FIRST LIGHT CAPITAL CORP.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON SEPTEMBER 8, 2021

AND

INFORMATION CIRCULAR

August 9, 2021

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.

FIRST LIGHT CAPITAL CORP.
Suite 1090 – 510 Burrard Street
Vancouver, BC V6C 3B9
Telephone: 604.569.2209

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual General and Special meeting (the "**Meeting**") of shareholders of First Light Capital Corp. (the "**Company**") will be held at the offices of Clark Wilson LLP, 900 – 885 West Georgia Street, Vancouver, BC V6C 3H1, on Wednesday, September 8, 2021, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

(1) to receive the audited financial statements of the Company for the fiscal year ended December 31, 2020 and the accompanying report of the auditor;

(2) to set the number of directors of the Company at five (5);

(3) to elect James Currie, Andrew Carstensen, Barry Hildred, Brian Storseth and K. Wayne Livingstone as directors of the Company, such election being effective upon completion of the transactions (together, the "**Transaction**") contemplated by the arrangement agreement dated June 16, 2021 (the "**Arrangement Agreement**") among the Company, 1310612 B.C. Ltd. ("**Finco**"), 1310620 B.C. Ltd. ("**Subco**") and New Oroperu Resources Inc. ("**New Oroperu**") and the amalgamation agreement dated June 16, 2021, among the Company, Finco and Subco;

(4) to confirm that the Company's three current directors - James Currie, Neil Currie and Benjamin Curry – shall continue to serve as the directors of the Company until, and their term as directors shall expire upon, the earlier of (i) the completion of the Transaction and (ii) the appointment or election of their successors;

(5) to appoint Manning Elliott LLP as the auditors of the Company for the fiscal year ending December 31, 2021 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2021;

(6) to consider, and if thought appropriate, to pass an ordinary resolution to adopt and approve a new amended and restated omnibus equity incentive compensation plan, as more particularly described in the accompanying information circular (the "**Information Circular**");

(7) to consider and, if thought appropriate, pass, with or without variation, an ordinary resolution approving the consolidation of the issued and outstanding common shares in the capital of the Company (the "**Shares**") on the basis of one (1) post-consolidation Share for every six (6) pre-consolidation Shares, as more particularly described in the Information Circular and the Arrangement Agreement (the "**Consolidation**");

(8) to consider and, if thought appropriate, pass, with or without variation, an ordinary resolution authorizing the Company's change of name from "First Light Capital Corp." to "Anacortes Mining Corporation" or such other name as the directors may, in their sole discretion determine (the "**Change of Name**"), and to authorize the Company to file a notice of alteration with the British Columbia Corporate Registry to effect such Change of Name, which shall take effect when the Company's notice of articles has been altered to reflect the Change of Name, as more particularly described in the Information Circular and the Arrangement Agreement; and

(9) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Annual General and Special Meeting (this "**Notice of Meeting**").

The board of directors of the Company has fixed July 30, 2021 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

In view of COVID-19, the Company encourages Shareholders not to attend the Meeting in person. No more than 10 persons will be permitted to attend in person at the in-person location for the Meeting. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages Shareholders to vote prior to the Meeting.

Any person who intends to attend the Meeting in person must register with the Company's corporate secretary at least 72 hours in advance and receive approval, by calling Neil Currie at 604.569.2209 or by email at neil@cem.ca.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, or a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (each, an "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 9th day of August, 2021.

By Order of the Board of Directors of

FIRST LIGHT CAPITAL CORP.

"James Currie"
James Currie
Chief Executive Officer and Director

PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED FORM OF PROXY AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.

FIRST LIGHT CAPITAL CORP.
Suite 1090 – 510 Burrard Street
Vancouver, BC V6C 3B9
Telephone: 604.569.2209

INFORMATION CIRCULAR
August 9, 2021

INTRODUCTION

This information circular (the "**Information Circular**") accompanies the notice of Annual General and Special meeting of shareholders (the "**Notice**") of First Light Capital Corp. (the "**Company**") and is furnished to shareholders (each, a "**Shareholder**") holding common shares (the "**Shares**") of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the Annual General and Special meeting (the "**Meeting**") of the Shareholders to be held at 10:00 a.m. on Wednesday, September 8, 2021 to be held at the offices of Clark Wilson LLP, 900 – 885 West Georgia Street, Vancouver, BC V6C 3H1, or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is August 9, 2021. Unless otherwise stated, all amounts herein are in Canadian dollars.

COVID-19

In view of COVID-19, the Company encourages Shareholders not to attend the Meeting in person. No more than 10 persons will be permitted to attend in person at the in-person location for the Meeting. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages Shareholders to vote prior to the Meeting.

Any person who intends to attend the Meeting in person must register with the Company's corporate secretary at least 72 hours in advance and receive approval, by calling Neil Currie at 604.569.2209 or by email at neil@cem.ca.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation to any of the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers who are NOBOs (as defined below), and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each common share that such Shareholder holds on the record date of July 30, 2021 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the "**Designated Persons**") in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

The Shareholder may vote by mail, by telephone or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in his sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at anytime before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be**

called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares of a Shareholder on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Shareholders who do not hold their 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 Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to names of all of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders 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 in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators. An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101.

The Company is sending proxy-related materials directly to non-objecting beneficial owners of the Shares. The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

All references to Shareholders in this Information Circular are to registered Shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the board of directors of the Company (the "**Board**") to be the close of business on July 30, 2021, a total of 30,687,500 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company, other than as set forth below:

Name of Shareholder	Number of Shares Owned	Percentage of Outstanding Shares(1)
Medalist Capital Ltd.(2)	4,200,000	13.7%

(1) Based on 30,687,500,000 Shares issued and outstanding as of August 9, 2021.

(2) Medalist Capital Ltd. is a private company owned and controlled by Brandon Keast and Riley Keast.

ELECTION OF DIRECTORS

The Board presently consists of three directors, being James Currie, Neil Currie and Benjamin Curry (collectively, the "**Current Directors**"). As announced in a press release dated June 17, 2021 (which can be reviewed on SEDAR), pursuant to the terms of an arrangement agreement dated June 16, 2021 (the "**Arrangement Agreement**") among the Company, 1310612 B.C. Ltd. ("**Finco**"), 1310620 B.C. Ltd. ("**Subco**") and New Oroperu Resources Inc. ("**New Oroperu**"), and an amalgamation agreement dated June 16, 2021 among the Company, Finco and Subco (the "**Amalgamation Agreement**"), among other things, the Company will acquire all of the issued and outstanding common shares of New Oroperu (the "**New Oroperu Shares**") from the holders thereof (the "**New Oroperu Shareholders**") by way of a share exchange in which each New Oroperu shareholder will receive 5.815 common shares in the capital of the Company ("**Shares**") for each one (1) New Oroperu Share held (the "**Transaction**"). The Transaction is expected to constitute the Company's Qualifying Transaction under the policies of the TSX Venture Exchange (the "**TSXV**").

In connection with the closing of the Transaction, Neil Currie and Benjamin Curry are expected to resign as directors of the Company.

The Transaction is further described in the Company's news releases dated June 17, 2021 and July 21, 2021, which are available under the Company's profile on SEDAR at www.sedar.com.

The Shareholders are required to elect the directors of the Company to hold office until the next annual meeting of Shareholders or until the successors of such directors are elected or appointed. On closing of the Transaction, the Company wishes to increase the size of the Board from three (3) to five (5) directors and to replace the Current Directors, with the exception of Jim Currie, with four new directors (collectively with Jim Currie, the "**New Directors**"). At the date of the Meeting, the Transaction will not yet have completed and there can be no assurance at that time as to whether it will be completed as contemplated or at all. Should the Transaction not be completed, the Current Directors will continue to serve as directors until their successors are elected or appointed.

The Shareholders will be asked at the Meeting to consider, and if thought appropriate, to pass, resolutions (respectively, the "**Resolutions Regarding Directors**"), the texts of which are as follows:

Resolutions Regarding Directors

"RESOLVED, that:

1. effective upon completion of the Transaction, the number of directors of the Company be increased from three (3) to five (5) directors;

2. effective upon completion of the Transaction, the Company elect James (Jim) Currie as a director of the Company, effective upon completion of the Transaction, for the ensuing year, to hold office until the next annual general meeting of the Company or until such time as his successor is duly elected or appointed in accordance with the Company's Articles, or until his earlier death, resignation or removal;

3. effective upon completion of the Transaction, the Company elect Andrew Carstensen as a director of the Company, effective upon completion of the Transaction, for the ensuing year, to hold office until the next annual general meeting of the Company or until such time as his successor is duly elected or appointed in accordance with the Company's Articles, or until his earlier death, resignation or removal;

4. effective upon completion of the Transaction, the Company elect Barry Hildred as a director of the Company, effective upon completion of the Transaction, for the ensuing year, to hold office until the next annual general meeting of the Company or until such time as his successor is duly elected

or appointed in accordance with the Company's Articles, or until his earlier death, resignation or removal;

5. effective upon completion of the Transaction, the Company elect Brian Storseth as a director of the Company, effective upon completion of the Transaction, for the ensuing year, to hold office until the next annual general meeting of the Company or until such time as his successor is duly elected or appointed in accordance with the Company's Articles, or until his earlier death, resignation or removal;

6. effective upon completion of the Transaction, the Company elect K. Wayne Livingstone as a director of the Company, effective upon completion of the Transaction, for the ensuing year, to hold office until the next annual general meeting of the Company or until such time as his successor is duly elected or appointed in accordance with the Company's Articles, or until his earlier death, resignation or removal; and

7. that the current directors – being James Currie, Neil Currie and Benjamin Curry – are to continue to serve as directors of the Company until the completion of the Transaction or, if the Transaction is not completed, until their successors are elected or appointed.

