Long-term incentive plans (f2)			
Scott Gibson CEO, CFO & Secretary	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note:

- (1) Grant date fair value calculations are based on the Black-Scholes Option Pricing Model, which was selected as it provides one measure of the theoretical fair value of stock options. Option-pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility.

Narrative Discussion

The Company's general compensation strategy for NEOs is discussed above under "Compensation Discussion and Analysis". During the most recently completed financial year, there were no employment agreement or arrangements with NEOs.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth particulars of all outstanding share-based and option-based awards granted to the NEO and which were outstanding at March 31, 2022:

Name (a)	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options (\$) ⁽¹⁾ (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)	Market or payout value of share-based awards not paid out or distributed (\$) (h)
Scott Gibson CEO, CFO & Corporate Secretary	10,000 ⁽²⁾	\$1.00 ⁽²⁾	May 8, 2028	Nil	Nil	Nil	Nil

Notes:

- (1) For options outstanding at the most recently completed financial year and in-the-money on that date, based on the difference between the closing market price of the Company's shares on the Exchange on [March 31, 2022] (being the last day traded prior to fiscal year end) and the exercise price of the option.
- (2) On August 25, 2021, the Company completed a consolidation of its shares on a 10:1 basis (the "Share Consolidation"). The number and price of these stock options have been adjusted to account for the Share Consolidation.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth particulars of the value vested or earned during the year ended March 31, 2022 in respect of incentive awards to the Named Executive Officer:

Name (a)	Option-based awards–Value vested during the year (\$) ⁽¹⁾ (b)	Share-based awards–Value vested during the year (\$) (c)	Non-equity incentive plan compensation–Value earned during the year (\$) (d)
Scott Gibson CEO	Nil	Nil	Nil

- (1) For options that became vested during the most recently completed financial year and were in-the-money on their vesting date, based on the difference between the closing market price of the Company's shares on the TSXV on the vesting date and the exercise price of the option.

Narrative Discussion

The grant of stock options to NEOs pursuant to the Company's Stock Option Plan is discussed above under the heading "Compensation Discussion and Analysis – Option Based Awards."

As at March 31, 2022, NEO held 10,000 of the 20,000 issued and outstanding stock options. During the year ended March 31, 2022, the Company granted nil stock options to NEO.

Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

Termination and Change of Control Benefits

During the year ended March 31, 2022, the Company did not have any contracts, agreements, plans or arrangements in place with any NEO that provides for payment following or in connection with any termination, resignation, retirement, a change of control of the Company or a change in an NEO's responsibilities.

DIRECTOR COMPENSATION

The only arrangement under which directors are compensated by the Company and its subsidiaries for their services in their capacity as directors is that each director is eligible under the Company's Stock Option Plan to receive grants of stock options, at the discretion of the entire Board of Directors.

Director Compensation Table

The following table sets forth particulars of all compensation paid to directors who were not executive officers during the years ended March 31, 2022, 2021 and 2020:

Name (a)	Year (b)	Fees earned (\$) (c)	Share- based awards (\$) (d)	Option- based awards (\$) (e)⁽¹⁾	Non-equity incentive plan compensation (\$) (f)	Pension value (\$) (g)	All other compensation (\$) (h)	Total (\$) (i)
Jay Sujir	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Surita Banger ⁽⁴⁾	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Grant date fair value calculations are based on the Black-Scholes Option Pricing Model, which was selected as it provides one measure of the theoretical fair value of stock options.
- (2) Ms. Banger was appointed as a director of the Company on June 7, 2021.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out certain information respecting share-based and option-based awards outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, for the directors of the Company who were not NEOs.

Name (a)	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options ⁽¹⁾ (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)	Market or payout value of vested share-based awards not paid out or distributed (\$) (h)
Jay Sujir	10,000 ⁽²⁾	\$1.00 ⁽²⁾	May 8, 2028	Nil	Nil	Nil	Nil
Surita Banger	Nil	Nil	N/A	Nil	Nil	Nil	Nil

Notes:

- (1) For options outstanding at the most recently completed financial year and in-the-money on that date, based on the difference between the closing market price of the Company's shares on the Exchange on [March 31, 2022] (being the last day traded prior to fiscal year end) and the exercise price of the option.
- (2) The number and price of these stock options have been adjusted to account for the Share Consolidation.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth particulars of the value vested or earned during the year ended March 31, 2022 in respect of incentive awards to the Directors:

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 (\$)
Jay Sujir	Nil	Nil	Nil
Surita Banger	Nil	Nil	Nil

Note:

- (1) For options that became vested during the most recently completed financial year and were in-the-money on their vesting date, based on the difference between the closing market price of the Company's shares on the TSXV on the vesting date and the exercise price of the option.

Narrative Discussion

The grant of stock options to directors pursuant to the Company's Stock Option Plan is discussed above under the heading "Compensation Discussion and Analysis – Option Based Awards".

During the most recently completed financial year ended March 31, 2022, the Company granted nil options to directors who are not NEOs. As at March 31, 2022, directors who are not NEOs held 10,000 of the 20,000 issued and outstanding stock options.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of March 31, 2022:

Equity Compensation Plan Information as of March 31, 2022

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders ⁽¹⁾	20,000	\$1.00	104,370
Equity compensation plans not approved by security holders	Nil	Nil	Nil
TOTAL	20,000	\$1.00	104,370

Note:

(1) Represents the Company's Stock Option Plan. As discussed under the heading "Particulars of Other Matters to be Acted On" below, the Company's Stock Option Plan will be submitted to Shareholders for re-approval at the Meeting.

(2) Post Share Consolidation numbers.

For further information on the Company's equity compensation plans, refer to the heading "Re-Approval of Rolling Stock Option Plan".

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, other than indebtedness that has been entirely repaid on or before the date of this information circular or "routine indebtedness" as defined in Form 51-102F5 of National Instrument 51-102 none of:

- (a) the individuals who are, or at any time since the beginning of the last financial year of the Company were, a director or executive officer of the Company;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associates of the foregoing persons,

is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any subsidiary of the Company, or is a person whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any subsidiary of the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein:

- (1) no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year of the Company;
- (2) no proposed nominee for election as a Director of the Company; or
- (3) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of Directors, the appointment of auditors or the transfer to NEX.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, “**Informed Person**” means (a) a Director or Executive Officer of the Company; (b) a Director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the Notes to the Company’s financial statements for the financial year ended March 31, 2022, none of:

- (1) the Informed Persons of the Company;
- (2) the proposed nominees for election as a Director of the Company; or
- (3) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Company or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended March 31, 2022, together with the Auditor’s Report of the Company (the “**Financial Statements**”), will be presented to Shareholders at the Meeting. The Financial Statements, the Auditor’s Report thereon together with Management Discussion and Analysis (“**MD&A**”) for the financial year ended March 31, 2022 will be available on SEDAR at www.sedar.com prior to the Meeting. The Notice of Annual General Meeting of Shareholders, Information Circular, Request for Financial Statements (NI 51-102) and form of Proxy will be available from the Company’s Registrar and Transfer Agent, TSX Trust Company (“**TSX Trust**”) at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, or from the Company’s head office located at 1180 – 625 Howe Street, Vancouver, BC V6C 2T6.

