



NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE

ANNUAL GENERAL MEETING

OF SHAREHOLDERS

OF

SOUTH PACIFIC METALS CORP.

TO BE HELD ON

WEDNESDAY, AUGUST 27, 2025

DATED: JULY 15, 2025

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON AUGUST 27, 2025**

NOTICE IS HEREBY GIVEN that the **Annual General Meeting** (the “**Meeting**”) of the holders of common shares (“**Shareholders**”) of **South Pacific Metals Corp.** (the “**Company**”) will be held at **710-1030 West Georgia St, Vancouver, British Columbia Canada V6E 2Y3** on **Wednesday, August 27, 2025**, at **9:00 a.m. (Pacific Time)**, for the following purposes:

1. to receive and consider the audited financial statements of the Company, together with the notes thereto and the auditor’s report thereon, for the financial year ended March 31, 2025;
2. to fix the number of directors to be elected at the Meeting at four (4);
3. to elect directors of the Company to hold office until the next annual meeting of Shareholders;
4. to appoint Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors of the Company to fix the remuneration to be paid to the auditor;
5. to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Company’s omnibus compensation plan, dated for reference October 16, 2024, in the form attached as Schedule “B” to and as more particularly described in the Management Information Circular of the Company dated July 15, 2025 (the “**Circular**”); and
6. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Shareholders are advised to review the Circular before voting.

Although no other matters are contemplated, the Meeting may also consider the transaction of such other business, and any permitted amendment to or variation of any matter identified in this Notice, as may properly come before the Meeting or any adjournment thereof. Accompanying this Notice and Circular is a (i) form of proxy or voting instruction form – please follow the voting instructions detailed therein, and (ii) financial statements request form.

The board of directors of the Company (the “**Board**”) has fixed the close of business on Tuesday, July 15, 2025, as the record date (the “**Record Date**”) for determining Shareholders who are entitled to receive notice and to vote at the Meeting. Only Shareholders of record at the close of business on the Record Date will be entitled to vote at the Meeting.

Registered Shareholders unable to attend the Meeting in person and who wish to ensure that their common shares (“**Shares**”) will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy, or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Circular.

Non-registered Shareholders who plan to attend the Meeting must follow the instructions set out in the voting instruction form to ensure that their Shares will be voted at the Meeting. If you hold your Shares in a brokerage account, you are a non-registered Shareholder.

DATED at Vancouver, British Columbia, this July 15, 2025.

BY ORDER OF THE BOARD

/s/ Timo Jauristo

Timo Jauristo
Chief Executive Officer



MANAGEMENT INFORMATION CIRCULAR

As at July 15, 2025

SECTION 1 - INTRODUCTION

This management information circular (the “**Circular**”) accompanies the notice of annual general meeting (the “**Notice**”) and is furnished to the holders (the “**Shareholders**” and each, a “**Shareholder**”) of common shares (“**Shares**”) in the capital of South Pacific Metals Corp. (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “**Meeting**”) of the Shareholders to be held at **710-1030 West Georgia St, Vancouver, British Columbia Canada V6E 2Y3 on Wednesday, August 27, 2025, at 9:00 a.m. (Pacific Time)**, and any adjournment thereof, for the purposes set forth in the Notice of the Meeting.

DATE AND CURRENCY

The information contained in this Circular is as of **July 15, 2025**. Unless otherwise stated, all amounts herein are in Canadian dollars.

NOTICE-AND-ACCESS

The Company is not relying on the “Notice and Access” delivery procedures outlined in National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) to distribute copies of proxy-related materials in connection with the Meeting. However, the Company is electronically delivering proxy-related materials to Shareholders who have requested such delivery method and encourages Shareholders to sign up for electronic delivery (e-Delivery) of all future proxy materials. The proxy materials for the Meeting can be found on on the SEDAR+ at www.sedarplus.ca under the Company’s profile and on the Company’s website at: <https://southpacificmetals.ca/>

The Circular contains details of matters to be considered at the Meeting. **Please review the Circular before voting.**

SECTION 2 - PROXIES AND VOTING RIGHTS

MANAGEMENT SOLICITATION

The solicitation of proxies by the 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 by 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, 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 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 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 Circular. This 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

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed on the enclosed form of proxy are officers and/or directors of the Company (the "**Management Proxyholders**").

A Shareholder has the right to appoint a person or company to attend and act for or on behalf of that Shareholder at the Meeting, other than the Management Proxyholders named in the enclosed form of proxy. A proxyholder need not be a Shareholder.

To exercise the right, the Shareholder may do so by striking out the printed names and inserting the name of such other person and, if desired, an alternate to such person, in the blank space provided in 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.

Those Shareholders desiring to be represented at the Meeting by proxy must deposit their respective forms of proxy with the Company's registrar and transfer agent, Odyssey Trust Company by:

- (a) mail or personal delivery to Odyssey Trust Company, Attn: Proxy Department, Suite 702, 67 Yonge Street, Toronto, ON M5E 1J8; or
- (b) facsimile to Odyssey Trust Company, Attn: Proxy Department, at 1-800-517-4553 (toll free within Canada and the U.S.) or 416-263-9524 (international); or
- (c) internet at <https://vote.odysseytrust.com> and clicking on LOGIN. You will require the CONTROL NUMBER printed with your address to the right on your proxy form. If you vote by Internet, do not mail this proxy.