Management of the Company recommends that Shareholders vote in favour of the Resolutions Regarding Directors at the Meeting.

The forms of the Resolutions Regarding Directors set forth above are subject to such amendments as management may propose at the Meeting but which do not materially affect the substance of such resolutions. The Resolution setting the number of directors must be approved by more than 50% of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

Current Directors

The following table sets out biographical information with respect to each of the Current Directors:

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years[1]	Director Since	Number of Shares Owned[1]
James Currie[2] British Columbia, Canada *Chief Executive Officer and Director*	Mr. Currie is a registered professional engineer with over 40 years of senior management, engineering and operations experience in the mining industry. Most recently, he served as chief operating officer of Equinox Gold Corp., where, amongst other things, he led the construction team building the company's Aurizona Mine in Brazil. Prior to that, Mr. Currie was the chief operating officer of a number of small to mid-size mining and development companies, including Pretium Resources Inc. and NewGold Inc. Mr. Currie holds a Bachelor's degree in mining engineering from Queen's University and was the 2014 co-winner of AME BC's prestigious EA Scholtz Award for Excellence in Mine Development for his work on New Gold Inc.'s New Afton gold mine in B.C., which went into production in 2012.	June 9, 2020	3,000,000[3]
Neil Currie[2] British Columbia, Canada *Chief Financial Officer, Corporate Secretary and Director*	Mr. Currie has been the managing partner and founder of Capital Event Management Ltd., a private company offering investment conferences, from November 2010 to present. Since March 16, 2019, Mr. Currie served as the CEO and Corporate Secretary of Northstar Clean Technologies Inc., taking a clean technology company public.	March 15, 2018	1,980,000[4]

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years(1)	Director Since	Number of Shares Owned(1)
Benjamin Curry(2) British Columbia, Canada *Director*	Mr. Curry has been a registered mortgage broker since 2015 and is currently an associate with commercial real estate finance firm, CMSI Pacific, a private commerce real estate finance firm. He was a principal of Coastline Capital Corp., a private financial advisory firm, from January 2011 to May 2018.	March 15, 2018	100,000(5)

(1) Information has been furnished by the respective nominees individually.

(2) Member of the Audit Committee.

(3) This number includes 1,200,000 Shares held directly and 1,800,000 Shares held indirectly through Anacortes Management Ltd., a company wholly owned by James Currie.

(4) These Shares are held indirectly through Currie Capital Corp., a company wholly owned by Neil Currie. Does not include an aggregate of 100,000 options held directly, each of which is exercisable into one Share at a price of $0.10 per Share until April 23, 2024.

(5) Does not include an aggregate of 100,000 options held directly, each of which is exercisable into one Share at a price of $0.10 per Share until April 23, 2024.

New Directors

The following table sets out biographical information with respect to each of the proposed New Directors, other than James Currie, as well as the number of Shares expected to be held by the proposed New Directors following the completion of the Transaction. None of the proposed New Directors currently hold any Shares and, with the exception of James Currie, none of the proposed New Directors are currently directors of the Company:

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years(1)	Director Since	Number of Shares Owned(1)
Andrew Carstensen(2) Montana, United States *Proposed Director*	VP Exploration at Luminex Resources Chief Geologist at Lumina Gold Corp.	N/A	Nil
Barry Hildred(2)(3) Ontario, Canada *Proposed Director*	Executive Chairman at Aquila Resources Inc.	N/A	Nil
Brian Storseth(2) Ontario, Canada *Proposed Director*	Principal at Wellington-Dupont Public Affairs	N/A	Nil
K. Wayne Livingstone, British Columbia, Canada *Proposed Director*	CEO and President at New Oroperu President and CEO at Carlin Gold Corporation	N/A	Nil

(1) Information has been furnished by the respective nominees individually.

(2) Proposed member of the Audit Committee.

(3) Proposed Chair of the Audit Committee.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then, to the extent permitted by applicable law, the Designated Persons intend to exercise discretionary authority to vote the Shares represented by proxies for the election of any other persons as directors.

Biographies

The following are brief profiles of the proposed members of management and directors of the New Directors.

James Currie – President, CEO and Director

James Currie ("Mr. Currie") is currently President and CEO of the Company (TSXV:XYZ.P) which is a capital pool company focused on identifying a qualifying transaction in the mining sector. Most recently, he was Chief Operating Officer ("COO") of Equinox Gold Corp., where he was responsible for two operating mines and a development project.

Mr. Currie has held the role of COO for a number of mid-tier gold producers, including Pretivm Resources Inc. and New Gold Inc. At Pretivm, he led the early development of the Brucejack gold mine which commenced operation in 2017. At New Gold, he was responsible for three mining operations and led the construction and development of New Gold's New Afton gold mine, which went into production in 2012.

Over the course of his 40+ year career in the mining industry he has been a director on various boards and held senior management, engineering and operation roles for a number of mines and projects. Mr. Currie holds a Bachelor of Applied Science degree with honours in mining engineering from Queen's University and is a registered professional engineer. He was the 2014 co-winner of AME BC's prestigious EA Scholtz Award for Excellence in Mine Development for his work on New Afton.

Brian Storseth – Director

Brian Storseth ("Mr. Storseth") has over 20 years of experience working in municipal, provincial and federal politics. He started his career by working for the Speaker of the Legislative Assembly of Alberta. He was then elected as the Councillor for the Town of Barrhead in Alberta. He was elected to the House of Commons in 2006 and served as Member of Parliament (MP) representing the electoral district of Westlock-St Paul for 10 years.

During his time in the House of Commons, Mr. Storseth was part of the Standing Committee on Agriculture, Standing Committee on Transportation and Infrastructure, Standing Committee on National Defense, Standing Committee on Foreign Affairs and International Development, Standing Committee on Environment and the Standing Committee on Indigenous Affairs. He was also the Chair of the Government Mining Caucus for over four years. As a Member of Parliament, Mr. Storseth worked with the government to consult with industry in developing Canada's Corporate Social Responsibility strategy for the extractive industries sector in 2013.

Since leaving politics, Mr. Storseth has served on several non-profit and publicly traded Boards. He also serves on the Boards of several charitable organizations, including Progress for Mental Health and the Canada Lebanon Foundation. Mr. Storseth is also the founder of the Westlock Women's Hope Resource Centre. He is one of the founders of Reshore Canada, an initiative designed to advocate for the return of critical supply chains and manufacturing to Canada and North America.

Barry Hildred – Director

Barry Hildred ("Mr. Hildred") is a senior executive and successful entrepreneur with varied business leadership experience and is currently Executive Chairman of Aquila Resources Inc. Mr. Hildred was founder of The Equicom Group, a company specializing in strategic financial and investor relations services for Canadian public companies. In 2007, The Equicom Group was acquired by the TMX Group, owner and operator of the Toronto Stock Exchange and TSX Venture Exchange. Mr. Hildred also serves on the Board of Directors of the Children's Aid Foundation of Canada where he is Past-Chair.

Andy Carstensen – Director

Andrew Carstensen (Mr. Carstensen") is a professional geologist who has over 43 years of experience in mineral exploration within both major mining and junior exploration sectors. Mr. Carstensen is currently VP of Exploration at Luminex Resources Corp. and Chief Geologist for Lumina Gold Corp as well as a member of the Board at Sun Summit Minerals. He previously held senior positions with other Lumina Group Companies including Anfield Nickel Corp., Anfield Gold Corp., Lumina Copper Corp., and was technical advisor to a private copper-silver exploration venture in Poland (Miedzi Copper). Prior to his association with the Lumina Group, Mr. Carstensen held senior management roles at Geologix Exploration Inc. and Manhattan Minerals Corp. Earlier in his career, Mr. Carstensen held geological positions with Western Gold Exploration, Noranda and Newmont Exploration of Canada Limited. Mr. Carstensen holds BA and MS degrees in Geology from the University of Montana and is a Certified Professional Geologist with AIPG.

K. Wayne Livingstone – Director

Wayne Livingstone ("Mr. Livingstone") graduated with degrees in Geology from Carleton University, BSc. (Hons.) and University of British Columbia, MSc. Over his career Mr. Livingstone has explored for copper porphyries in North America and epithermal gold deposits in North and South America. Mr. Livingstone served as a director and geologist of Hycroft Resources and Development Corporation during its exploration and development of a 1 million ounce gold heap leach operation in Nevada. Mr. Livingstone currently serves as a Director of Constantine Metal Resources Ltd. (TSXV), whose technical team drilled the discovery holes in its massive sulphide, Cu, Zn, Au, Ag, Palmer deposit in Alaska. Constantine's assembled gold assets were subsequently spun-out into a new public company, HighGold Mining Inc. Mr. Livingstone has served as a Director, President and Chief Executive Officer of New Oroperu since 1994.