REQUEST FOR FINANCIAL STATEMENTS

National Instrument 51-102 “Continuous Disclosure Obligations” sets out the procedures for a shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format. Registered shareholders must also provide written instructions in order to receive the financial statements.

FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS

Management proposes, and the persons named in the accompanying form of proxy intend to vote in favour of, fixing the number of Directors at three (3). Unless a proxy contains express instructions to vote otherwise, it is intended that all proxies received will be voted in favour of the election of Management’s nominees for director. Although Management is nominating three (3) individuals to stand for election, the names of further nominees for Directors may come from the floor at the Meeting.

Each Director of the Company is elected annually and holds office until the next annual general meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the Articles of the Company. In the absence of instructions to the contrary, the shares represented by Proxy will be voted for the

nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a Director.

INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT

The following table sets out the names of the persons proposed to be nominated by Management for election as a Director, the province or state and country in which each person is ordinarily a resident, the positions and offices which each presently holds with the Company, the period of time for which each person has been a Director of the Company, their respective principal occupation (or employment during the past five years if such nominee is not presently an elected Director) and the number of common shares of the Company which each beneficially owns, or controls or directs, directly or indirectly, as of the date of this Information Circular. The three (3) nominees are currently Directors of the Company.

Name, Province and Country of Ordinary Residence ⁽¹⁾	Positions Held with the Company	Principal Occupation and, IF NOT at Present an Elected Director, Occupation During the Past Five Years⁽¹⁾	Date First Became a Director	No. of common shares Beneficially Owned, Directly or Indirectly⁽²⁾
Scott Gibson ⁽³⁾ British Columbia, Canada	CEO, CFO, Secretary & Director	Managing Director of Beneath the Surface Capital Corp. and Kitco Gibson Capital Corp.	December 7, 2011	75,000
Jay Sujir ⁽³⁾ British Columbia, Canada	Director	Partner, Farris LLP	December 7, 2011	20,000
Surita Banger ⁽³⁾ British Columbia, Canada	Director	CEO and Director of Venus Corporate Services	June 7, 2021	Nil

Notes:

- (1) The information as to country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective Directors individually.
- (2) The information as to common shares beneficially owned or over which a Director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective Directors individually. Numbers reflected post Share Consolidation.
- (3) Denotes member of Audit Committee
- (4) These shares are held by Ockham Capital Corporation, a Company whose sole shareholder is Jay Sujir, a director of the Company.

Other than as listed below, no proposed director (including any personal holding company of a proposed director), is:

- (1) as at the date of the Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was the subject of a cease trade order (including a management cease trade order which applies to directors or executive officers), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued while such person was acting in the capacity as director, chief executive officer or chief financial officer;

Jay Sujir was on the board of directors of Red Eagle Mining Corp. which is subject to a cease-trade order issued by the British Columbia Securities Commission on November 20, 2018 for failure to file interim financial statements, management's discussion and analysis, and certification of interim filings for the period ended September 30, 2018.

or

- (ii) was subject to an order that was issued after such person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer;
- (2) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) 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, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
 - (i) Jay Sujir was on the board of directors of Red Eagle Mining Corp. which owned and operated the Santa Rosa mine in Colombia. Due to start up issues Red Eagle had difficulty servicing its project debt and the mine was only able to commence commercial production on the basis of forbearances from the secured lenders. In August 2018 Red Eagle obtained a firm commitment from a third party to refinance the debt with substantial concessions and co-operation from the secured lenders, but in October 2018 the third party defaulted on its commitment and as a result, the secured lenders withdrew their forbearances and appointed a receiver-manager over the assets of Red Eagle.
- (3) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (4) has been subject to:
 - (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000 or before December 31, 2000 the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
 - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

The Company does not currently have an Executive Committee of its Board of Directors.

AUDIT COMMITTEE DISCLOSURE

The charter of the Company's audit committee and the other information required to be disclosed by Form 52-110F2 is attached to this Information Circular as Schedule "A".

APPOINTMENT AND REMUNERATION OF AUDITORS

The persons named in the enclosed Instrument of Proxy will vote for the appointment of Davidson & Company LLP, Chartered Accountants as auditors for the Company, to hold office until the next annual general meeting of the shareholders, at a remuneration to be fixed by the Board of Directors, and the persons named in the enclosed Proxy intend to vote in favour of such re-appointment.

MANAGEMENT CONTRACTS

Management functions of the Company are not, to any substantial degree, performed by a person or persons other than the Directors or Senior Officers of the Company. The Company is not a party to a Management Contract with any directors or executive officers.

CORPORATE GOVERNANCE

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance Practices* is attached to this information circular as Schedule “B”.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

APPROVAL OF NEW 10% ROLLING STOCK OPTION PLAN

During the year ended March 31, 2022, the Company had in effect a 10% rolling stock option incentive plan (the “**Stock Option Plan**”) originally adopted December 12, 2011, pursuant to which it could, from time to time in the Board’s discretion and in accordance with the requirements of the TSXV, grant to Eligible Persons non-transferable options to purchase Common Shares (collectively, “**Stock Options**”) exercisable for periods of up to 10 years from the date of grant.

On November 24, 2021, the TSXV adopted a new policy, Policy 4.4 Security Based Compensation (the “**New Policy 4.4**”) governing security-based compensation. The changes to the policy relate to, among other things, the expansion of the policy to cover a number of types of security based compensation in addition to stock options. Subject to approval by shareholders, the Company is proposing to adopt a new form of 10% rolling stock option plan incorporating new provisions in accordance with the New Policy 4.4 (the “**New Stock Option Plan**”). These new provisions include allowing option holders to exercise options on a “**cashless exercise**” or “**net exercise**” basis, as now expressly permitted by the New Policy 4.4. For so long as the Company is a capital pool company, the Company is not permitted under the New Policy 4.4 to grant any security based compensation other than stock options.

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, approve the New Stock Option Plan. A copy of the New Stock Option Plan is attached as Schedule “C”.

An “**Eligible Person**” under the New Stock Option Plan is defined as a director, officer, employee, Management Company Employee (as defined in the New Policy 4.4), or consultant of the Company or its subsidiaries, if any, at the time the option is granted, and includes companies that are wholly owned by Eligible Persons; provided that, until such time as the Company completes a Qualifying Transaction (as defined in Exchange Policy 2.4 *Capital Pool Companies*), an Eligible Person shall be limited to a director, officer or, where applicable securities laws allow, a consultant whose part is required to evaluate the proposed Qualifying Transaction (as defined in Exchange Policy 2.4 *Capital Pool Companies*).

