

**STOCK OPTION PLAN OF
FRASER BIG SKY CAPITAL
CORP.**

(Adopted by the Board of the Company on August 27, 2024)

1. Purpose

The purpose of the Stock Option Plan (the “**Plan**”) of **FRASER BIG SKY CAPITAL CORP.**, a company incorporated under the *Business Corporations Act* (British Columbia) (the “**Company**”) is to advance the interests of the Company by encouraging the directors, officers, employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire common shares (“**Shares**”) in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

2. Administration

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

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

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

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the Shares of the Company are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the “**Exchange**”). It is the intention of the Company that this Plan will at all times be in compliance with the policies of the TSX Venture Exchange (the “**Policies**”) and any inconsistencies between this Plan and the Policies will be resolved in favour of the latter.

4. Shares Subject to Plan

Subject to adjustment as provided in Section 15 hereof, the Shares to be offered under the Plan shall consist of authorized but unissued common shares of the Company. Prior to the Shares of the Company being listed on a recognized Canadian stock exchange, an unlimited number of Shares may be issuable upon exercise of all options granted under the Plan. Upon the listing of the Shares of the Company on a recognized Canadian stock exchange, the aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding Shares of the Company from time to time. If any option granted hereunder

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

5. Maintenance of Sufficient Capital

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

6. Eligibility and Participation

- (a) Prior to the closing of the Qualifying Transaction, directors and officers of the Company and where permitted by Securities Laws (as such term is defined in the policies of the TSXV Venture Exchange (the “Policies”)), a technical consultant whose particular industry expertise in relation to the business of the Vendors or the Target Company (as such terms are defined in the Policies), as the case may be, is required to evaluate the proposed Qualifying Transaction shall be eligible for selection to participate in the Plan
- (b) Following the closing of the Qualifying Transaction, directors, officers, consultants, employees of the Company or its subsidiaries, and employees of a person or company which provides management services to the Company or its subsidiaries (“Management Company Employees”) shall be eligible for selection to participate in the Plan.

(collectively, such persons hereinafter collectively referred to as “Participants”).

Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

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

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

No options granted under the Plan may be exercised before the completion of the Qualifying Transaction unless the optionee agrees in writing to deposit the Shares acquired into escrow until the issuance of the Final Exchange Bulletin (as defined in the Policies).

7. Exercise Price

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange. For certainty, prior to the completion of the Qualifying Transaction, the exercise price per Share cannot be less than the greater of: (i) the price per share in the Company’s initial public offering; and (ii) the Discounted Market Price (as defined in the Policies).
- (b) The Company will be required to obtain approval by a majority of the votes cast by all of the Company’s shareholders at a duly constituted meeting, excluding votes attached to the Shares of the Company beneficially owned by Insiders (as such term is defined in the Policies) or as defined in securities legislation applicable to the Company) who are Participants (“Disinterested

Shareholder Approval") prior to: (i) any reduction in the exercise price; or (ii) any extension of the option period, of any option to purchase Shares previously granted to an Insider.

8. Number of Optioned Shares

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.
- (b) (i) Prior to the completion of the Qualifying transaction, (A) no single Participant may be granted options to purchase a number of Shares that is greater than 5%; and (B) no Participant who is a technical consultant may be granted options to purchase a number of Shares that is greater than 2%, of the Shares of the Company issued and outstanding at the closing of the Company's initial public offering; and

(ii) following the completion of the Qualifying Transaction, no single Participant may be granted options to purchase a number of Shares that is greater than 5% of the issued Shares of the Company in any twelve-month period unless the Company has obtained Disinterested Shareholder Approval in respect of such grant and meets applicable Exchange requirements.
- (c) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of the Company in any twelve-month period to any one consultant of the Company (or any of its subsidiaries).
- (d) Prior to the completion of the Qualifying Transaction, no Options may be granted to any persons providing investors relations activities, promotional or market-making services. Following completion of the Qualifying Transaction, Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of the Company in any twelve month period to persons employed to provide investor relation activities. Options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than ¼ of the options vesting in any 3 month period.

9. Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange, being 10 years for the TSX Venture Exchange.

10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Company or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period.

- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Company or any of its subsidiaries, or a Management Company Employee of the Company or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Company at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his, her or its legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares of the Company unless and until the Shares issuable pursuant to options under the Plan are issued to him, her or it under the terms of the Plan.

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

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

12. Death of Participant

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

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

13. Rights of Optionee

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Company in respect of any Shares issuable upon exercise of such option until such exercised Shares are recorded on the Company's register as being issued and outstanding.

14. Extension of Options Expiring During Blackout Period

Should the expiry date for an Option fall within a blackout period, or within nine (9) business days following the expiration of a blackout period, such expiry date shall be automatically extended without any further act or formality to that day which is the tenth (10th) business day after the end of the blackout period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan. Notwithstanding Section 2, the tenth business day period may not be extended by the Board.

15. Adjustments

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

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

16. Transferability

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

17. Amendment and Termination of Plan

Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including any exchange on which the Shares are listed for trading), the Board may at any time, without further action by the shareholders, amend the Plan or any option granted hereunder in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to ensure that options granted hereunder will comply with any provisions respecting stock options in the income tax or other laws in force in any country or jurisdiction of which a person to whom an option has been granted may from time to time be resident or citizen or the Board may at any time, without action by shareholders, terminate the Plan. The Board may not, however, without the consent of the option holder, alter or impair any of the rights or obligations under any option theretofore granted.

18. Necessary Approvals

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

19. Withholding Taxes

The Company's obligation to deliver Shares issuable on the exercise of an option shall be subject to a Participant's satisfaction of all applicable income, employment and non-resident withholding tax obligations. Without limiting the generality of the foregoing, if the Company determines in its sole discretion that under the requirements of applicable taxation laws or regulations of any governmental authority whatsoever it is obliged to withhold for remittance to a taxing authority any amount upon exercise of an option, the Company may take any steps it considers necessary or appropriate in the circumstances to withhold in connection with any option or other benefit under the Plan including, without limiting the generality of the foregoing:

- (a) requiring the Participant exercising the option to pay the Company, in the same manner as the exercise price for the Shares issuable on exercise of an option, such amount as the Company is obliged to remit to such taxing authority in respect of the exercise of the option, with any such additional payment, in any event, being due no later than the date as of which any amount with respect to the option exercised first becomes included in the gross income of the Participant for tax purposes;
- (b) issuing the Shares issuable on the exercise of an option to an agent on behalf of the Participant and directing the agent to sell a sufficient number of such Shares on behalf of the Participant to satisfy the amount of any such withholding obligation, with the agent paying the proceeds of any such sale to the Company for this purpose; and
- (c) to the extent permitted by law, deducting the amount of any such withholding obligation from any payment of any kind otherwise due to the Participant.

20. Effective Date of Plan

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

21. Interpretation

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