Proxies must be received by 9:00 a.m. (Vancouver time), on Monday, August 25, 2025. The Company may refuse to recognize any instrument of proxy deposited in writing or by the internet received later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment thereof.

VOTING BY PROXY AND EXERCISE OF DISCRETION BY MANAGEMENT PROXYHOLDERS

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting 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 a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. As of the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

NON-REGISTERED HOLDERS

Only Shareholders whose names appear on the records of the Company as the registered holders of Shares or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Company are “non-registered” Shareholders (“**Non-Registered Holders**”) because the Shares they own are not registered in their names but instead registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depositary Services Inc. or CDS & Co.) of which the Intermediary is a participant. If you purchased your Shares through a broker or otherwise deposited your Shares with your broker, you are likely a Non-Registered Holder.

ADVICE TO NON-REGISTERED HOLDERS

The information in this section is of significant importance to many Shareholders, as a substantial number do not hold their Shares in their own name.

In accordance with the requirements set out in NI 54-101, the Company has distributed copies of the Notice of Meeting, this Circular, and the form of proxy/VIF (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form.

Sometimes, instead of a one-page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Management Proxyholder named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

There are two types of Non-Registered Holders: (i) those who object to their identity being made known to the issuers of securities which they own ("OBOs"), and (ii) those who do not object to their identity being made known to the issuers of securities which they own ("NOBOs"). Subject to the provisions of NI 54-101, issuers may deliver Meeting Materials directly to NOBOs.

The Company is sending these Meeting Materials directly to registered Shareholders and NOBOs. If you are a NOBO, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding Shares on your behalf.

The Company does not intend to pay for Intermediaries to forward to OBOs the Meeting Materials. OBOs will not receive the materials unless the OBO's Intermediary assumes the cost of delivery.

REVOCATION OF PROXIES

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing (or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized), deposited at Odyssey Trust Company, registrar and transfer agent for the Shares, by (a) mail or personal deliver to Odyssey Trust Company, Attn: Proxy Department, Suite 702, 67 Yonge Street, Toronto, ON M5E 1J8; or (b) by facsimile to Odyssey Trust Company, Attn: Proxy Department, at 1-800-517-4553 (toll free within Canada and the U.S.) or 416-263-9524 (international), not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays in Ontario) before the Meeting, at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof or with the Chair of the Meeting on the day of the Meeting or any adjournment thereof, and upon either of such deposits, the proxy is revoked.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada, and securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada.

Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgement by a United States court.

SECTION 3 – VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

RECORD DATE

The board of directors of the Company (the “**Board**”) has fixed Tuesday, July 15, 2025, as the record date (the “**Record Date**”) for determination of persons entitled to receive Notice of Meeting. The Company will prepare or cause to be prepared a list of persons recorded as Shareholders as of the close of business on the Record Date, each of whom shall be entitled to vote the Shares shown opposite his/her/its name on the list at the Meeting or any adjournment thereof, except to the extent that: (a) any such Shareholder has transferred ownership of any of their Shares subsequent to the Record Date; and (b) the transferee produces properly endorsed Share certificates evidencing the transfer or otherwise establishes that the transferee owns the transferred Shares and demands, not later than ten (10) days before the Meeting, that they be included on the list of Shareholders entitled to vote at the Meeting, in which case the transferee, instead of the transferor, will be entitled to vote the transferred Shares at the Meeting or any adjournment thereof.

In addition, persons who are Non-Registered Holders as at the Record Date will be entitled to exercise their voting rights in accordance with the procedures established under NI 54-101. See “*Section 2 – Proxies and Voting Rights – Advice to Non-Registered Holders*.”

VOTING RIGHTS

The Company is authorized to issue an unlimited number of Shares without par value. As at the Record Date, there are 51,853,920 Shares issued and outstanding. Each Shareholder is entitled to one vote for each Share registered in his/her/its name. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Shares.

PRINCIPAL HOLDERS OF SHARES

To the knowledge of the directors and executive officers of the Company based upon review of the records maintained by the transfer agent of the Company and insider reports filed with the System for Electronic Disclosure by Insiders (SEDI), no holder beneficially owns or controls or directs, directly or indirectly, voting securities carrying more than 10% of the voting rights as at the Record Date.

QUORUM

Pursuant to the Articles of the Company, subject to the special rights and restrictions attached to the shares of any affected class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one or more persons, present in person or by proxy.

SECTION 4 – PARTICULARS OF MATTERS TO BE ACTED UPON

MANAGEMENT OF THE COMPANY KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING. HOWEVER, IF ANY OTHER MATTERS THAT ARE NOT KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE ACCOMPANYING FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN TO VOTE ON SUCH MATTERS IN ACCORDANCE WITH THEIR BEST JUDGMENT.

Additional details regarding each of the matters to be acted upon at the Meeting are set forth below.

1. PRESENTATION OF FINANCIAL STATEMENTS

The audited financial statements of the Company for the financial year ended March 31, 2025 (the “**Financial Statements**”), together with the notes thereto and the auditor’s report, will be presented to Shareholders at the Meeting.

The Financial Statements will be made available on SEDAR+ at www.sedarplus.ca under the Company’s profile.

A copy of the Financial Statements will be available at the Meeting and may also be obtained by a Shareholder upon request without charge from the Company, at 710-1030 West Georgia St, Vancouver, British Columbia, V6E 2Y3, Canada or via email to info@southpacificmetals.ca. The Financial Statements are available online at SEDAR+ at www.sedarplus.ca under the Company’s profile.