The number of Common Shares subject to each Stock Option, the exercise price (subject to a minimum exercise price equal to the greater of \$0.10 and the Discounted Market Price (as defined by the Exchange)), the expiry time, the extent to which such Stock Option is exercisable, vesting requirements, and other terms and conditions relating to the Stock Option will continue to generally be determined by the Board; Stock Options may continue to have a term of up to ten years and will continue to be non-assignable and non-transferable. For so long as the Company is a capital pool company, the exercise price for any Stock Option granted will not be less than the greater of the share price on the date of the Company’s initial public offering, and the Discounted Market Price.

The term “**Investor Relations Service Provider**” has been defined in the New Stock Option Plan, and as long as the Company remains a capital pool company, no options may be granted to Investor Relations Service Providers. After the completion of a Qualifying Transaction, the maximum aggregate number of Stock Options granted to all Investor Relations Service Providers in any 12-month period shall not exceed 2% of the outstanding Common Shares at the time of the grant.

Investor Relations Service Providers may not receive any compensation involving the issuance or potential issuance of Common Shares other than Stock Options. No more than 1/4 of the Stock Options granted to Investor Relations Service Providers may vest sooner than three months after the Stock Options were granted, and thereafter no more than an additional 1/4 of the Stock Options may vest sooner than six, nine and 12 months, respectively, after the Stock Options were granted.

The aggregate number of Common Shares reserved for issuance under the New Stock Option Plan and Common Shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate such number of Common Shares as is equal to 10% of the Common Shares issued and outstanding at the time of a grant; provided that, for so long as the Company is a capital pool company under the policies of the TSXV, such number cannot exceed 10% of the aggregate number of Common Shares issued and outstanding, which currently is equal to 124,370 Common Shares reserved for issuance under the New Stock Option Plan.

The maximum aggregate number of Common Shares issuable pursuant to all security based compensation granted to any one person will not exceed 5% of the issued and outstanding Common Shares at the time of grant. The maximum aggregate number of Common Shares issuable pursuant to all security based compensation granted to all technical consultants will not exceed 2% of the issued and outstanding Common Shares at the time of grant. The maximum aggregate number of Common Shares reserved for issuance to insiders shall not exceed 10% of the outstanding Common Shares at any point in time, and the maximum aggregate number of Common Shares issuable pursuant to all security based compensation granted to insiders (as a group) in any 12-month period shall not exceed 10% of the outstanding Common Shares at the time of the grant.

Subject to the requirements of the New Stock Option Plan and the policies of the TSXV, upon the occurrence of an Accelerated Vesting Event (as defined in the New Stock Option Plan and described below), the Board will have the power to accelerate the vesting of Stock Options. An Accelerated Vesting Event includes the acquisition by certain acquirors (beneficial or otherwise) for the first time, of the ability to cast at least 50% of the votes attached to all shares in the capital of the Company, and also includes certain amalgamations, mergers, arrangements or other business combinations involving the Company.

Other than in the case of (i) death, or (ii) termination for cause, Stock Options will cease to be exercisable no later than the earlier of the Expiry Date (as defined in the New Stock Option Plan) and 30 days after the option holder ceases to be a Director, Officer, Employee, Consultant, or Management Company Employee (each as defined in the New Stock Option Plan). In the case of death of an option holder that is an Eligible Person, each Stock Option held by such option holder shall be exercisable by the heirs or administrators of such option holder and shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is six months after the date of the option holder's death. The Board may, in its discretion and subject to the approval of the Exchange, extend the date of the aforementioned terminations in certain circumstances. If an option holder who is an Eligible Person is terminated for cause, each Stock Option held by such option holder shall terminate and shall cease to be exercisable upon the date of such termination for cause.

If an option holder does not carry on as a director, officer or technical consultant of the Company upon completion of the Qualifying Transaction, then such option holder's options may be exercised within the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the option holder's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

Any Common Shares acquired pursuant to the exercise of Stock Options prior to the completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Qualifying Transaction Exchange bulletin is issued.

In accordance with the New Policy 4.4, the New Stock Option Plan requires annual approval by shareholders at the Company's annual general meeting, in accordance with the timing requirements set forth in Policy 3.2 *Filing*

Requirements and Continuous Disclosure. No Stock Options may be granted or issued until the requisite approval of the New Stock Option Plan has been obtained from the shareholders.

The New Stock Option Plan contains a “cashless exercise” provision and a “net exercise” provision. The “cashless exercise” provision provides a mechanism for a brokerage firm to facilitate the exercise of a stock option by loaning funds to the option holder. The “net exercise” provision allows for a method of stock option exercise under which the option holder does not make any payment to the issuer for the exercise of their stock options and receives, on exercise, a number of shares equal to the value (current market price less the exercise price) of the stock option valued at the current market price. Pursuant to the New Policy 4.4, the current market price must be the 5-day volume weighted average trading price prior to stock option exercise. The “net exercise” provision is not available for use by Investor Relations Service Providers (as defined in the New Policy 4.4).

Disinterested shareholder approval is required for any amendment to the New Stock Option Plan that results in:

- (a) any reduction in exercise price of a Stock Option if the option holder is an insider at the time of the proposed amendment;
- (b) an increase to the limits prescribed by section 4.3 of the New Stock Option Plan including any grant that would result in the limits being exceeded;
- (c) an extension of the expiry date of the Stock Options if the option holder is an Insider at the time of the proposed extension;
- (d) any benefit to an Insider; and
- (e) other types of compensation through Common Share issuance.

Other than amendments to fix typographical errors and clarify existing provisions, shareholder approval shall be obtained in accordance with the requirements of the Exchange including without limitation, any amendment that results in:

- (a) any cancellation and reissuance of a Stock Option;
- (b) the addition of additional categories of Eligible Person;
- (c) an increase in the maximum number of Common Shares issuable pursuant to the New Stock Option Plan;
- (d) the method for determining the exercise price of a Stock Option;
- (e) the maximum term of a Stock Option;
- (f) the expiry and termination provisions of a Stock Option, including the addition of a blackout period;
- (g) any method or formula for calculating prices, values, or amounts under the New Stock Option Plan that may result in a benefit to an option holder.

Shareholder Approval of Stock Option Plan

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, pass an ordinary resolution (the “**Stock Option Plan Resolution**”) approving the New Stock Option Plan, dated October 11, 2022. In order to be effective, the Stock Option Plan Resolution must be approved by a simple majority of 50% plus one vote of the votes cast by the Shareholders in respect thereof at the Meeting. The text of the Stock Option Plan Resolution is set out below:

“BE IT RESOLVED, as an ordinary resolution that:

1. The Company’s stock option plan originally adopted December 12, 2011 (the **“Original Plan”**), be and is hereby terminated;
2. The adoption of a new 10% rolling stock option plan for the Company, as described in the management information circular of the Company dated October 11, 2022, in place of and in substitution for the Original Plan, with such additional provisions and amendments, provided that such are not inconsistent with the policies of the TSXV, as the directors of the Company may deem necessary or advisable, is hereby approved, ratified and confirmed; and
2. Any director or officer of the Company is hereby authorized to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to the above resolution.”