Management recommends the election of each of the nominees listed above as a director of the Company.

Orders

To the best of management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to a cease trade order, 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 the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to a cease trade order, 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 after the proposed director 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 director, chief executive officer or chief financial officer.

Bankruptcies

To the best of management's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 or made a proposal under any legislation relating to bankruptcies or insolvency.

Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) 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; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Statement of Executive Compensation:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

(a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,

(b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

(c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and

(d) 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 or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof for each of the two most recently completed financial years, other than stock options and other compensation securities:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites[(1)] ($)	Value of All Other Compensation ($)	Total Compensation ($)
James Currie[(2)] *CEO and Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Neil Currie[(3)] *CFO, Corporate Secretary and Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Benjamin Curry[(4)] *Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Brayden Sutton[(5)] *Former Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

(1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) $15,000, if the NEO or director's total salary for the financial year is $150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than $150,000 but less than $500,000, or (c) $50,000 if the NEO or director's total salary for the financial year is $500,000 or greater.

(2) James Currie has been the CEO and a director of the Company since June 9, 2020.

(3) Neil Currie has been the CFO, Corporate Secretary and a director of the Company since March 15, 2018. Mr. Currie was the CEO from March 15, 2018 to June 9, 2020.

(4) Benjamin Curry has been a director of the company since March 15, 2018.

(5) Brayden Sutton was a director of the Company from March 15, 2018 to June 9, 2020.

Stock Options and Other Compensation Securities

The Company did not grant or issue any compensation securities to any director or NEO in the financial year ended December 31, 2020. As at December 31, 2020:

(a) James Currie, who is now the CEO and a director of the Company but held no positions with the Company on December 31, 2020, did not own any compensation securities;

(b) Neil Currie, the CFO, Corporate Secretary and a director of the Company and who was the CEO of the Company on December 31, 2020, owned an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at an exercisable at a price of $0.10 per Share until April 23, 2024;

(c) Benjamin Curry, a director of the Company, owned an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at an exercisable at a price of $0.10 per Share until April 23, 2024; and

(d) Brayden Sutton, who was a director of the Company until June 9, 2020, owned an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at an exercisable at a price of $0.10 per Share until April 23, 2024. Mr. Sutton resigned from the Board effective June 9, 2020.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by an NEO or director of the Company during the year ended December 31, 2020.

Stock Option Plans and Other Incentive Plans

The board of directors of the Company initially adopted a 10% rolling stock option plan (the "**Plan**") on October 16, 2018, which was most recently approved by the shareholders of the Company on November 24, 2020. This Plan allows the Company to issue such number of options as, in the aggregate, is equal to up to 10% of the number of Shares issued by the Company in its initial public offering. The following is a brief description of the key provisions of the Plan, which is qualified in its entirety by the full text of the Plan and subject to TSXV Policy 2.4, *Capital Pool Companies*. A copy of the Plan is available at www.sedar.com. As of the date of this Information Circular, there are 300,000 stock options (each, an "**Option**") outstanding under the Plan.

The Plan provides that, unless authorized by the shareholders, the Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, may not result, at any time, in:

- the number of Shares reserved for issuance pursuant to stock options exceeding 400,000 Shares at any time prior to the completion by the Company of a Qualifying Transaction or 10% of the outstanding Shares following the completion by the Company of a Qualifying Transaction;

- the issuance to Insiders, within a one year period, of a number of Shares exceeding 400,000 Shares at any time prior to the completion by the Company of a Qualifying Transaction or 10% of the outstanding Shares following the completion by the Company of a Qualifying Transaction;

- the issuance to any one Insider and such Insider's associates, within a one year period, of a number of Shares exceeding 200,000 Shares at any time prior to the completion by the Company of a Qualifying Transaction or 5% of the outstanding Shares following the completion by the Company of a Qualifying Transaction; or

- the issuance to consultants of a number of Shares exceeding 80,000 Shares at any time prior to the completion by the Company of a Qualifying Transaction or 2% of the outstanding Shares following the completion by the Company of a Qualifying Transaction.

Options may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following cessation of the optionee'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. The exercise price of any Option cannot be less than the greater of the offering share price at the Company's initial public offering and the Discounted Market Price (as defined in the policies of the TSXV). Any Shares acquired pursuant to the exercise of Options prior to the completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

As at December 31, 2020, there were 300,000 Options outstanding under the Plan.

The terms of the Plan, including the number of Shares that can be reserved for issuance upon exercise of Options, minimum exercise pricing, and other terms, were subject to the requirements of TSXV Policy 2.4, *Capital Pool Companies*, as in effect through December 31, 2020 (the **"Old CPC Policy"**). Effective January 1, 2021, the TSXV adopted a revised Policy 2.4, *Capital Pool Companies* (the **"New CPC Policy"**), which permits Capital Pool Companies to, among other things, adopt a stock option plan with more liberal terms, including an expansion to the number of shares that can be reserved for issuance upon the exercise of options prior to completion of its Qualifying Transaction, the exercise price for those options, and other terms. Certain Capital Pool Companies that had adopted a stock option plan under the Old CPC Policy are permitted to amend their stock option plans to take advantage of the more liberal provisions in the New CPC Policy if the amendment is approved by a disinterested majority of the issuer's shareholders and accepted by the TSXV. Effective February 12, 2021, the Company's shareholders approved the amendment of the Plan to permit the Company to increase the number of shares that can be reserved prior to completion of the Qualifying Transaction from ten percent (10%) of the number of shares sold in the Company's initial public offering to ten percent (10%) of the issued and outstanding shares of the Company at the date an option is granted. The shareholders also approved other changes to the Plan, including changes to the minimum permitted exercise price and changes to the number of options that can be granted to any one officer, director or consultant. Effective February 25, 2021, TSXV accepted the Company's application for approval to amend the Plan and authorized the Company to amend the Plan, subject to TSXV approval of the amended Plan. The Company has not yet submitted an amended Plan for TSXV approval.

The Company does not have any other incentive plans other than its Plan. At the Meeting, the Company will ask the shareholders to consider, and if thought fit, approve by way of an ordinary resolution, the amendment and restatement of the Plan as an omnibus equity incentive plan (the "**Omnibus Plan**"). See "*Particulars of Matters to be Acted Upon – Approval of Omnibus Plan*" below.

External Management Companies

The Company has not engaged the services of an external management company to provide executive management services to the Company, directly or indirectly.

Employment, Consulting and Management Agreements

The Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

Termination and Change of Control Benefits

There is no contract, agreement, plan or arrangement between the Company and its NEOs that provides for payments to NEOs at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of the Company or a change in a NEO's responsibilities.

Oversight and Description of Director and NEO Compensation

As the Company is currently a capital pool company, it does not have a formal or informal compensation program. Except as set out below or otherwise disclosed in this Information Circular, prior to completion of a Qualifying Transaction (as defined in the policies of the TSXV, no payment of any kind has been made, or will be made, directly or indirectly, by the Company to a non-arm's length party to the Company or a non-arm's length party to the Qualifying Transaction, or to any person engaged in investor relations activities in respect of the securities of the Company or any resulting issuer by any means, including:

(a) remuneration, which includes but is not limited to:

- (i) salaries;
- (ii) consulting fees;
- (iii) management contract fees or directors' fees;
- (iv) finder's fees;
- (v) loans, advances, bonuses; and

(b) deposits and similar payments.

Although the Company may reimburse non-arm's length parties for the Company's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("**Permitted Reimbursement**"), there have been no such Permitted Reimbursements since incorporation. No Permitted Reimbursement may be made for any payment made to lease or buy a vehicle. The directors and officers of the Company will also be granted the directors' and officers' options.

Following completion of the Qualifying Transaction, it is anticipated that the Company shall pay compensation to its officers. However, no payment other than the Permitted Reimbursements will be made by the Company or by any party on behalf of the Company, after completion of the Qualifying Transaction, if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Plan, being the Company's only equity compensation plan, as of December 31, 2020.

Plan Category	Number of shares to be issued upon exercise of outstanding options [(1)]	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))[(2)]
Equity compensation plans approved by shareholders	300,000	$0.10	100,000
Equity compensation plans not approved by shareholders	Nil	N/A	Nil
Total	**300,000**	**$0.10**	**100,000**

(1) The Company does not have any warrants or rights outstanding under any equity compensation plans.

(2) The Plan is a rolling stock option plan under which the Company can issue such number of options as is equal to 10% of the number of Shares issued in the Company's initial public offering until completion of the Qualifying Transaction. As the Company issued 4,000,000 Shares in its initial public offering, the Company may issue up to a maximum of 400,000 options to acquire Shares until completion of its Qualifying Transaction.