Management will review the Company’s financial results at the Meeting and Shareholders and proxyholders will be given an opportunity to discuss these results with management. **Shareholder approval is not required and no formal action will be taken at the Meeting to approve the Financial Statements.**

2. FIXING THE NUMBER OF DIRECTORS

The Company’s constating documents stipulate there shall be not less than three (3) directors. The Board is currently composed of four (4) directors and four (4) are proposed for the ensuing year. At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve an ordinary resolution, the text of which is as follows:

“**BE IT RESOLVED** as an ordinary resolution of Shareholders that the number of directors to be elected at the Meeting, to hold office until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the constating documents of the Company, unless their offices are earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company’s constating documents, be and is hereby fixed at four (4).”

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders in person or by proxy at the Meeting.

Management believes the passing of the above resolution is in the best interests of the Company and recommends Shareholders vote in favour of the ordinary resolutions fixing the number of directors to be elected at the Meeting as set out above. Unless directed to the contrary, it is the intention of the Management Proxyholders named in the enclosed instrument of proxy to vote proxies FOR fixing the number of directors of the Company at four (4).

3. ELECTION OF DIRECTORS

The directors of the Company are elected at each annual meeting of Shareholders and hold office until the close of the next annual meeting, or until their successors are duly elected or appointed, unless their office

is earlier vacated in accordance with the Articles of the Company or *Business Corporations Act* (British Columbia).

Nominees for Election

Management of the Company proposes to nominate the persons named in the table below for election by Shareholders as directors of the Company. Each of the nominees has agreed to stand for re-election and management of the Company does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of each person proposed to be nominated for election as a director, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years, the period of time during which each has been a director of the Company and the number of Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date:

Name and Province/Country of Residence and Present Office Held	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Periods During Which Nominee Has Served as a Director	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽²⁾
Michael Murphy ⁽⁵⁾ <i>British Columbia, Canada</i> Executive Chair and Director	President, Chief Executive Officer and Director, Global Battery Metals Ltd. (November 2008 – present); Director, Prospector Metals Corp. (June 2018 – March 2024); Director, Torex Gold Resources Inc. (April 2008 – June 2021); corporate finance consultant	March 22, 2024 – present	995,667
Alexander John Davidson ^{(3)(4) (5)} <i>British Columbia, Canada</i> Director Independent	Director, NorthIsle Copper and Gold Inc. (April 2025 – present); Director, Capital Drilling Ltd. (May 2010 – present); Director, Americas Gold and Silver Corporation (December 2014 – December 2024); Chairman, Orca Gold Inc. (August 2018 – May 2020); Director, Yamana Gold Inc. (August 2009 – March 2023); Director and Chairman, NuLegacy Gold Corporation (September 2014 – April 2025); Director, Pan American Silver Inc. (May 2023 to May 2024)	December 9, 2024 – present	208,400

Name and Province/Country of Residence and Present Office Held	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Periods During Which Nominee Has Served as a Director	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽²⁾
Jonathan Rubenstein ^{(3) (4)} <i>British Columbia, Canada</i> Director Independent	Director, Sable Resources Ltd. (Director, January 2020 – September 2024); GR Silver Mining Ltd. (September 2020 - February 2022); Chair, MAG Silver Corp. (February 2007 – June 2020); Director, Roxgold Inc. (2012 - 2021), New Oropuru Resources Inc. (2020 - 2021), Eldorado Gold Corporation (2009 - 2018), Dalradian Resources Inc. (2013 - 2018), and Detour Gold Corporation (2009 - 2018)	February 3, 2025 – present	208,333
Geoffrey Lawrence ^{(3) (4)} <i>Singapore, Singapore</i> Director Independent	Chief Executive Officer, Twenty20 Energy (2022 – present)	December 3, 2020 – present	3,972,901

NOTES:

- (1) The information in the table above as to principal occupation and business or employment of director nominees is not within the knowledge of management of the Company and has been furnished by the respective nominees.
- (2) The information as to number of Shares beneficially owned, or controlled or directed, directly or indirectly, is not within the knowledge of management of the Company and has been furnished by the respective nominees or sourced from information available to the Company from SEDI (www.sedi.ca) or in reports provided by the transfer agent of the Company.
- (3) Member of the Audit and Risk Committee of the Company.
- (4) Member of the Compensation and Corporate Governance Committee of the Company.
- (5) Member of the Health and Safety Committee of the Company.

Cease Trade Orders, Bankruptcies, Penalties, and Sanctions

To the knowledge of the management of the Company, no proposed nominee for election as a director of the Company:

- (a) is, at the date of this Circular, or has been within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that,
 - (i) 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 (an “**Order**”) that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer; or
 - (ii) was subject to an Order 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,
- (b) is, at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person

was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets,

- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director, or
- (d) has been subject to 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 has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

None of the proposed nominees for election as a director of the Company is proposed for election pursuant to any arrangement or understanding between the nominee and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

A Shareholder may vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. Management recommends Shareholders vote in favour of the election of each of the nominees listed above for election as directors of the Company for the ensuing year. Unless directed to the contrary, it is the intention of the Management Proxyholders named in the enclosed instrument of proxy to vote proxies FOR each of the nominees.

4. APPOINTMENT OF AUDITOR

Shareholders will be asked to vote for the appointment of Davidson & Company LLP, Chartered Professional Accountants, located at 1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, British Columbia, V7Y 1G6, Canada, as auditor of the Company to hold office until the next annual meeting of Shareholders, or until a successor is appointed, and to authorize the directors of the Company to fix the remuneration of the auditor.