The Board and management recommend that you vote **“FOR”** the Stock Option Plan Resolution. **Unless you give other instructions, the proxies solicited by management will be voted “FOR” the Stock Option Plan Resolution.**

APPROVAL OF AMENDMENT TO THE COMPANY’S ARTICLES TO IMPLEMENT ADVANCE NOTICE PROVISIONS

Background

The Board has determined that it would be appropriate and in the best interests of the Company to implement a requirement for advance notice in connection with the election of directors and amend the Company’s current articles to include advance notice provisions (**“Advance Notice Provisions”**). The following is a summary of the proposed Advance Notice Provisions and is subject to the full text of the Advance Notice Provisions set forth in Schedule “D” to this Circular.

Purpose of the Advance Notice Provisions

The purpose of the Advance Notice Provisions is to provide shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors. The Advance Notice Provisions are the framework pursuant to which the Company fixes a deadline by which holders of record of common shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and set forth the information that a shareholder must include in the notice to the Company for the nomination notice to be in proper written form.

Effect of the Advance Notice Provisions

Subject to the Business Corporations Act (British Columbia) (**“BCA”**), the Advance Notice Provisions incorporated into the Company’s Articles provide that only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the Board may be made with respect to any annual meeting of shareholders or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:

- (1) by or at the direction of the board, including pursuant to a notice of meeting;
- (2) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the BCA, or a requisition of the shareholders made in accordance with the provisions of the BCA; or
- (3) by any person (a **“Nominating Shareholder”**):

- (a) who at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
- (b) who complies with the notice procedures set forth below.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Company, or if the Company has no Secretary, to the Chief Executive Officer, President or other senior officer of the Company, at the registered offices of the Company.

To be timely, a Nominating Shareholder's notice to the Secretary of the Company must be made:

- (1) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- (2) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the 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.

In the event of any adjournment or postponement of a meeting of shareholders or the announcement thereof the time period for the giving of a Nominating Shareholder's notice as described above shall be extended by a period equal to the number of calendar days by which the meeting is postponed or adjourned.

To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Company must set forth the name, age, business address, residential address and principal occupation or employment of the proposed nominee, and the security holdings of the Company which are controlled or which are owned beneficially or of record by the person. In addition, the notice by the Nominating Shareholder must also disclose any other information relating to the proposed nominee as well as any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company 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 BCA and Applicable Securities Laws (as defined below).

The Company may require any proposed nominee to furnish such other information as may reasonably be requested by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee. No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Provisions; provided, however, that nothing in the Advance Notice Provisions shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the BCA.

The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

Notwithstanding any other provision of the Advance Notice Provisions, notice given to the Secretary of the Company, or if the Company has no Secretary, to the Chief Executive Officer, President or other senior officer of the Company, pursuant to the Advance Notice Provisions may only be given by personal delivery (including courier), facsimile transmission or by email (at such email address, if any, as stipulated from time to time by the Secretary or other senior officer of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

The Advance Notice Provisions apply to the Company so long as the Company is a public company.

A complete copy of the proposed new Article 26.1 incorporating the Advance Notice Provisions is attached as Schedule “D” to this Circular. A complete copy of the Company’s articles, as amended, may be inspected at the registered office of the Company, at Suite 2500 – 700 West Georgia Street, Vancouver, BC V7Y 1B3 during normal business hours and at the Meeting. In addition, a complete copy of the proposed Articles, as amended, will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Corporate Secretary of the Company. Any such requests should be mailed to the Company, at its head office, to the attention of the Corporate Secretary.

In order to implement the Advance Notice Provisions, the Shareholders of the Company will be asked to consider and, if thought fit, pass an ordinary resolution (the “**Advance Notice Resolution**”), with or without variation, to amend the Company’s current Articles, the text of which is attached as Schedule “D” to this Circular. If the Advance Notice Resolution is passed, the amendment to the Articles will become effective on the date and time that the resolution is received for deposit at the Company’s records office, which the Company anticipates will be immediately after the Meeting.

Approval of the Advance Notice Provisions requires the approval of the Shareholders by ordinary resolution, being not less than one-half of the votes cast by Shareholders on the Advance Notice Resolution. If the Advance Notice Resolution is not approved by the requisite number of Shareholders, the Articles will not be amended.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to **vote FOR the Advance Notice Resolution**.

OTHER MATTERS

The Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the common shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at <http://www.sedar.com>. Copies of the Company’s financial statements and MDA may be obtained without charge upon request from the Company’s head office at 1180 - 625 Howe Street, Vancouver, BC V6C 2T6, phone (604) 697-0028. Financial information on the Company is provided in its audited financial statements and MD&A for the year ended March 31, 2022.

APPROVAL OF THE DIRECTORS

The contents of this Information Circular and the sending thereof to the shareholders of the company have been approved by the Board of Directors.

DATED at Vancouver, British Columbia, this 11th day of October, 2022.

COLLINGWOOD RESOURCES CORP.

“Scott Gibson”

Scott Gibson

Chief Executive Officer
and a Director of the Company

SCHEDULE “A”

COLLINGWOOD RESOURCES CORP.

FORM 52-110F2 AUDIT COMMITTEE DISCLOSURE

ITEM 1 – THE AUDIT COMMITTEE’S CHARTER

Purpose

The overall purpose of the Audit Committee (the “**Committee**”) is to ensure that the Corporation’s management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Corporation and to review the Corporation’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information.

Composition, Procedures and Organization

1. The Committee shall consist of at least three members of the Board of Directors (the “**Board**”), the majority of whom are not executive officers, employees or control persons of the Company or an affiliate of the Company.
2. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
3. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
4. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
5. The Committee shall have access to such officers and employees of the Corporation and to the Corporation’s external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
6. Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
7. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may

contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

C. Roles and Responsibilities

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Corporation's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Corporation's financial and auditing personnel;
 - (iv) co-operation received from the Corporation's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Corporation;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
3. The duties and responsibilities of the Committee as they relate to the Corporation's internal auditors are to:

- (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
 - (b) review and approve the internal audit plan; and
 - (c) review significant internal audit findings and recommendations, and management's response thereto.
4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:
- (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and
 - (d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
5. The Committee is also charged with the responsibility to:
- (a) review the Corporation's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form, if required;
 - (iii) annual and interim MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Corporation; and
 - (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Corporation's consolidated financial statements;
 - (d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - (e) review and report on the integrity of the Corporation's consolidated financial statements;

- (f) review the minutes of any audit committee meeting of subsidiary companies;
- (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the consolidated financial statements;
- (h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

6. The Committee shall have the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee; and
- (c) to communicate directly with the internal and external auditors.

ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE

The current members of the Committee are Scott Gibson, Jay Sujir and Surita Banger. All of the members are "financially literate" within the meaning used in National Instrument 52-110 (the "**Instrument**") of the Canadian Securities Administrators. Mr. Sujir and Ms. Banger are "independent" within the meaning of section 1.4 of the Instrument. Mr. Gibson is not "independent" within the meaning used in the Instrument as he acts as the Company's Chief Executive Officer, Chief Financial Officer and Corporate Secretary.

ITEM 3: RELEVANT EDUCATION AND EXPERIENCE

The relevant education and/or experience of each member of the Audit Committee is as follows:

Mr. Scott Gibson

Mr. Gibson obtained his Bachelor of Commerce degree from the University of British Columbia in 1995. Mr. Gibson has acted as Managing Director of Kitco Gibson Capital since May 2004, and has acted as President of both Sterling Marketing Corp. since June 2013 and Beneath the Surface Capital Corp. since October 2007. Mr. Gibson also is a director of Copperbelt Minerals Corp., and is a director of Roughrider Exploration Limited (formerly Westham Resources Corp.), a company listed on the TSX Venture Exchange. Mr. Gibson has also a partner at Peak Investor Marketing Corp. since July 2016. In addition, Mr. Gibson was the founder of and chairman of Scott F. Gibson & Company Inc., a private company involved in providing marketing services and investor relations to small cap exploration companies from January 2003 to August 2009. Mr. Gibson has also served as president of SG Capital Corp., a private investment company, from February 2007 until October 2011.

Mr. Jay Sujir

Mr. Sujir is a securities and natural resources lawyer who has extensive experience in advising and assisting public companies. He has been a partner with Farris LLP since 2015. Previously, Mr. Sujir was a partner at Anfield, Sujir, Kennedy and Durno LLP. Mr. Sujir obtained his Bachelor of Arts degree from the University of Victoria in 1981 with a double major in Economics and Philosophy and obtained his Bachelor of Law degree from the University of Victoria in 1985. He is a member of the Law Society of British Columbia and the Canadian Bar Association.

Ms. Surita Banger

Ms. Banger is a securities paralegal and corporate secretary in the natural resource sector. Ms. Banger has acted as corporate secretary for TSX Venture listed companies and has been responsible for financial reporting compliance. She has worked closely with chief financial officers, auditors and audit committees to complete audits and assist with the preparation of financial statements.

ITEM 4: AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor (currently, Davidson & Company LLP, Chartered Accountants) not adopted by the Board.

ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or 8 of the Instrument. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Sections 6.1.1(4), 6.1.1(5) and 6.1.1(6) provide exemptions from audit committee composition requirements applicable to venture issuers in certain circumstances. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company's Board of Directors, and where applicable by the Audit Committee, on a case by case basis.

ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The aggregate fees charged to the Company by the external auditor for the fiscal years ended March 31, 2022 and 2021 are as follows:

	<u>FYE 2022</u>	<u>FYE 2021</u>
Audit Fees	\$7,500	\$7,500
Audit Related fees	nil	nil
Tax fees	nil	nil
All other fees (non-tax)- quarterly report assistance/prospectus review	nil	nil
Total Fees:	\$7,500	\$7,500

ITEM 8: EXEMPTION

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

**SCHEDULE “B”
COLLINGWOOD RESOURCES CORP.**

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* the Company is required to and hereby discloses its corporate governance practices as follows.

ITEM 1. BOARD OF DIRECTORS

The Board of Directors of the Company facilitates its exercise of independent supervision over the Company’s management through frequent meetings of the Board.

Mr. Scott Gibson is the Chief Executive Officer, Chief Financial Officer, Corporate Secretary and a director of the Company and is therefore not independent within the meaning of section 1.4 of National Instrument 52-110 *Audit Committees* (“**NI 52-110**”).

Mr. Jay Sujir, a current director of the Company is an independent director within the meaning of section 1.4 of NI 52-110.

Ms. Surita Banger, a current director of the Company, is an independent director within the meaning of of NI 51-110.

ITEM 2. DIRECTORSHIPS

The current and proposed directors of the Company are currently directors or officers of the following other reporting issuers:

Name of Director	Name of Reporting Issuer
Scott Gibson	None
Jay Sujir	Audrey Capital Corporation Baltic I Acquisition Corp. Goldspot Discoveries Corp. Golden Lake Exploration Inc. Gotham Resource Corp. Intrepid Metals Corp. Kenorland Minerals Ltd. KORE Mining Ltd. Kracken Energy Corp. Kutcho Copper Corp. Libero Copper & Gold Corporation Outcrop Silver & Gold Corporation Vanadian Energy Corp. Zacapa Resources Ltd.
Surita Banger	None

ITEM 3. ORIENTATION AND CONTINUING EDUCATION

The Board of Directors of the Company briefs all new directors with the policies of the Board of Directors, and other relevant corporate and business information.

ITEM 4. ETHICAL BUSINESS CONDUCT

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

ITEM 5. NOMINATION OF DIRECTORS

The Board of Directors is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

ITEM 6. COMPENSATION

The Board of Directors conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board of Directors takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies.

ITEM 7. OTHER BOARD COMMITTEES

There are currently no committees other than the Audit Committee.

ITEM 8. ASSESSMENTS

The Board of Directors monitors the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the board and committees. On an ongoing annual basis, the Board assesses the performance of the Board as a whole, each of the individual directors and each committee of the Board in order to satisfy itself that each is functioning effectively.

SCHEDULE "C"

COLLINGWOOD RESOURCES CORP.

NEW STOCK OPTION PLAN

COLLINGWOOD RESOURCES CORP.
INCENTIVE STOCK OPTION PLAN

(As approved by the Board of Directors October 11, 2022)

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ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

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

- (a) **“Accelerated Vesting Event”** means the occurrence of any one of the following events:
 - (i) The acquisition or continuing ownership by any Person or Persons acting jointly or in concert (as determined under applicable Securities Laws), directly or indirectly, of Common Shares or of Convertible Securities, which, when added to all other securities of the Corporation at the time held by such Person or Persons, Persons associated with such Person or Persons, or Persons affiliated with such Person or Persons (as determined under applicable Securities Laws) (collectively, the “Acquirors”), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;
 - (ii) An amalgamation, merger, arrangement or other business combination (a “Business Combination”) involving the Corporation receives the approval of, or is accepted by, the securityholders of the Corporation (or all classes of securityholders whose approval or acceptance is required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Corporation and as a result of that Business Combination, parties to the Business Combination or securityholders of the parties to the Business Combination, other than the securityholders of the Corporation, will own, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast at least 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect Directors;
- (b) **“Affiliate”** has the meaning ascribed thereto by the Exchange;
- (c) **“Board”** means the Board of Directors of the Corporation or, as applicable, a committee consisting of not less than three Directors of the Corporation duly appointed to administer this Plan;
- (d) **“Common Shares”** means the common shares of the Corporation;
- (e) **“Consultant”** means an individual (other than a Director, Officer or Employee of the Corporation or any of its subsidiaries) or company of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner, who:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its subsidiaries, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Corporation or any of its subsidiaries and the individual or company or partnership, as the case may be; and
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or of any of its subsidiaries;
- (f) **“Convertible Securities”** means any security of the Corporation which is convertible into Common Shares;