A copy of the Plan is available at www.sedar.com. A copy of the Plan is also available for review at the office of Clark Wilson LLP, the registered offices of the Company, at Suite 800 – 885 West Georgia Street, Vancouver, BC, V6C 3H1, during normal business hours up to and including the date of the Meeting.

At the Meeting, the Company will ask the shareholders to consider, and if thought fit, approve by way of an ordinary resolution, the amendment and restatement of the Plan as the Omnibus Plan. See "*Particulars of Matters to be Acted Upon – Approval of Omnibus Plan*" below.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Manning Elliott LLP as auditor of the Company for the fiscal year ending December 31, 2021, and to authorize the directors of the Company to fix the remuneration to be to be paid to the auditor for the fiscal year ending December 31, 2021. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Manning Elliott LLP was appointed as the auditor of the Company on October 16, 2018.

Management recommends that Shareholders vote for the appointment of Manning Elliott LLP as the Company's auditor for the Company's fiscal year ending December 31, 2021 and the authorization of the directors of the Company to fix the remuneration to be paid to the auditor for the fiscal year ending December 31, 2021.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the **"Audit Committee"**):

The Audit Committee Charter

The full text of the audit committee charter (the "**Charter**") is attached as Schedule "A" to this Information Circular.

Composition of the Audit Committee

The Company's Audit Committee is comprised of three directors consisting of James Currie, Neil Currie and Benjamin Curry. As defined in NI 52-110, each of Mr. James Currie, the Company's CEO and Mr. Neil Currie, the Company's CFO and Corporate Secretary, are not "independent", as each of them is an executive officer of the Company. Mr. Benjamin Curry is independent. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

Following completion of the Transaction, the Company's Audit Committee is expected to be comprised of three directors, consisting of Barry Hildred, Brian Storseth and Andy Carstensen. As defined in NI 52-110, each proposed member of the Audit Committee is "independent." All of the proposed Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as an understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

Each proposed Audit Committee member possesses education and experience that is relevant to the performance of his responsibilities as an Audit Committee member and that provides each proposed member with: (i) an understanding of the accounting principles used by the Resulting Issuer to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Resulting Issuer's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting. For a description of such relevant education and experience, see the respective biographies of each of Messrs. Hildred, Storseth and Carstensen above under the heading "*Election of Directors – Biographies*."

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5) or Part 8 of NI 52-110. Section 2.4 *(De Minimis Non-audit Services)* 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 financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 *(Exemptions)* permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of National Instrument 52-110 in whole or in part.

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, as applicable, the Board and the Audit Committee, on a case-by-case basis.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the last two fiscal years, by category, are as follows:

Year Ended December 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2020	$10,000	Nil	$1,750	$15,825
2019	$6,000	Nil	$5,250	$15,000

Exemption

The Company is relying on the exemption provided by section 6.1 of National Instrument 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of National Instrument 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company's most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person 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 of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both, carrying more than ten percent of the voting rights attached to the Shares outstanding (an "**Insider**"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

There were no management functions of the Company, which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company, except as otherwise described in this Information Circular.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

General

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), as adopted by the Canadian Securities Administrators, prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

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

Mr. James Currie, the Company's CEO and Mr. Neil Currie, the Company's CFO and Corporate Secretary, are not considered to be independent as they are officers of the Company. Mr. Benjamin Curry is considered to be independent in that he is independent and free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the respective director's ability to act with the best interests of the Company, other than the interests and relationships arising from being Shareholders.

Directorships

The following table sets out information regarding other directorships presently held by directors of the Company with other reporting issuers (or the equivalent) in Canada or any foreign jurisdiction:

Name of Director	Names of Other Reporting Issuers	Securities Exchange
James Currie	Southern Empire Resources Corp.	TSX-V
	Northstar Clean Technologies Inc.	TSX-V
	Badger Capital Corp.	TSX-V
Neil Currie	Valdy Investments Ltd.	TSX-V
	Northstar Clean Technologies Inc.	TSX-V
	Badger Capital Corp.	TSX-V
Benjamin Curry	Badger Capital Corp.	TSX-V
	Desert Star Resources Ltd.	TSX-V

The following table sets out information regarding other directorships presently held by the Proposed New Directors:

Name of Director	Names of Other Reporting Issuers	Securities Exchange
Andrew Carstensen	Sun Summit Minerals Corp.	TSX-V
Barry Hildred	Aquila Resources Inc.	TSX
	Green Light Metals Inc.	N/A
Brian Storseth	ParcelPal Logistics Inc.	CSE
	Reliq Health Technologies Inc.	TSX-V; OTCBB
K. Wayne LivingStone	Carlin Gold Corporation	TSX-V
	Constantine Metal Resources Ltd.	TSX-V
	Kodiak Copper Corp.	TSX-V
	New Oroperu Resources Inc.	TSX-V; US-Other
	Northern Superior Resources Inc.	TSX-V

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board believes 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.

Nomination of Directors

The Company does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the members of the Board, including both formal and informal discussions among the members of the Board.

Compensation

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria.

Other Board Committees

The Board has no committees other than the Audit Committee.

Assessments

The Board regularly monitors the adequacy and effectiveness of information given to directors, communications between the Board and management, and the strategic direction and processes of the Board and its committees.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the grant of options which may be granted to such persons upon the approval of the Plan, as further discussed below.

Directors, executive officers, proposed nominees for election as director of the Company may be interested in the approval of the Company's Plan, pursuant to which they may be granted stock options. See "Particulars of Matters to be Acted Upon – Approval of Stock Option Plan", below, for more information.

THE TRANSACTION

Description of Transaction

New Oroperu is a company existing under the laws of British Columbia, and the New Oroperu Shares are listed for trading on the TSXV under the symbol "ORO". The principal business of New Oroperu is the operation, exploration and development of mineral properties. New Oroperu's material property consists of the Tres Cruces project, which is located in north central Peru about 100 kilometers east of the city of Trujilo. New Oropeu holds a 100% interest in the Tres Cruces mineral concessions through its wholly-owned subsidiary, Aurifera Tres Cruces S.A. The combined entity following the Transaction (the "**Resulting Issuer**") will carry on the business of New Oroperu.

On June 16, 2021, the Company, Finco, Subco and New Oroperu entered into the Arrangement Agreement, pursuant to which the Company will acquire all of the issued and outstanding New Oroperu Shares from the New Oroperu Shareholders by way of a share exchange in which each New Oroperu Shareholder will receive 5.815 Shares for each one (1) New Oroperu Share held (the "**Share Exchange Ratio**"). A portion of the New Oroperu outstanding options ("**New Oroperu Options**") will vest immediately prior to closing and shall be transferred to New Oroperu for cancellation at closing for an amount equal to the New Oroperu Option Repurchase Amount (as defined in the Arrangement Agreement). All remaining New Oroperu Options will be exchanged for equivalent Company options ("**First Light Options**") based on the Share Exchange Ratio (as defined in the Arrangement Agreement). The outstanding warrants to purchase New Oroperu Shares (the "**New Oroperu Warrants**") will be adjusted to become exercisable for Shares based on the Share Exchange Ratio. Upon completion of the Transaction, New Oroperu will become a wholly-owned subsidiary of the Company and the Resulting Issuer will continue the business of New Oroperu.

Immediately following completion of the Transaction, the Company intends to complete the Consolidation. See "*Particulars of Matters to be Acted Upon – Approval of Share Consolidation*."

The disposition of the New Oroperu Shares and the New Oroperu Options, and the adjustment of the New Oroperu Warrants, shall be effected pursuant to a court-approved plan of arrangement under the *Business Corporation Act* (British Columbia) (the "**BCBCA**"). In addition, the Arrangement Agreement contemplates that the Company will raise at least $17,500,000 in a subscription receipt financing (the **"Concurrent Financing"**), change its name to Anacortes Mining Corp., increase the number of directors on its Board from three (3) to five (5), elect five (5) nominees (one (1) to be nominated by New Oroperu and four (4) by First Light, all of whom have been nominated for election as described in this Circular) effective at the closing and, following the closing and the issuance of all Shares to the New Oroperu Shareholders and Shares in the Concurrent Financing, effect the Consolidation.

Completion of the Transaction is subject to the satisfaction of certain closing conditions as set out in the Arrangement Agreement, including the Escrow Release Conditions, and may be subject to further conditions imposed by the TSXV.

Following completion of the Transaction, the Resulting Issuer intends to qualify as a Tier 1 Mining Issuer listed on the TSXV.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Omnibus Plan

At the Meeting, disinterested Shareholders will be asked to consider and, if deemed appropriate, to pass an ordinary resolution in the form set out below (the "**Omnibus Plan Resolutio**n"), approving the adoption of the Omnibus Plan to replace the Company's existing Plan. The full text of the Omnibus Plan is attached as Schedule "B" to this Information Circular.

The purpose of the Omnibus Plan is to attract and retain Employees, Directors and Consultants (each as defined in the policies of the TSXV) and to motivate them to advance the interests of the Company by affording them the opportunity to acquire an equity interest in the Company through awards granted under the Omnibus Plan. The Omnibus Plan is intended to provide more flexibility in the types of awards granted by the Resulting Issuer following completion of the Transaction.