Davidson & Company LLP, Chartered Professional Accountants, was originally appointed as auditor of the Company on December 10, 2024, replacing Smythe LLP, Chartered Professional Accountants. The appointment of Davidson & Company LLP, Chartered Professional Accountants, was considered and approved by the Board. There were no “reportable events” between the Company and Smythe LLP, Chartered Professional Accountants, within the meaning of National Instrument 51-102 – Continuous Disclosure Obligations (“NI 51-102”).

In accordance with the applicable provisions of NI 51-102, a notice of change of auditor was sent by the Company to Davidson & Company LLP, Chartered Professional Accountants, and to Smythe LLP, Chartered Professional Accountants, each of which provided a letter to the applicable securities regulatory authority in each province where the Company is a reporting issuer, stating that each agreed with the statements set forth in such notice of change of auditor.

The “reporting package” (as defined in NI 51-102) in respect of the change of auditor is attached hereto as Schedule “A” and includes the notice of change of auditor and the letters from Davidson & Company LLP, Chartered Professional Accountants, and Smythe LLP, Chartered Professional Accountants, to the

applicable securities regulatory authorities as described above. The reporting package has also been filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

Management recommends Shareholders vote in favour of the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the Board to fix the auditor's remuneration. Unless directed to the contrary, it is the intention of the Management Proxyholders named in the enclosed instrument of proxy to vote proxies FOR the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company until the close of its next annual meeting and to authorize the Board to fix the remuneration to be paid to the auditor.

5. APPROVAL OF OMNIBUS COMPENSATION PLAN

The Company has established a security-based compensation plan under which directors, officers, employees and consultants of the Company may be granted stock options ("**Options**") or restricted share units ("**RSUs**") to acquire Shares. TSX Venture Exchange (the "**Exchange**") policies respecting the granting of security-based compensation requires that any "rolling" security-based compensation plan must receive Shareholder approval on an annual basis.

The security-based compensation plan of the Company, dated for reference October 16, 2024 (the "**Omnibus Compensation Plan**"), is a "rolling" security-based compensation plan, whereby the aggregate number of Shares reserved for issuance shall not exceed 10% of the total number of issued Shares (calculated on a non-diluted basis) at the time an Award (as such term is defined in the Omnibus Compensation Plan) is granted. The Omnibus Compensation Plan was last approved by Shareholders at the Company's Annual General Meeting of Shareholders held November 27, 2024.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Omnibus Compensation Plan.

For a summary of the material terms of the Omnibus Compensation Plan, see "*Section 5 – Statement of Executive Compensation - Stock Options and Other Compensation Securities*" For additional details, see "*Section 8 – Other Information - Securities Authorized for Issuance Under Equity Compensation Plans.*" Any summary is qualified in its entirety by the full text of the Omnibus Compensation Plan, which will be available at the Meeting for review by Shareholders and is attached hereto as Schedule "B".

Shareholder Approval

The text of the Omnibus Compensation Plan Resolution to be submitted to Shareholders at the Meeting is set forth below:

"BE IT RESOLVED, as an ordinary resolution of Shareholders, that:

1. the Omnibus Compensation Plan, in the form attached as Schedule "B" to the management information circular of the Company dated July 15, 2025, be and is hereby ratified, confirmed and approved as the security based compensation plan of the Company until such time as further ratification is required pursuant to the rules of the TSX Venture Exchange (the "**Exchange**") or other applicable regulatory requirements;
2. the board of directors of the Company be and is hereby authorized in its absolute discretion to administer the Omnibus Compensation Plan in accordance with its terms and conditions and to further amend or modify the Omnibus Compensation Plan to ensure compliance with the policies of the Exchange; 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 Omnibus Compensation Plan required by the Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Omnibus Compensation Plan.”

In order for the foregoing Omnibus Compensation Plan Resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders in person or by proxy at the Meeting.

Management of the Company has reviewed the Omnibus Compensation Plan Resolution, concluded that it is fair and reasonable to the Shareholders and in the best interest of the Company, and recommends Shareholders vote in favour of ratifying, confirming and approving the Omnibus Compensation Plan. Unless directed to the contrary, it is the intention of the Management Proxyholders named in the enclosed instrument of proxy to vote proxies FOR the Omnibus Compensation Plan Resolution.

6. OTHER MATTERS

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

SECTION 5 – STATEMENT OF EXECUTIVE COMPENSATION

Objective:

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. This disclosure provides insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

Definitions:

For the purpose of this Statement of Executive Compensation:

- (a) **“company”** includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;
- (b) **“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 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;
- (c) **“named executive officer”** or **“NEO”** means each of the following individuals:
 - (i) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (**“CEO”**), including an individual

performing functions similar to a CEO;

- (ii) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
 - (iii) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the 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 for that financial year;
 - (iv) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year;
- (d) “**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
- (e) “**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

On December 19, 2024, the Company filed a notice that it has changed its financial year end from December 31 to March 31.

During the 12 month period ended December 31, 2023, based on the definition above, the NEOs of the Company were (a) Matthew Salthouse, who has served as director, CEO, and President from December 2020 to October 2023; (b) Adam Clode, who served as Interim CEO from October 2023 to May 2024; (c) Martin Cooper, who served as CFO from July 2023 to May 2024; (d) and Bart Lendrum, who served as CFO from December 2020 to July 2023. Individuals who served as directors, who were not NEOs of the Company during the 12 month period ended December 31, 2023 were David Loretto, Marcus Engelbrecht, Geoffrey Lawrence, and Dain Currie. Marcus Engelbrecht resigned as a director on October 2023.