- (g) **“Corporation”** means Collingwood Resources Corp. and its successor entities;
- (h) **“Director”** means a director (as defined under Securities Laws) of the Corporation or of any of its subsidiaries;
- (i) **“Disinterested Shareholder Approval”** means the approval of disinterested shareholders obtained in accordance with the policies and requirements of the Exchange;
- (j) **“Distribution”** has the meaning ascribed thereto by the Exchange;
- (k) **“Eligible Person”** means a Director, Officer, Employee, Management Company Employee, or Consultant, and includes an entity all the voting securities of which are owned by Eligible Persons;
- (l) **“Employee”** means an individual who:
 - (i) is considered an employee of the Corporation or of its subsidiary under the Income Tax Act (Canada), i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,
 - (ii) works full-time for the Corporation or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and method of work as an employee of the Corporation or of its subsidiary, but for whom income tax deductions are not made at source, or
 - (iii) works for the Corporation or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and method of work as an employee of the Corporation or its subsidiary, but for whom income tax deductions are not made at source;
- (m) **“Exchange”** means the TSX Venture Exchange and any successor entity or the Toronto Stock Exchange as applicable depending on where the Corporation is listed at the relevant date;
- (n) **“Expiry Date”** means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;
- (o) **“Governmental Authorities”** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:
 - (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any geographic or political subdivision of any of them; or
 - (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (p) **“Insider”** has the meaning ascribed thereto by the Exchange;
- (q) **“Investor Relations Activities”** has the meaning ascribed thereto by the Exchange;
- (r) **“Investor Relations Service Provider”** has the meaning ascribed thereto by the Exchange;
- (s) **“Laws”** means currently existing applicable statutes, by-laws, rules, regulations, orders, ordinances or judgments, in each case of any Governmental Authority having the force of the law;

- (t) **“Management Company Employee”** means an individual who is employed by a Person providing management services to the Corporation which services are required for the ongoing successful operation of the business enterprise of the Corporation;
- (u) **“Material Information”** has the meaning ascribed thereto by the Exchange;
- (v) **“Officer”** means an officer (as defined under Securities Laws) of the Corporation or of any of its subsidiaries, and includes a Management Company Employee;
- (w) **“Option”** means an option to purchase Common Shares granted to an Eligible Person pursuant to this Plan;
- (x) **“Optionee”** means an Eligible Person who has been granted an Option;
- (y) **“Other Share Compensation Arrangement”** means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;
- (z) **“Person”** has the meaning ascribed thereto by the Exchange;
- (aa) **“Plan”** means this Incentive Stock Option Plan;
- (bb) **“Securities Laws”** has the meaning ascribed thereto by the Exchange;
- (cc) **“Security Based Compensation”** has the meaning ascribed thereto by the Exchange; and
- (dd) **“VWAP”** means the volume weighted average trading price of the Corporation’s Common Shares listed on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject Option.

1.2 Interpretation

- (a) References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.
- (b) If the Corporation is listed on the Toronto Stock Exchange, the provisions of this Plan as they relate to companies listed on Tier 1 of the Exchange shall apply.

ARTICLE 2 ESTABLISHMENT OF PLAN

2.1 Purpose

The purpose of this Plan is to provide an effective long-term incentive to Eligible Persons from time to time.

2.2 Shares Reserved

- (a) The maximum aggregate number of Common Shares that may be reserved for issuance under this Plan shall not exceed 10% of the issued and outstanding Common Shares as at the date of grant of an Option, calculated in accordance with the policies of the Exchange, LESS the aggregate number of Common Shares then reserved for issuance pursuant to any other Security Based Compensation Plan that is categorized as a “rolling up to 10%” plan. For greater certainty, if an Option is settled in cash,

cancelled, forfeited, surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan. If the Corporation is listed on the NEX board of the TSX Venture Exchange, the maximum number of Options that may be reserved for issuance or issued in any 12 month period shall not exceed 10% of the issued and outstanding Common Shares of the Corporation as at the date of grant.

- (b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares (a “**Transaction**”), the Board shall make, as it shall deem advisable and subject to the prior acceptance of the Exchange (except in relation to a share consolidation or split) and the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:
 - (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
 - (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
 - (iii) the vesting of any Options (subject to the approval of the Exchange if such vesting is mandatory under the policies of the Exchange), including the accelerated vesting thereof on conditions the Board deems advisable, and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable.
- (c) In the event of a Transaction resulting in an Eligible Person becoming entitled to receive Options in excess of the limits prescribed by Section 4.3 hereof, the Board may, in its discretion, settle such awards in cash.
- (d) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.
- (e) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

2.3 Non-Exclusivity

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

2.4 Effective Date

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

ARTICLE 3 ADMINISTRATION OF PLAN

3.1 Administration

- (a) This Plan shall be administered by the Board or any committee established by the Board for the purposes of administering this Plan. Subject to the provisions of this Plan, the Board shall have the authority:
 - (i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Optionee's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited; and
 - (ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Sections 3.3 and 6.3 hereof.
- (b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Optionees and all other Persons.
- (c) For stock options granted to Employees, Consultants or Management Company Employees, the Corporation and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

3.2 Amendment, Suspension and Termination

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate this Plan or any portion thereof. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of such Optionee. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

3.3 Compliance with Laws

- (a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign Laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any governmental or regulatory agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.
- (b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the securities laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall

be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.

- (c) Common Shares sold, issued and delivered to Optionees pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable Securities Laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

ARTICLE 4 OPTION GRANTS

4.1 Eligibility and Multiple Grants

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

4.2 Option Agreement

Every Option shall be evidenced by an option agreement executed by the Corporation and the Optionee. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

- (a) **To any one person.** The maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted to any one Person (and companies owned by that Person) in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the issued Common Shares at the time of the grant, unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit.
- (b) **To Consultants.** The maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted to any one Consultant in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the issued Common Shares at the time of the grant.
- (c) **To Investor Relations Service Providers.** The aggregate number of Options granted to all Investor Relations Service Providers in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the issued Common Shares at the time of the grant. Investor Relations Service Providers may not receive any compensation involving the issuance or potential issuance of Common Shares, other than Options.
- (d) **To Insiders.** Unless the Corporation has received Disinterested Shareholder Approval to do so:
 - (i) the aggregate number of Common Shares reserved for issuance to Insiders under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at any point in time; and
 - (ii) the aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted to Insiders (as a group) in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.