The primary difference between the Omnibus Plan and the Plan is the Omnibus Plan will provide for the ability of the Company to grant equity awards in addition to Options, namely restricted share units and performance share units.

As of the date hereof, there are 300,000 Options outstanding under the Plan, which will be governed by the Omnibus Plan following its adoption.

If the Omnibus Plan Resolution is not approved, or if the Transaction does not complete, the Plan will continue in full force and effect.

The Board recommends the adoption of the Omnibus Plan Resolution and has approved the adoption of the Omnibus Plan to replace the Plan to take effect as of the closing of the Transaction, subject to Shareholder and TSXV approvals. **Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Shares represented by such form of proxy, properly executed, FOR the Omnibus Plan Resolution.**

At the Meeting, disinterested Shareholders will be asked to approve the following Omnibus Plan Resolution as an ordinary resolution, which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution (excluding any votes cast by Shareholders that would be eligible for a grant under the Omnibus Plan):

> "**BE IT HEREBY RESOLVED THAT**, as as an ordinary resolution of the shareholders of the Company:
>
> 1. Subject to the approval of the TSXV, the adoption of the Company's Omnibus Plan as described in this Information Circular, in the form attached as Schedule "B" to this Information Circular, is hereby authorized, ratified, confirmed and approved;
>
> 2. The board of directors of the Company is hereby authorized in its absolute discretion to administer the Omnibus Plan and to amend or modify the Omnibus Plan as the board of directors may deem to be in the best interest of the Company, and may make such additional amendments as may be required or desired by the board of directors in order to conform to the policies or other requirements of the TSXV; and
>
> 3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the TSXV or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan."

The form of the Plan Resolution set forth above is subject to such amendments as management of the Company may propose at the Meeting, but which do not materially affect the substance of the Plan Resolution.

Management of the Company recommends that Shareholders vote in favour of the Plan Resolution at the Meeting.

APPROVAL OF SHARE CONSOLIDATION

Immediately following the closing of the Transaction, the Resulting Issuer shall complete the Consolidation whereby it will consolidate the issued and outstanding Resulting Issuer Shares on the basis of six (6) pre-Consolidation Resulting Issuer Shares for each one (1) post-Consolidation Resulting Issuer Share. At the Meeting, Shareholders will be asked to consider, and if thought advisable, to approve the Consolidation Resolution (the full text of which is set out below) approving the Consolidation. The Board will then have the sole discretion to proceed with the Consolidation, subject to the receipt of the approval of the TSXV.

Effects of the Consolidation

The Consolidation will result in Shareholders holding a smaller number of Shares. However, the Consolidation will not affect any Shareholder's percentage ownership interest or voting rights in the Company, except to the extent that the Consolidation would otherwise result in any Shareholder owning a fractional Share. Any fractional Shares resulting from the Consolidation will be rounded down to the next whole Share, and no additional consideration will be paid for any such fractional Share.

In general, the Consolidation will not be considered to result in a disposition of Shares by Shareholders for Canadian federal income tax purposes. The aggregate adjusted cost base to a Shareholder for such purposes of all Shares held by the Shareholder will not change as a result of the Consolidation; however, the Shareholder's adjusted cost base per Share will increase proportionately.

Each option, warrant, or other security of the Company convertible into pre-Consolidation Shares that has not been exercised or cancelled prior to the implementation of the Consolidation, will be adjusted pursuant to the terms of the Consolidation ratio in accordance with the terms of such option, warrant or other security.

Effect on Non-Registered Holders

Non-Registered Holders holding their Shares through an Intermediary should note that such Intermediary may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered Shareholders. If you hold your Shares with such Intermediary and if you have questions in this regard, you should contact your Intermediary.

Exchange of Share Certificates

If the Consolidation is approved by Shareholders, accepted by the TSXV, and implemented by the Board, Shareholders will be required to exchange their share certificates representing pre-Consolidation Shares for new share certificates representing post-Consolidation Shares.

Following a determination by the Board to implement the Consolidation, it is expected that the Transfer Agent will send a letter of transmittal to each Shareholder as soon as practicable after the implementation of the Consolidation. The letter of transmittal will contain instructions on how Shareholders can surrender their share certificates representing pre-Consolidation Shares to the Transfer Agent. The Transfer Agent will forward to each Shareholder who has sent in their share certificates representing pre-Consolidation Shares, along with such other documents as the Transfer Agent may require, a new share certificate representing the number of post-Consolidation Shares to which such Shareholder is entitled.

Shareholders should not destroy any share certificate and should not submit any share certificate for a new share certificate until requested to do so.

Procedures for Implementing the Consolidation

If the Shareholders approve the Consolidation Resolution set forth below, the Board will have the authority, in its sole discretion, to determine whether or not to implement the Consolidation. If the Board decides to implement the Consolidation, the Company will promptly make the required filings with the TSXV. The Consolidation will be effective on the date on which the Board determines to carry out the Consolidation after receiving the acceptance of the TSXV. Following receipt of the TSXV's final acceptance of the Consolidation, the Company will cause letters of transmittal, as described above, to be mailed to the Shareholders.

Risks Associated with the Consolidation

The effect of the Consolidation upon the market price of the Shares cannot be predicted with any certainty. There can be no assurance that the total market capitalization of the Shares immediately following the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the per Share market price of the Shares following the Consolidation will remain higher than the per Share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of the Consolidation. Furthermore, the Consolidation may lead to an increase in the number of shareholders who will hold “odd lots”; that is, a number of Shares not evenly divisible into board lots (a board lot is 100, 500 or 1,000 Shares, depending on the price of the Shares). As a general rule, the cost to Shareholders transferring an odd lot of Shares is somewhat higher than the cost of transferring a “board lot”. Nonetheless, despite the risks and the potential increased cost to Shareholders in transferring odd lots of post-Consolidation Shares, the Board believes the Consolidation is in the best interests of the Company.

The Consolidation Resolution to be put before the Shareholders at the Meeting is set out below:

> “**BE IT HEREBY RESOLVED THAT**, as as an ordinary resolution of the shareholders of the Company:
>
> 1. The Company is hereby authorized to consolidate all of the issued and outstanding common shares in the capital of the Company immediately following the closing of the Transaction, at a consolidation ratio of six (6) pre-Consolidation Resulting Issuer Shares for each one (1) post-Consolidation Resulting Issuer Share (the ”**Consolidation**”);
>
> 2. Any fractional shares resulting from the Consolidation be rounded down to the next whole share, and no additional consideration shall be paid for any such fractional share;
>
> 3. The board of directors of the Company be and is hereby authorized, in its sole discretion, to determine whether or not, and when, to implement the Consolidation;
>
> 4. Subject to paragraph 5 below, the solicitors for the Company are authorized and directed to prepare and electronically file, if required, any filings required by with the Registrar of Companies;
>
> 5. Any filings, if required, shall not be filed with the Registrar of Companies unless and until this resolution has been deposited at the Company’s records office; and
>
> 6. Any one director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions.”

To be effective, the Consolidation Resolution must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Consolidation Resolution.

The form of the Consolidation Resolution set forth above is subject to such amendments as management may propose at the Meeting but which do not materially affect the substance of the Consolidation Resolution.

The Board has concluded that Consolidation is in the best interests of the Company and its Shareholders, and accordingly, the Company recommends that Shareholders vote in favour of the Consolidation Resolution.

In the absence of instructions to the contrary, the persons named in the accompanying proxy intend to vote FOR the Consolidation Resolution.

Change of Name

At the meeting, Shareholders will be asked to pass the Change of Name Resolution to approve the change of the Company's name from "First Light Capital Corp." to "Anacortes Mining Corp." or such other name as the directors may, in their sole discretion determine (the "**Change of Name**").

The Change of Name Resolution to be put before the Shareholders at the Meeting is set out below:

> "**BE IT HEREBY RESOLVED THAT**, as a as as an ordinary resolution of the shareholders of the Company:
>
> 1. the Company change its name to "Anacortes Mining Corp." or such other name as may be acceptable to the directors of the Company and all regulatory authorities having jurisdiction, and that the Company's constating documents be amended accordingly;
>
> 2. the directors of the Company be authorized to perform all such other acts and things as may be necessary or desirable to effect the Change of Name and that the directors of the Company be authorized to implement or abandon these resolutions in whole or in part, at any time and from time to time in their sole discretion, all without further approval, ratification or confirmation by shareholders.; and
>
> 3. the Company be and is hereby authorized to file a notice of alteration with the British Columbia Corporate Registry to effect such Change of Name, which shall take effect when the Company's notice of articles has been altered to reflect the Change of Name."

To be effective, the Change of Name Resolution must be passed by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Change of Name Resolution.

The form of the Change of Name Resolution set forth above is subject to such amendments as management may propose at the Meeting but which do not materially affect the substance of the Change of Name Resolution.

The Board of the Company has concluded that Change of Name is in the best interests of the Company and its shareholders, and accordingly, the Company recommends that Shareholders vote in favour of the Change of Name Resolution.

In the absence of instructions to the contrary, the persons named in the accompanying proxy intend to vote FOR the Change of Name Resolution.

ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at Suite 1090 – 510 Burrard Street, Vancouver, BC V6C 3B9, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "**MD&A**"). Financial information is provided in the Company's audited financial statements and MD&A for the most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR.

OTHER MATTERS

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved, and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

Dated at Vancouver, British Columbia this 9th day of August, 2021.

ON BEHALF OF THE BOARD OF DIRECTORS OF

FIRST LIGHT CAPITAL CORP.

"James Currie"
James Currie
Chief Executive Officer and Director

SCHEDULE "A"

FIRST LIGHT CAPITAL CORP.
(the "**Corporation**")

AUDIT COMMITTEE CHARTER

MANDATE

The audit committee will assist the board of directors of the Corporation (the "**Board**") in fulfilling its financial oversight responsibilities. The committee will review and consider, in consultation with the Corporation's external auditors, the financial reporting process, the system of internal control over financial reporting and the audit process. In performing its duties, the audit committee will maintain effective working relationships with the Board, management and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as the Corporation's business, operations and risks.

2. COMPOSITION

The Board will appoint, from among their membership, an audit committee after each annual meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must be "independent" (as defined in Sec. 1.4 of National Instrument 52-110 (Audit Committees)) ("**NI 52-110**").

2.2 Expertise of Committee Members

A majority of the members of the audit committee must be "financially literate" (as defined in Sec. 1.6 of NI 52-110) or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise.

3. MEETINGS

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Corporation's Chief Financial Officer and external auditors in separate executive sessions.

4. ROLES AND RESPONSIBILITIES

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, or performing other audit, review or attestation services, including the resolution of disagreements between management and the external auditors regarding financial reporting. In carrying out this duty, the audit committee shall:

(a) recommend to the Board that the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attestation services for the Corporation;

(b) review (by discussion and enquiry) the external auditors’ proposed audit scope and approach;

(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors;

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors’ assertion of their independence in accordance with professional standards; and

(f) review and approve the Corporation’s hiring policies regarding partners and employees, and former partners and employees, of the present and former external auditor of the Corporation.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management’s system of internal controls over the accounting and financial reporting system within the Corporation; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information of the Corporation prior to their release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions;

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate;

Annual Financial Statements

(c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered;

(e) review management’s discussion & analysis respecting the annual reporting period prior to its release to the public;

Interim Financial Statements

(f) review and approve the interim financial statements prior to their release to the public;

(g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public; and

Release of Financial Information

(h) where reasonably possible, review and approve all public disclosure containing financial information, including news releases, prior to release to the public. An audit committee must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and must periodically assess the adequacy of those procedures.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

  (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

  (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

  (i) the pre-approval policies and procedures are detailed as to the particular service;

  (ii) the audit committee is informed of each non-audit service; and

  (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and the external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the audit committee; and

(c) communicate directly with the internal and external auditors.

6. GUIDANCE – ROLES & RESPONSIBILITIES

The audit committee should consider undertaking the actions described in the following guidance, which is intended to provide the audit committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

(a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities,

(b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown, and

(c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management;

6.2 Financial Reporting

General

(a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements,

(b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks,

(c) understand industry best practices and the Corporation's adoption of them;

Annual Financial Statements

(d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;

(e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

(f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;

(g) consider management's handling of proposed audit adjustments identified by the external auditors;

(h) ensure that the external auditors communicate all required matters to the committee;

Interim Financial Statements

(i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;

(j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements;

(k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

    (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;

    (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the Corporation's operations and financing practices;

    (iii) generally accepted accounting principles have been consistently applied;

(iv) there are any actual or proposed changes in accounting or financial reporting practices;

(v) there are any significant or unusual events or transactions;

(vi) the Corporation's financial and operating controls are functioning effectively;

(vii) the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

(viii) the interim financial statements contain adequate and appropriate disclosures;

6.3 Compliance with Laws and Regulations

(a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";

(b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;

(c) review the findings of any examinations by securities regulatory authorities and stock exchanges; and

6.4 Other Responsibilities

(a) review, with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements.

SCHEDULE “B”

OMNIBUS EQUITY INCENTIVE PLAN

OMNIBUS EQUITY INCENTIVE PLAN

ANACORTES MINING CORP.
(the "**Company**")

OMNIBUS EQUITY INCENTIVE PLAN

SECTION 1
ESTABLISHMENT AND PURPOSE OF THIS PLAN

The purpose of this omnibus equity incentive plan (the "**Plan**") is to promote the long-term success of the Company and the creation of shareholder value by: (i) encouraging the attraction and retention of Directors, Key Employees and Consultants of the Company and its Subsidiaries; (ii) encouraging such Directors, Key Employees and Consultants to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such Directors, Key Employees and Consultants with the interests of the Company.

To this end, this Plan provides for the grant of Options, Restricted Share Units and Performance Share Units to Directors, Key Employees and Consultants of the Company as further described in this Plan.

SECTION 2
DEFINITIONS

2.1 Definitions

As used in this Plan, the following terms shall have the meanings set forth below:

(a) "**Award**" means any award of Options, Restricted Share Units or Performance Share Units granted under this Plan;

(b) "**Award Agreement**" means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;

(c) "**Board**" means the board of directors of the Company;

(d) "**Change of Control**" means the acquisition by any person or by any person and a joint actor, whether directly or indirectly, of voting securities (as such terms are interpreted in the *Securities Act*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a person "acting jointly or in concert" with another person, as that phrase is interpreted in National Instrument 62-103, totals for the first time not less than fifty (50%) percent of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board;

(e) "**Company**" means Anacortes Mining Corp., a company incorporated under the *Business Corporations Act* (British Columbia), and any of its successors or assigns;

(f) "**Consultant**" means a Person (other than a Key Employee or Director) that:

(i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or an affiliate of the Company, other than services provided in relation to a distribution (as defined in the *Securities Act*);

(ii) provides the services under a written contract between the Company or an affiliate of the Company and the Person, as the case may be;

(iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time on the affairs and business of the Company or an affiliate of the Company; and

(iv) has a relationship with the Company or an affiliate of the Company that enables the Person to be knowledgeable about the business and affairs of the Company,

and includes:

(v) for a Person that is an individual, a corporation of which such individual is an employee or shareholder, and a partnership of which the individual is an employee or partner; and

(vi) for a Person that is not an individual, an employee, executive officer or director of the consultant, *provided that* the individual employee, executive officer or director spends or will spend a significant amount of time on the affairs and business of the Company or an affiliate of the Company;

(g) "**Capital Pool Company**" has the meaning set out in the policies of the Exchange;

(h) "**Determination Date**" means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;

(i) "**Discounted Market Price**" means the Market Price less the discount set forth below, subject to a minimum price of $0.10:

Closing Price	Discount
up to $0.50	25%
$0.51 to $2.00	20%
above $2.00	15%

(j) "**Director**" means a member of the Board;

(k) "**Disability**" means any medical condition which qualifies a Participant for benefits under a long-term disability plan of the Company or Subsidiary;

(l) "**Effective Date**" has the meaning ascribed thereto in Section 8;

(m) "**Eligible Person**" means Directors, Key Employees and Consultants;

(n) "**Exchange**" means the TSX Venture Exchange, or such other exchange upon which the Shares of the Company may become listed for trading;

(o) "**Grant Date**" means, for any Award, the date specified by the Board as the grant date at the time it grants the Award or, if no such date is specified, the date upon which the Award was actually granted;

(p) "**Insider**" means any insider, as that term is defined in the *Securities Act*;

(q) "**Investor Relations Activities**" means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

(i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company

(A) to promote the sale of products or services of the Company, or

(B) to raise public awareness of the Company, that cannot reasonably be considered to promote the purchase or sale of securities of the Company;

(ii) activities or communications necessary to comply with the requirements of:

(A) applicable securities laws, or

(B) Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;

(iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:

(A) the communication is only through the newspaper, magazine or publication; and

(B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or

(iv) activities or communications that may be otherwise specified by the Exchange

(r) "**Key Employees**" means employees, officers, whether Directors or not, and includes both full-time and part-time employees of the Company or any Subsidiary who, by the nature of their positions or jobs are, in the opinion of the Board, in a position to contribute to the success of the Company;

(s) "**Market Price**" means, subject to the exceptions prescribed by the Exchange from time to time, the last closing price of the Company's shares before the issuance of the required news release disclosing the grant of Awards (but, if the policies of the Exchange provide an exception to such news release, then the last closing price of the Company's shares before the Grant Date).