During the 15 month ended March 31, 2025, based on the definition above, the NEOs of the Company were (a) Michael Murphy, who served as CEO from May 2024 to June 2025, and director from March 2024; (b) Scott Kelly, who has served as CFO since May 2024; (c) Adam Clode, who served as Interim CEO from October 2023 to May 2024; (d) Martin Cooper, who served as CFO from July 2023 to May 2024, and (e) Catherine Fitzgerald, Former President, Chief Geologist, and Director, who was a NEO having received total compensation of more than \$150,000 during the financial year. Individuals who served as directors, who were not NEOs of the Company during the 15 month ended March 31, 2025 were Alexander John Davidson, Jonathan Rubenstein, Geoffrey Lawrence, David Loretto, and Dain Currie. Catherine Fitzgerald resigned as director, President and Chief Geologist on July 2025, David Loretto resigned as director on April 2024, and Dain Currie resigned as director on February 2025.

Director and NEO compensation, excluding options and compensation securities

The following table sets forth all compensation, excluding options and compensation securities, paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, for the two most recently completed financial years, to each NEO and 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 of the Company for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company.

Table of Compensation Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Michael Murphy ⁽²⁾ Former CEO and Director	2025	\$242,500	Nil	Nil	Nil	Nil	\$242,500
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Scott Kelly ⁽³⁾ CFO	2025	\$100,500	Nil	Nil	Nil	Nil	\$100,500
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Adam Clode ⁽⁴⁾ Former Interim CEO	2025	\$105,000	Nil	Nil	Nil	Nil	\$105,000
	2023	\$45,000	Nil	Nil	Nil	Nil	\$45,000
Martin Cooper ⁽⁵⁾ Former CFO	2025	\$60,000	Nil	Nil	Nil	Nil	\$60,000
	2023	\$90,331	Nil	Nil	Nil	Nil	\$90,331
Catherine Fitzgerald ⁽⁶⁾ Former President and Director	2025	\$187,000	Nil	Nil	Nil	Nil	\$187,000
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Alexander John Davidson ⁽⁷⁾ Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Jonathan Rubenstein ⁽⁸⁾ Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Geoffrey Lawrence ⁽⁹⁾ Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	\$30,000	Nil	Nil	\$30,000
David Loretto ⁽¹⁰⁾ Former Director	2025	\$7,500	Nil	Nil	Nil	Nil	\$7,500
	2023	Nil	Nil	\$30,000	Nil	Nil	\$30,000
Dain Currie ⁽¹¹⁾ Former Director	2025	\$20,424	Nil	Nil	Nil	Nil	\$20,424
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Matthew Salthouse ⁽¹²⁾ Former Director, CEO, and President	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2023	\$119,509	Nil	Nil	Nil	Nil	\$119,509
Bart Lendrum ⁽¹³⁾ Former CFO	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2023	\$108,374	Nil	Nil	Nil	Nil	\$108,374
Marcus Engelbrecht ⁽¹⁴⁾ Former Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	\$40,000	Nil	Nil	\$40,000

NOTES:

- (1) For the 15 month period ended March 31, 2025 and 12 month period ended December 31, 2023.
- (2) Michael Murphy has been serving as director since March 2024. He served as CEO from May 2024 to June 2025.
- (3) Scott Kelly has been serving as CFO since May 2024.
- (4) Adam Clode served as Interim CEO from October 2023 to May 2024.
- (5) Martin Cooper served as CFO from July 2023 to May 2024.
- (6) Catherine Fitzgerald served as director from April 24, 2024 to July 11, 2025, as well as President and Chief Geologist from May 15, 2024 to July 11, 2025.
- (7) Alexander John Davidson has been serving as director since December 9, 2024.
- (8) Jonathan Rubenstein has been serving as director since February 3, 2025.
- (9) Geoffrey Lawrence has been serving as director since December 3, 2020.
- (10) David Loretto served as director from July 4, 2018 to April 24, 2024.
- (11) Dain Currie served as director from September 18, 2023 to February 3, 2025.
- (12) Matthew Salthouse served as director, CEO, and President from December 2020 to October 2023.
- (13) Bart Lendrum served as CFO from December 2020 to July 2023.
- (14) Marcus Engelbrecht served as director and Chairman from December 2020 to October 2023.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