4.4 Approval of Plan

- (a) This Plan must be approved by the shareholders of the Corporation at the time this Plan is to be implemented and yearly thereafter, at the Corporation's annual general meeting of shareholders held in accordance with the timing requirements set out in Policy 3.2 – *Filing Requirements and Continuous Disclosure* of the Exchange *Corporate Finance Manual*.
- (b) In the event the Corporation fails to obtain the yearly approval of its shareholders pursuant to subsection 4.4(a) hereof within 15 months of its last annual general meeting of shareholders, then commencing on the earlier of:
 - (i) the date of the annual general meeting of the shareholders of the Corporation at which the Plan was not approved; and
 - (ii) the date that is 15 months after the date of the annual general meeting of the shareholders of the Corporation at which the Plan was last approved,
 - (iii) no Options shall be granted or issued hereunder until the requisite approval of the Plan has been obtained from the shareholders of the Corporation.

ARTICLE 5 OPTION TERMS

5.1 Exercise Price

- (a) The exercise price per Option granted hereunder shall be determined by the Board, but it will in no event be less than the “**Discounted Market Price**”, as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required or permitted by the Exchange.

5.2 Expiry Date

Every Option shall have a term not exceeding and shall therefore expire no later than 10 years after the date of grant (subject to extension where the expiry date falls within a “**blackout period**”), pursuant to Section 5.8.

5.3 Vesting

- (a) Subject to the subsection 5.3(b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.
- (b) Options granted to Investor Relations Service Providers shall vest such that:
 - (i) no more than $\frac{1}{4}$ of the Options vest no sooner than three months after the Options were granted;
 - (ii) no more than another $\frac{1}{4}$ of the Options vest no sooner than six months after the Options were granted;
 - (iii) no more than another $\frac{1}{4}$ of the Options vest no sooner than nine months after the Options were granted; and
 - (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted.

5.4 Accelerated Vesting Event

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

5.5 Effect of Take-Over Bid

If a take-over bid (as defined under applicable Securities Laws) (the “**Offer**”) is made for Common Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise of the Convertible Securities, if any, that are the subject of the take-over bid) in any Person or Persons acting jointly or in concert (as determined under applicable Securities Laws) or Persons associated or affiliated with such Person or Persons (as determined under applicable Securities Laws) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors, the Corporation shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon, subject to subsection 5.3(b), all Options will become fully vested and the Options may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Common Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Common Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,
- (c) then the Common Shares received upon such exercise, or in the case of clause (b) above, the Common Shares that are not taken up and paid for may be returned by the Optionee to the Corporation and reinstated as authorized but unissued Common Shares and with respect to such returned Common Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Common Shares were to become vested pursuant to this Section shall be reinstated. If any Common Shares are returned to the Corporation under this Section, the Corporation shall immediately refund the exercise price to the Optionee for the Options relating to such returned Common Shares.

5.6 Non-Assignability

Options may not be assigned or transferred.

5.7 Ceasing to be Eligible Person

- (a) If an Optionee who is a Director, Officer, Employee or Consultant is terminated for cause, each Option held by such Optionee shall terminate and shall therefore cease to be exercisable upon the date of such termination for cause.

- (b) If an Optionee dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Optionee shall be exercisable by the heirs or administrators of such Optionee and shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is six months after the date of the Optionee's death, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is 12 months after the date of the Optionee's death.
- (c) If an Optionee ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, each Option held by such Optionee shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is 30 days after such event, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is 12 months after such event, and further provided that the Board may, in its discretion, on a case-by-case basis and only with the approval of the Exchange, further extend the date of such termination and the resulting period in which such Option remains exercisable to a date exceeding the date which is after 12 months of such event.
- (d) If any portion of an Option grant is not vested at the time an Optionee ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option grant may not be thereafter exercised by the Optionee or its legal representative, as the case may be, provided that the Board may, in its discretion further and subject to the approval of the Exchange where the vesting of the said Optionee's options was a requirement of the Exchange's policies, thereafter permit the Optionee or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the relevant Option grant that would have vested prior to the time such Option otherwise terminates and therefore ceases to be exercisable pursuant to the terms of this Section. For greater certainty, and without limitation, this provision will apply regardless of whether the Optionee ceased to be an Eligible Person voluntarily or involuntarily, was dismissed with or without cause, and regardless of whether the Optionee received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option grant to vest.

5.8 Blackout Periods

An Option will be automatically extended past the expiry date of an Option governed by the Plan if such expiry date falls within a period (a “**blackout period**”) during which the Corporation prohibits Optionees from exercising their Options provided that the following requirements are satisfied:

- (a) The blackout period must be formally imposed by the Corporation pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information. For greater certainty, in the absence of the Corporation formally imposing a blackout period, the expiry date of any Options will not be automatically extended in any circumstances.
- (b) The blackout period must expire upon the general disclosure of the undisclosed Material Information. The expiry date of the affected Options can be extended to no later than ten (10) business days after the expiry of the blackout period.
- (c) The automatic extension of an Optionee's Options will not be permitted where the Optionee or the Corporation is subject to a cease trade order (or similar order under Securities Laws) in respect of the Corporation's securities.
- (d) The automatic extension is available to all Optionees under this Plan under the same terms and conditions.

ARTICLE 6 EXERCISE PROCEDURE

6.1 Exercise Procedure

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

- (a) a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;
- (b) the originally signed option agreement with respect to the Option being exercised;
- (c) unless the Option is exercised pursuant to Section 6.2 hereof, a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised together with the amount necessary to satisfy any applicable tax withholding or remittance obligations under applicable Laws; and
- (d) documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the Laws of any jurisdiction;

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

6.2 Cashless exercise

Subject to the provisions of this Plan (including, without limitation, Section 6.3) and Board approval, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

- (a) excluding Options granted to Investor Relations Service Providers, a “**net exercise**” procedure in which the Corporation issues to the Optionee, Common Shares equal to the number determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options by (ii) the VWAP of the underlying Common Shares; or
- (b) a broker assisted “**cashless exercise**” in which the Corporation delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Corporation to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Corporation an amount equal to the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised, together with the amount necessary to satisfy any applicable tax withholding or remittance obligations under applicable Laws, against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this Section 6.2 from time to time by delivery to the Corporation, at its head office or such other place as may be specified by the Corporation of (i) written notice of exercise specifying that the Optionee has elected to effect such a cashless exercise of the Option, the method of cashless exercise, and the number of Options to be exercised and (ii) payment of the amount necessary to satisfy any applicable tax withholding or remittance obligations under applicable Laws, as verified by the Corporation to its satisfaction (or by entering into some other arrangement acceptable to the Corporation in its discretion). The Optionee shall comply with Section 6.3 hereof with regard to any applicable required Withholding Obligations (hereinafter defined) and with such other procedures and policies as the Corporation may prescribe or determine

to be necessary or advisable from time to time, including the prior written consent of the Board in connection with such exercise.

6.3 Withholding

The Corporation may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Corporation to comply with the applicable requirements of any federal, provincial, local, or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to options (“**Withholding Obligations**”). The Corporation may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Corporation may determine in its discretion, by (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Corporation may require so that the Corporation can satisfy such Withholding Obligations including, without limitation, requiring the Optionee to remit to the Corporation in advance, or reimburse the Corporation for, any such Withholding Obligations or (b) selling on the Optionee’s behalf, or requiring the Optionee to sell, any Common Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

ARTICLE 7 AMENDMENT OF OPTIONS

7.1 Consent to Amend

The Board may amend any Option with the consent of the affected Optionee and the Exchange, including any shareholder approval required by the Exchange.