(t) "**Option**" means incentive share purchase options entitling the holder thereof to purchase Shares;

(u) "**Participant**" means any Eligible Person to whom Awards under this Plan are granted;

(v) "**Participant's Account**" means a notional account maintained for each Participant's participation in this Plan which will show any Restricted Share Units or Performance Share Units credited to a Participant from time to time;

(w) "**Performance-Based Award**" means, collectively, Performance Share Units and Restricted Share Units;

(x) "**Performance Criteria**" means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of the Performance Share Units;

(y) "**Performance Cycle**" means the applicable performance cycle of the Performance Share Units as may be specified by the Board in the applicable Award Agreement;

(z) "**Performance Share Unit**" means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.3 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;

(aa) "**Person**" means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;

(bb) "**Restriction Period**" means the time period between the Grant Date and the Vesting Date of an Award of Restricted Share Units specified by the Board in the applicable Award Agreement, which period shall be no less than 12 months, provided the Board may, in its discretion, permit earlier vesting, no sooner than quarterly, of the Restricted Share Units;

(cc) "**Restricted Share Unit**" means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.2 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;

(dd) ''**Retirement**" means retirement from active employment with the Company or a Subsidiary with the consent of an officer of the Company or the Subsidiary;

(ee) "**Securities Act**" means the *Securities Act* (British Columbia), as amended, from time to time;

(ff) "**Security-Based Compensation Arrangement**" shall have the meaning ascribed thereto in the rules and policies of the Exchange, or in the event that such term is not defined in the rules and policies of the Exchange, shall mean a stock option, including the Option Plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, officers, Insiders, service providers or Consultants of the Company or a Subsidiary, including a share purchase from treasury by a full-time employee, officer, Insider, service provider or Consultant which is financially assisted by the Company or a Subsidiary by way of loan, guarantee or otherwise;

(gg) "**Shares**" means the common shares of the Company;

(hh) "**Subsidiary**" means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;

(ii) "**Termination Date**" means, as applicable:

(i) in the event of a Participant's Retirement, voluntary termination or termination of employment as a result of a Disability, the date on which such Participant ceases to be an employee of the Company or a Subsidiary; and

(ii) in the event of termination of the Participant's employment by the Company or a Subsidiary, the date on which such Participant is advised by the Company or a Subsidiary, in writing or verbally, that his or her services are no longer required; and

(jj) "**Vesting Date**" means in respect of any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement.

SECTION 3
ADMINISTRATION

3.1 Board to Administer Plan

Except as otherwise provided herein, this Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary in order to comply with the requirements of this Plan.

3.2 Delegation to Committee

All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by such committee as the Board may determine.

3.3 Interpretation

All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company.

3.4 No Liability

No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.

SECTION 4
SHARES AVAILABLE FOR AWARDS

4.1 Limitations on Shares Available for Issuance

(a) The aggregate number of Shares issuable under this Plan in respect of Awards shall not exceed 10% of the Company's total issued and outstanding Shares from time to time;

(b) So long as it may be required by the rules and policies of the Exchange:

(i) the total number of Shares issuable to any Participant under this Plan, within any one-year period, together with Shares reserved for issuance to such Participant under all of the Company's other Security-Based Compensation Arrangements, shall not exceed five (5%) percent of the issued and outstanding Shares;

(ii) the total number of Shares issuable to any Participant under this Plan, within any one-year period, shall not exceed two (2%) percent of the issued and outstanding Shares;

(iii) the total number of Shares issuable to Insiders under this Plan, within any one-year period and at any time under this Plan, together with Shares reserved for issuance to Insiders within any one-year period and at any time under all of the Company's other Security-Based Compensation Arrangements, shall not exceed ten (10%) percent of the issued and outstanding Shares; and

(iv) the total number of Shares issuable to any Consultant, together with Shares issuable to such Consultant under all of the Company's other Security-Based Compensation Arrangements, shall not exceed two (2%) percent of the issued and outstanding Shares in any twelve-month period; and

(c) the total number of Shares issuable to Persons performing Investor Relations Activities, together with Shares issuable to Persons performing Investor Relations Activities under all of the Company's other Security-Based Compensation Arrangements, shall not exceed two (2%) percent of the issued and outstanding Shares in any twelve-month period.

4.2 Accounting for Awards

For purposes of this Section 4:

(a) if an Award is denominated in Shares, the number of Shares covered by such Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting Awards under this Plan; and

(b) notwithstanding anything herein to the contrary, any Shares related to Awards which terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of such Shares, or are exchanged with the Board's permission, prior to the issuance of Shares, for Awards not involving Shares, shall be available again for granting Awards under this Plan.

4.3 Anti-Dilution

If the number of outstanding Shares is increased or decreased as a result of a stock split, consolidation or recapitalization and not as a result of the issuance of Shares for additional consideration or by way of stock dividend, the Board may make appropriate adjustments to the number and price (or other basis upon which an Award is measured) of Options, Restricted Share Units and/or Performance Share Units credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.

SECTION 5
AWARDS

5.1 Options

(a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Options to Directors, Key Employees and Consultants. Options granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each Option shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of Options granted pursuant to an Award shall be specified in the applicable Award Agreement.

(b) Exercise Price - The exercise price of an Option granted under this Plan shall not be less than the Discounted Market Price, provided that:

(i) while the Company is a Capital Pool Company, the exercise price cannot be less than the greater of the per Share price paid by the public investors for Shares under the Company's initial public offering and the Discounted Market Price;

(ii) if options are granted within 90 days of a distribution by a prospectus, the minimum exercise price of those options will be the greater of the Discounted Market Price and the per share price paid by the public investors for Shares acquired under the distribution;

(iii) the 90 day period begins on the date a final receipt is issued for the prospectus;

(iv) for unit offerings, the minimum option exercise price will be the "base" (or imputed) price of the shares included in the unit; and

(v) for all other financings, the minimum exercise price will be the average price paid by the public investors.

(c) Expiry Date - Each Option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed 10 years.

(d) Different Exercise Periods, Prices and Number - The Board may, in its absolute discretion, upon granting Options under this Plan, specify different time periods following the dates of granting the Options during which the Participant may exercise their Options to purchase Shares and may designate different exercise prices and numbers of Shares in respect of which each Participant may exercise his option during each respective time period.

(e) Vesting - Subject to the discretion of the Board, the Options granted to a Participant under this Plan shall fully vest on the date of grant of such Options. In accordance with the policies of the Exchange, and subject to their approval to the contrary, Options issued to

Consultants conducting Investor Relations Activities must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than 1/4 of the Options vesting in any 3 month period.

(f) Change of Control – If the Award Agreement so provides, in the event of a Change of Control, all Options granted to a Participant shall become fully vested in such Participant and shall become exercisable by the Participant in accordance with the terms of the Award Agreement and Section 5.1(n) hereof.

(g) Death - Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any Options granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Options granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Section 5.1(n) hereof.

(h) Termination of Employment

(i) Where, in the case of a Key Employee, a Participant's employment is terminated by the Company or a Subsidiary for cause, all Options granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.

(ii) Where, in the case of a Key Employee, a Participant's employment terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement by the Participant, all Options granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date; *provided, however*, that any Options granted to such Participant which, prior to the Participant's termination without cause, voluntary termination or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(n) hereof and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to be an employee, or such longer period as may be provided for in the Award Agreement.

(iii) Upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of Options under this Plan shall cease as of the Termination Date.

(i) Disability - Where, in the case of a Key Employee, a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options; *provided, however*, that no Options may be redeemed during a leave of absence. Where a Key Employee's employment is terminated due to Disability, all Options granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date; *provided, however*, that any Options granted to such Participant which, prior to the Participant's termination due to

Disability, had vested pursuant to terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(n) hereof and shall be exercisable by such Participant for a period of 90 days following the date the Termination Date, or such longer period as may be provided for in the Award Agreement.

(j) Cessation of Directorship - Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Options granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date the Participant ceases to be a Director; *provided, however*, that any Options granted to such Participant which, prior to the Participant ceasing to be a Director for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(n) hereof and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to be a Director, or such longer period as may be provided for in the Award Agreement.

(k) Termination of Service - Where, in the case of Consultants, a Participant's service to the Company terminates for any reason, subject to the applicable Award Agreement and any other contractual commitments between the Participant and the Company, any Options granted to the Participant under this Plan that have not yet vested will be forfeited and cancelled and shall be of no further force or effect as of the date of termination of service; *provided, howeve*r, that any Options granted to such Participant which, prior to the termination of the Participant's service to the Company for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(n) hereof and shall be exercisable by such Participant for a period of 30 days following the date the Participant ceased to be a Consultant, or such longer period as may be provided for in the Award Agreement.

(l) Hold Period - In addition to any resale restrictions under applicable legislation, all Options granted hereunder and all Shares issued on the exercise of such Options will, if applicable under the policies of the Exchange, be subject to a four month TSX Venture Exchange hold period from the date the options are granted, and the stock option agreements and the certificates representing such Shares will bear the following legend:

> "Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date]."

(m) Notice - Options shall be exercised only in accordance with the terms and conditions of the Award Agreements under which they are respectively granted and shall be exercisable only by notice in writing to the Company at its principal place of business.

(n) Payment of Award - Subject to any vesting or other limitations described in each individual Award Agreement, Options may be exercised in whole or in part at any time prior to their lapse or termination, or if Section 5.1(g) applies, to the Participant's estate, a number of Shares equal to the number of Options credited to the Participant's Account that become exercisable on the Vesting Date. The exercise price of all Options must be paid in cash.

Shares purchased by a Participant on exercise of an Option shall be paid for in full at the time of their purchase (i.e. concurrently with the giving of the requisite notice).