During the financial year ended March 31, 2025, the following compensation securities were granted or issued to NEOs and directors of the Company, for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Michael Murphy Former CEO and Director	Options	600,000 Options [19.11%] 600,000 Underlying Shares [1.16%]	April 15, 2024	\$0.42	\$0.42	\$0.485	April 15, 2029
Scott Kelly CFO	Options	50,000 Options [1.59%] 50,000 Underlying Shares [0.10%]	April 15, 2024	\$0.42	\$0.42	\$0.485	April 15, 2029
	Options	50,000 Options [1.59%] 50,000 Underlying Shares [0.10%]	June 4, 2024	\$0.51	\$0.50	\$0.485	June 4, 2029
Adam Clode ⁽²⁾ Former Interim CEO	Options	600,000 Options [19.11%] 600,000 Underlying Shares [1.16%]	April 15, 2024	\$0.42	\$0.42	\$0.485	April 15, 2029
Martin Cooper Former CFO	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Catherine Fitzgerald Former President and Director	Options	50,000 Options [1.59%] 50,000 Underlying Shares [0.10%]	April 15, 2024	\$0.42	\$0.42	\$0.485	April 15, 2029
	Options	450,000 Options [14.33%] 450,000 Underlying Shares [0.87%]	June 4, 2024	\$0.51	\$0.50	\$0.485	June 4, 2029
Alexander John Davidson Director	Options	250,000 Options [7.96%] 250,000 Underlying Shares [0.48%]	December 10, 2024	\$0.51	\$0.51	\$0.485	December 10, 2029
Jonathan Rubenstein Director	Options	250,000 Options [7.96%] 250,000 Underlying Shares [0.48%]	February 3, 2025	\$0.49	\$0.49	\$0.485	February 3, 2030
Geoffrey Lawrence ⁽³⁾ Director	Options	200,000 Options [6.37%] 200,000 Underlying Shares [0.39%]	April 15, 2024	\$0.42	\$0.42	\$0.485	April 15, 2029
David Loretto ⁽⁴⁾ Former Director and Consultant	Options	50,000 Options [1.59%] 50,000 Underlying Shares [0.10%]	April 15, 2024	\$0.42	\$0.42	\$0.485	April 15, 2029
Dain Currie Former Director	Options	250,000 Options [7.96%] 250,000 Underlying Shares [0.48%]	April 15, 2024	\$0.42	\$0.42	\$0.485	April 15, 2029

(1) As at March 31, 2025, the Company had 51,853,920 Shares issued and outstanding and 3,140,000 Options issued and outstanding.

(2) Adam Clode resigned on May 15, 2024. 400,000 of the 600,000 Options expired 90 days therefrom, while the expiration of 200,000 were extended up to April 30, 2025.

(3) As at March 31, 2025, Geoffrey Lawrence also held 109,500 Options granted on December 23, 2020 and expiring December 23, 2025, at an exercise price of \$2.10; and 10,000 Options granted on January 9, 2019 and expiring January 31, 2026, at an exercise price of \$1.90.

(4) As at March 31, 2025, David Loretto also held 8,500 Options granted on December 23, 2020 and expiring December 23, 2025, at an exercise price of \$2.10; and 10,000 Options granted on January 9, 2019 and expiring January 31, 2026, at an exercise price of \$1.90.

Exercise of Compensation Securities by Directors and NEOs

No exercises of compensation securities by any NEO or director of the Company occurred during the financial year ended March 31, 2025.

OMNIBUS COMPENSATION PLAN

The following is a summary of the principal terms of the Omnibus Compensation Plan.

<i>Administration</i>	The Omnibus Compensation Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee or Omnibus Compensation Plan administrator appointed by the Board.
<i>Shares Subject to the Omnibus Compensation Plan</i>	The maximum number of Shares issuable at any time pursuant to outstanding Awards under the Omnibus Compensation Plan shall be equal to ten percent (10%) of the Outstanding Issue, as measured at the date of any grant.
<i>Award Limits</i>	<p>Unless disinterested shareholder approval has been obtained, the maximum number of Shares issuable to any one Participant under Awards in a 12-month period shall not exceed 5% of the Outstanding Issue.</p> <p>The maximum number of Shares issuable to any one Consultant in a 12-month period shall not exceed 2% of the Outstanding Issue.</p> <p>Unless disinterested shareholder approval has been obtained, the maximum number of Shares issuable to Participants who are Insiders, at any time, under the Omnibus Compensation Plan and any other Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue from time to time.</p> <p>Investor Relations Services Providers may only be granted Options under an Award and the maximum number of Shares issuable to all Investor Relations Services Providers under any Options awarded shall not exceed 2% of the Outstanding Issue in any 12 month period, in each case measured as of the date of grant of an Award.</p>
<i>Options</i>	<p>The Option Price for Shares that are the subject of any Option shall be determined and approved by the Board when such Option is granted but shall not be less than the Market Value of such Shares at the time of the grant.</p> <p>The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten years from the date the Option is granted.</p> <p>Prior to its expiration or earlier termination in accordance with the Omnibus Compensation Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion.</p> <p>Each Option shall be subject to the following conditions:</p>