- (a) Disinterested Shareholder Approval shall be obtained in accordance with the requirements of the Exchange for any amendment that results in:
 - (i) any reduction in the exercise price of an Option if the Optionee is an Insider at the time of the proposed amendment;
 - (ii) an increase to the limits prescribed by Section 4.3 hereof, including any grant that would result in the limits prescribed by Section 4.3 being exceeded;
 - (iii) an extension of the Expiry Date for Options if the Optionee is an Insider at the time of the proposed extension;
 - (iv) any benefit to an Insider; and
 - (v) other types of compensation through Common Share issuance.
- (b) Other than amendments to fix typographical errors and clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions, Shareholder approval shall be obtained in accordance with the requirements of the Exchange for any amendment to the Plan including, without limitation, any amendment that results in:
 - (i) any cancellation and reissuance of an Option;
 - (ii) the addition of additional categories of Eligible Person;
 - (iii) an increase in the maximum number of Common Shares issuable pursuant to the Plan (other than pursuant to Article 2);

- (iv) the method for determining the exercise price of an Option;
- (v) the maximum term of an Option;
- (vi) the expiry and termination provisions applicable to an Option, including the addition of a blackout period; and
- (vii) any method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to an Optionee.

7.2 Amendment Subject to Approval

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

ARTICLE 8 MISCELLANEOUS

8.1 No Rights as Shareholder

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

8.2 No Right to Employment

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

8.3 Governing Law

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

SCHEDULE “D”

COLLINGWOOD RESOURCES CORP.

ADVANCE NOTICE RESOLUTION

WHEREAS the Company wishes to amend its articles and to add certain provisions to provide shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors and to provide a framework under which a deadline is fixed by which holders of record of common shares of the Company must submit written director nominations to the Company prior to any annual or special meeting of shareholders and to set forth the information that a shareholder must include in the written nomination notice to the Company in order for that notice to be in proper written form.

NOW THEREFORE BE IT RESOLVED, as an ordinary resolution, that:

“The Company is hereby authorized to amend the Articles of the Company by adding the following provision to the Articles of the Company as Article 26:

26. ADVANCE NOTICE PROVISIONS

26.1 Nomination of Directors

- (1) Nominations of persons for election to the Board may be made at any Annual Meeting of shareholders or at any Special Meeting of shareholders if one of the purposes for which the Special Meeting was called was the election of directors. In order to be eligible for election to the Board at any Annual Meeting or Special Meeting of shareholders, persons must be nominated in accordance with one of the following procedures:
 - (a) by or at the direction of the Board or an authorized officer, 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 the provisions of the Business Corporations Act (British Columbia) (the “BCA”), or a requisition of the shareholders made in accordance with the provisions of the BCA, and such shareholder or shareholders comply with the notice procedures set forth below in this Article 26.1.; or
 - (c) by any person (a “**Nominating Shareholder**”): (A) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Article 26.1 and at the close of business on the record date for notice of such meeting, is entered in the central securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 26.1.
- (2) In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must give notice which is both timely (in accordance with paragraph (3) below) and in proper written form (in accordance with paragraph (4) below) to the Secretary of the Company, or if the Company has no Secretary, to the Chief Executive Officer, President, or other senior officer of the Company at the registered offices of the Company.
- (3) A Nominating Shareholder’s notice to the Secretary or other senior officer of the Company will be deemed to be timely if:

- (a) in the case of an Annual Meeting of shareholders, such notice is made not less than 30 nor more than 65 days prior to the date of the Annual Meeting of Shareholders or any adjournment or postponement thereof; provided, however, that in the event that the Annual Meeting of Shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the Annual Meeting is made, notice by the Nominating Shareholder is 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 Meeting) of Shareholders called for the purpose of electing directors (whether or not called for other purposes), such notice is made 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.

Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement of this paragraph.

- (4) For greater certainty, the time periods for the giving of notice by a Nominating Shareholder as aforesaid shall, in all cases, be determined based on the date of the applicable Annual Meeting or Special Meeting or any adjournment or postponement thereof. In the event of any adjournment or postponement of an Annual Meeting or Special Meeting or the announcement thereof the period for giving a nominating shareholder’s notice shall be extended by a period equal to the number of calendar days by which the meeting is postponed or adjourned.
- (5) A Nominating Shareholder’s notice to the Secretary or other senior officer of the Company will be deemed to be in proper form if:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director, such notice sets forth: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) 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 BCA and Applicable Securities Laws (as defined below); and
 - (b) as to the Nominating Shareholder giving the notice, such notice sets forth any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company 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 Business Corporations Act and Applicable Securities Laws (as defined below).
- (6) The Company may require any proposed nominee for election as a Director to furnish such additional information as may reasonably be requested by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder’s understanding of the independence, or lack thereof, of such proposed nominee.
- (7) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 26.1; provided, however, that nothing in this Article 26.1 shall be deemed to restrict or preclude discussion by a shareholder (as distinct from the nomination of directors) at an Annual Meeting or Special Meeting of any matter that is properly brought before such meeting pursuant to the provisions of the BCA or at the discretion of the Chairman of the

meeting. The Chairman of the meeting shall have the power and duty to determine whether any nomination for election of a director was made in accordance with the procedures set forth in this Article 26.1 and, if any proposed nomination is not in compliance with such procedures, to declare such nomination defective and that it be disregarded.

- (8) Notwithstanding any other provision of this Article 26.1, notice given to the Secretary or other senior officer of the Company pursuant to this Article 26.1 may only be given by personal deliver (including courier), facsimile transmission or by email (at such email, if any address as may be stipulated from time to time by the Secretary of the Company for purposes of this Article 26.1), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Secretary at the address of the principal executive offices of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

For purposes of this Article 26:

- (a) **“Annual Meeting”** means any annual meeting of Shareholders;
- (b) **“Applicable Securities Laws”** means the applicable securities legislation 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 laws and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission or similar securities regulatory authority of each province and territory of Canada;
- (c) **“BCA”** means the Business Corporations Act (British Columbia), as amended;
- (d) **“Board”** means the board of directors of the Company as constituted from time to time;
- (e) **“Common Shares”** means common shares in the capital of the Company;
- (f) **“Public Announcement”** means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com;
- (g) **“Shareholder”** means a holder of Commons Shares; and
- (h) **“Special Meeting”** means any special meeting of Shareholders if one of the purposes for which such meeting is called is the election of directors.

26.2 Application

Article 26.1 does not apply to the Company in the following circumstances:

- (a) if and for so long as the Company is not a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply; or
- (b) to the election or appointment of a director or directors in the circumstances set forth in Article 14.8.”