5.2 Restricted Share Units

(a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Restricted Share Units to Directors, Key Employees and Consultants. Restricted Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Restricted Share Units to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each Restricted Share Unit shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of Restricted Share Units granted pursuant to an Award and the Restriction Period in respect of such Restricted Share Units shall be specified in the applicable Award Agreement.

(b) Restrictions - Restricted Share Units shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.

(c) Vesting - All Restricted Share Units will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement.

(d) Change of Control - In the event of a Change of Control, all restrictions upon any Restricted Share Units shall lapse immediately and all such Restricted Share Units shall become fully vested in the Participant and will accrue to the Participant in accordance with Section 5.2(j) hereof.

(e) Death - Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any Restricted Share Units granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Restricted Share Units granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Section 5.2(j) hereof.

(f) Termination of Employment

(i) Where, in the case of a Key Employee, a Participant's employment is terminated by the Company or a Subsidiary for cause, all Restricted Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.

(ii) Where, in the case of a Key Employee, a Participant's employment terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement by the Participant, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination without cause, voluntary termination or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.2(j) hereof.

(iii) Upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of Restricted Share Units under this Plan shall cease as of the Termination Date.

(g) <u>Disability</u> - Where, in the case of a Key Employee, a Participant becomes afflicted by a Disability, all Restricted Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Restricted Share Units; *provided, however*, that no Restricted Share Units may be redeemed during a leave of absence. Where a Key Employee's employment is terminated due to Disability, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination due to Disability, had vested pursuant to terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.2(j) hereof.

(h) <u>Cessation of Directorship</u> - Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Restricted Share Units granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date the Participant ceases to be a Director; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant ceasing to be a Director for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.2(j) hereof.

(i) <u>Termination of Service</u> - Where, in the case of Consultants, a Participant's service to the Company terminates for any reason, subject to the applicable Award Agreement and any other contractual commitments between the Participant and the Company, any Restricted Share Units granted to the Participant under this Plan that have not yet vested will be forfeited and cancelled and shall be of no further force or effect as of the date of termination of service; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the termination of the Participant's service to the Company for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.2(j) hereof.

(j) <u>Payment of Award</u> - As soon as practicable after each Vesting Date of an Award of Restricted Share Units, the Company shall issue from treasury to the Participant, or if Section 5.2(e) applies, to the Participant's estate, a number of Shares equal to the number of Restricted Share Units credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the Restricted Share Units in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Restricted Share Units.

5.3 Performance Share Units

(a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Performance Share Units to Key Employees and Consultants. Performance Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Performance Share Units to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each Performance Share Unit shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share. The number of Performance Share Units granted pursuant to an Award, the Performance Criteria which must be satisfied in order for the Performance Share Units to vest and the Performance Cycle in respect of such Performance Share Units shall be specified in the applicable Award Agreement.

(b) Performance Criteria - The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the Performance Share Units, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the Performance Criteria unfair unless a revision is made. Notices will be provided by the Company to applicable regulatory authorities or stock exchanges as may be required with respect to the foregoing.

(c) Vesting - All Performance Share Units will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle, the determination of which satisfaction shall be made by the Board on the Determination Date.

(d) Change of Control – If the Award Agreement so provides, in the event of a Change of Control, all Performance Share Units granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and shall become payable to the Participant in accordance with Section 5.3(i) hereof.

(e) Death - Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all Performance Share Units granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever; *provided, however*, the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(i) hereof.

(f) Termination of Employment

(i) Where, in the case of Key Employees, a Participant's employment is terminated by the Company or a Subsidiary for cause, all Performance Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.

(ii) Where, in the case of Key Employees, other than as may be set forth in the applicable Award Agreement and below, a Participant's employment is terminated by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement, all Performance Share Units granted to the Participant which, prior to the Participant's termination, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date; *provided, however*, the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(i) hereof.

(iii) In the case of Key Employees, upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of Performance Share Units under this Plan shall cease as of the Termination Date.

(g) <u>Disability</u> - Where a Participant becomes afflicted by a Disability, all Performance Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Performance Share Units; *provided, however*, that no Performance Share Units may be redeemed during a leave of absence. Where a Participant's employment is terminated due to Disability, all Performance Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date; *provided, however*, that the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(i) hereof.

(h) <u>Termination of Service</u> - Where, in the case of Consultants, a Participant's service to the Company terminates for any reason, subject to the applicable Award Agreement and any other contractual commitments between the Participant and the Company, all Performance Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date; *provided, however*, that the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(i) hereof.

(i) Payment of Award - Payment to Participants in respect of vested Performance Share Units shall be made after the Determination Date for the applicable Award and in any case within ninety-five (95) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made entirely in Shares. The Company shall issue from treasury to the Participant, or if Section 5.3(e) applies, to the Participant's estate, a number of Shares equal to the number of Performance Share Units that have vested. As of the Vesting Date, the Performance Share Units in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Performance Share Units.

5.4 General Terms Applicable to Awards

(a) Forfeiture Events - The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of non-competition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

(b) Awards May be Granted Separately or Together - Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award or any award granted under any other Security-Based Compensation Arrangement of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other Security-Based Compensation Arrangement of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

(c) Non-Transferability of Awards - Except as otherwise provided in an Award Agreement or determined by the Board in its sole discretion, no Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.

(d) Conditions and Restrictions Upon Securities Subject to Awards - The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation:

(i) restrictions under an insider trading policy or pursuant to applicable law;

(ii) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and holders of other Security-Based Compensation Arrangements;

(iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and

(iv) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.

(e) Share Certificates - All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(f) Conformity to Plan - In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted to become, in all respects, in conformity with this Plan.

5.5 General Terms Applicable to Performance-Based Awards

(a) Performance Evaluation; Adjustment of Goals - At the time that a Performance-Based Award is first issued, the Board, in the Award Agreement or in another written document, shall specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be:

(i) judgments entered or settlements reached in litigation;

(ii) the write-down of assets;

(iii) the impact of any reorganization or restructuring;

(iv) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results;

(v) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year;

(vi) the impact of any mergers, acquisitions, spin-offs or other divestitures; and

(vii) foreign exchange gains and losses.

(b) Adjustment of Performance-Based Awards - The Board shall have the sole discretion to adjust the determinations of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant Performance-Based Award. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any Performance-Based Award that will increase the amount payable under any such Award. The Board shall retain the sole discretion to adjust Performance-

Based Awards downward or to otherwise reduce the amount payable with respect to any Performance-Based Award.

SECTION 6
AMENDMENT AND TERMINATION

6.1 Amendments and Termination of this Plan

The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to:

(a) any required approval of any applicable regulatory authority or the Exchange; and

(b) any approval of shareholders of the Company as required by the rules of the Exchange or applicable law, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:

  (i) amendments of a "housekeeping nature";

  (ii) amendments for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;

  (iii) amendments which are necessary to comply with applicable law or the requirements of the Exchange;

  (iv) amendments respecting administration and eligibility for participation under this Plan;

  (v) changes to the terms and conditions on which Awards may be or have been granted pursuant to this Plan including changes to the vesting provisions and terms of any Awards;

  (vi) amendments which alter, extend or accelerate the terms of vesting applicable to any Awards; and

  (vii) changes to the termination provisions of an Award or this Plan which do not entail an extension beyond the original fixed term.

If this Plan is terminated, prior Awards shall remain outstanding and in effect in accordance with their applicable terms and conditions.

6.2 Amendments to Awards

The Board may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either:

(a) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of any accounting standard; or

(b) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7
GENERAL PROVISIONS

7.1 No Rights to Awards

No Director, Key Employee, Consultant or other Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award. There is no obligation for uniformity of treatment of Directors, Key Employees, Consultant or holders or beneficiaries of Awards under this Plan. The terms and conditions of Awards need not be the same with respect to each Participant.

7.2 Withholding

The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under this Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under this Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes.

7.3 No Limit on Other Security-Based Compensation Arrangements

Nothing contained in this Plan shall prevent the Company or a Subsidiary from adopting or continuing in effect other Security-Based Compensation Arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

7.4 No Right to Employment

The grant of an Award shall neither constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this Plan or in an applicable Award Agreement.

7.5 No Right as Shareholder

Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholders in respect of any Shares covered by such Participant's Options, Restricted Share Units and/or Performance Share Units until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.

7.6 Governing Law

This Plan and all of the rights and obligations arising herefrom shall be interpreted and applied in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

7.7 Severability

If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.

7.8 No Trust or Fund Created

Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.

7.9 No Fractional Shares

No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.

7.10 Headings

Headings are given to the Sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.

7.11 No Representation or Warranty

The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.

7.12 No Representations or Covenant with Respect to Tax Qualification

Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.

7.13 Conflict with Award Agreement

In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.

7.14 Compliance with Laws

The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:

(a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and

(b) completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

SECTION 8
EFFECTIVE DATE OF THIS PLAN

8.1 Effective Date

This Plan shall become effective upon the date (the "**Effective Date**") of approval by the Board.

SECTION 9
TERM OF THIS PLAN

9.1 Term

This Plan shall terminate automatically 10 years after the Effective Date and may be terminated on any earlier date as provided in Section 6 hereof.