	<p>(1) Upon a Person ceasing to be a Participant for Cause, any vested or unvested Option granted to such Participant shall terminate automatically and become void immediately.</p> <p>(2) Upon a Person ceasing to be a Participant as a result of his or her employment or service relationship with the Company or a Subsidiary being terminated without Cause, (i) any unvested Option granted to such Participant shall terminate and become void immediately and (ii) any vested Option granted to such Participant may be exercised by such Participant. Unless otherwise determined by the Board, in its sole discretion (subject to compliance with the policies of the exchange on which the Company trades), such Option shall only be exercisable within the earlier of 90 days after the Termination Date, or the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the above, such Option shall only be exercisable within 12 months after the Person ceases to be a Participant.</p> <p>(3) Upon a Person ceasing to be a Participant as a result of his or her resignation from the Company or a Subsidiary, (i) each unvested Option granted to such Participant shall terminate and become void immediately upon resignation and (ii) unless otherwise determined by the Board, in its sole discretion (subject to compliance with the policies of the exchange on which the Company trades), each vested Option granted to such Participant will cease to be exercisable on the earlier of the 90 days following the Termination Date and the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the above, such Option shall only be exercisable within 12 months after the Person ceases to be a Participant.</p> <p>(4) Upon a Person ceasing to be a Participant by reason of retirement or permanent disability, (i) any unvested Option shall terminate and become void immediately, and (ii) any vested Option will cease to be exercisable on the earlier of the 90 days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any Subsidiary by reason of permanent disability, and the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire.</p> <p>(5) Upon a Person ceasing to be a Participant by reason of death, any vested Option granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares only which such Participant was entitled to acquire under the respective Options (the "Vested Awards") on the date of such Participant's death. Such Vested Awards shall only be exercisable within 12 months after the Participant's death or</p>
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	prior to the expiration of the original term of the Options whichever occurs earlier.
<i>RSUs</i>	<p>The applicable restriction period in respect of a particular RSU shall be determined by the Board but in all cases shall end no later than the 31st of December of the calendar year which commences three years after the calendar year in which the performance of services for which such RSU is granted, occurred (“Restriction Period”). All unvested RSUs shall be cancelled on the RSU Vesting Determination Date and, in any event, all unvested RSUs shall be cancelled no later than the last day of the Restriction Period.</p> <p>Subject to the vesting and other conditions and provisions in the Omnibus Compensation Plan and in the RSU Agreement, each vested RSU awarded to a Participant shall entitle the Participant to receive one Share, the Cash Equivalent or a combination thereof upon confirmation by the Board that the vesting conditions (including the Performance Criteria, if any) have been met and no later than the last day of the Restriction Period. For greater certainty, RSUs that are subject to Performance Criteria may not become fully vested by the last day of the Restricted Period.</p> <p>Settlement of RSUs shall take place promptly following the RSU Settlement Date and no later than the end of the Restriction Period, and shall take the form determined by the Board, in its sole discretion. For purposes of determining the Cash Equivalent of RSUs, such calculation will be made on the RSU Settlement Date based on the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant’s Account to settle in cash. For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of RSUs, such calculation will be made on the RSU Settlement Date based on the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant’s Account to settle in Shares.</p> <p>Each RSU shall be subject to the following conditions:</p> <ol style="list-style-type: none"> (1) Upon a Person ceasing to be a Participant as a result of Termination for Cause or as a result of his or her resignation from the Company or a Subsidiary, the Participant’s participation in the Omnibus Compensation Plan shall be terminated immediately, all RSUs credited to such Participant’s Account that have not vested shall be forfeited and cancelled, and the Participant’s rights to Shares or Cash Equivalent or a combination thereof that relate to such Participant’s unvested RSUs shall be forfeited and cancelled on the Termination Date. The Participant shall not receive any payment in lieu of cancelled RSUs that have not vested. (2) Except as otherwise determined by the Board from time to time, at its sole discretion, upon a Person ceasing to be a Participant as a result of (i) death, (ii) retirement, (iii) Termination for reasons other than for Cause, (iv) his or her employment or service relationship with the Company or a

	<p>Subsidiary being terminated by reason of injury or disability or (v) becoming eligible to receive long-term disability benefits (benefits if such benefits are then existing and established by the Company), all unvested RSUs in the Participant's Account as of such date relating to a Restriction Period in progress shall be terminated, and the Participant shall not receive any payment in lieu of cancelled RSUs.</p> <p>(3) For greater certainty, where a Participant's employment or service relationship with the Company or a Subsidiary is terminated pursuant to (1) or (2) above following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the Participant shall remain entitled to such distribution or payment. Such vested RSUs shall only be exercisable within 12 months after the Person ceases to be a Participant.</p>
<i>Amendments</i>	<p>The Board may from time to time, in its absolute discretion and without approval of the shareholders of the Company amend any provision of the Omnibus Compensation Plan or any Award, subject to any regulatory approval or prior TSX Venture Exchange acceptance at the time of such amendment, including, without limitation: any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body; and any amendment of a "housekeeping" nature, including to clarify the meaning of an existing provision of the Omnibus Compensation Plan, correct or supplement any provision of the Omnibus Compensation Plan that is inconsistent with any other provision of the Omnibus Compensation Plan, correct any grammatical or typographical errors or amend the definitions in the Omnibus Compensation Plan.</p> <p>Notwithstanding the above, no such amendment shall alter or impair the rights of any Participant, without the consent of such Participant except as permitted by the provisions of the Omnibus Compensation Plan. The Board shall be required to obtain disinterested shareholder approval and prior TSX Venture Exchange acceptance to make the following amendments: (i) any increase to the maximum number of Shares issuable under the Omnibus Compensation Plan (either as a fixed number or fixed percentage of the Outstanding Issue), except in the event of an adjustment pursuant to the Omnibus Compensation Plan; (ii) any amendment that extends the term of Options beyond the original expiry date that benefits an Insider of the Company; (iii) any amendment which extends the expiry date of any Award, or the Restriction Period, or the Performance Period of any RSU beyond the original expiry date or Restriction Period or Performance Period, that benefits an Insider of the Company; (iv) except in the case of an adjustment pursuant to the Omnibus Compensation Plan, any amendment which reduces the exercise price of an Option or any cancellation of an Option and replacement of such Option with an Option with a lower exercise price; and (v) any amendment which increases the maximum number of Shares that may be (1) issuable to Insiders at any time;</p>

	<p>or (2) issued to Insiders under the Omnibus Compensation Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment pursuant to the Omnibus Compensation Plan; (3) any amendment to the definition of a Participant under the Omnibus Compensation Plan; and (4) any amendment to the amendment provisions of the Omnibus Compensation Plan.</p> <p>The Company must obtain disinterested Shareholder approval of any decrease in the exercise price of, or extensions to Options granted to individuals that are Insiders at the time of the proposed amendment in accordance with TSX Venture Exchange Policy.</p>
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Capitalized terms used in the above summary but not defined herein shall have the respective meanings given to them in the Omnibus Compensation Plan, attached hereto as Schedule “B”.

COMPENSATION DISCUSSION AND ANALYSIS

Philosophy

In determining the compensation to be paid or awarded to its executives, the Board seeks to encourage the advancement of the Company’s business, with a view to enhancing shareholder value. To achieve these objectives, the Company believes it is critical to create and maintain a compensation program that attracts and retains committed, highly qualified personnel by providing appropriate rewards and incentives that align the interest of its executives with those of its shareholders. In addition, as the Company operates with limited financial resources, the Board needs to consider not only the Company’s financial situation at the time of determining executive compensation but also the Company’s estimated financial situation in the mid and long term.

The Company’s executive compensation program consists of a combination of base salary and long-term incentives in the form of participation in the Omnibus Compensation Plan. In making its determinations regarding the various elements of executive Option and RSU grants, the Company will seek to meet the following objectives:

- (a) to attract, retain and motivate talented executives who create and sustain the Company’s continued success within the context of compensation paid by other companies of comparable size engaged in similar business in appropriate regions;
- (b) to align the interests of the NEOs with the interests of the Company’s shareholders; and
- (c) to incent extraordinary performance from key employees.

Oversight and Description of Director and Named Executive Officer Compensation

The Board determines director and senior officer compensation based on the recommendations of the Compensation and Corporate Governance Committee. With consultation from the CEO, the Compensation and Corporate Governance Committee is responsible for:

- reviewing and approving corporate goals and objectives relevant to the compensation of the CEO and other executive officers, evaluating the performance of the CEO and the other executive officers in light of those goals and objectives and approving their annual

compensation levels, including salaries, bonuses and equity-based awards based on such evaluation; and

- reviewing the compensation of directors for service on the Board and its committees and recommending to the Board the annual Board member compensation package, Board and committee meeting attendance fees and any other form of compensation, such as equity-based awards.

While the Board is ultimately responsible for determining all forms of compensation to be awarded to the CEO, other executive officers and directors, the Compensation and Corporate Governance Committee will, when appropriate, review the Company's compensation philosophy, policies, plans and guidelines and recommend any changes to the Board.

The Compensation and Corporate Governance Committee periodically reviews the adequacy and form of compensation of the directors of the Company to ensure the compensation appropriately reflects the responsibilities and risks involved in being an effective director and based on such review, reports and makes recommendations to the Board.

Base Salary

The base salary for each executive is established by the Board, on the recommendation of the Compensation and Corporate Governance Committee, based upon the position held by such executive, competitive market conditions, such executive's related responsibilities, experience and the NEO's skill base, the functions performed by such executive and the salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels for executives.

Cash Bonuses

Cash bonuses do not form a normal part of the Company's executive compensation. However, the Company may elect to utilize such incentives where the role-related context and competitive environment suggest that such a compensation modality is appropriate. When and if utilized, the amount of cash bonus compensation will normally be paid on the basis of timely achievement of specific pre-agreed milestones. Each milestone will be selected based upon consideration of its impact on shareholder value creation and the ability of the Company to achieve the milestone during a specific interval. The amount of bonus compensation will be determined based upon achievement of the milestone, its importance to the Company's near and long-term goals at the time such bonus is being considered, the bonus compensation awarded to similarly situated executives in similarly situated companies or any other factors the Board may consider appropriate at the time such performance-based bonuses are decided upon. The determination to pay cash bonuses is evaluated on an ongoing basis by the Board.

Equity Based Compensation

Compensation securities are a key compensation element for the Company. Compensation securities are an important component of aligning the objectives of the Company's executive officers and consultants with those of Shareholders, while encouraging them to remain associated with the Company. The Company expects to provide significant equity-based grants to its executive officers and consultants. The precise number of Options and RSUs to be offered will be governed by the importance of the role within the Company, by the competitive environment within which the Company operates, and by the regulatory limits on Option and RSU grants that cover organizations such as the Company. When considering an award of Options or RSUs to an executive officer, consideration of the number of Options and RSUs previously

granted to the executive may be taken into account, however, the extent to which such prior grants remain subject to resale restrictions will generally not be a factor.

Compensation Risks

In making its compensation-related decisions, the Board carefully consider the risks implicitly or explicitly connected to such decisions. These risks include the risks associated with losing capable but under-compensated executives, and the financial risks connected to the Company's operations, of which executive compensation is an important part.

In adopting the compensation philosophy described above, the principal risks identified by the Company are:

- (a) that the Company will be forced to raise additional funding (causing dilution to Shareholders) in order to attract and retain the calibre of executive employees that it seeks; and
- (b) that the Company will have insufficient funding to achieve its objectives.

Hedging by Named Executive Officers or Directors

The Company has no policy with respect to NEOs or directors purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

With the exception of the below, none of the Named Executive Officers during the 15 month period ended March 31, 2025 had any formal agreements with the Company.

On September 29, 2023, the Company engaged Adam Clode, to serve as the Chief Executive Officer for the Company. Mr. Clode was offered a basic salary of CA\$15,000 per month and was entitled to receive compensation securities as may be granted by the Board. On May 14, 2024, the Company entered into a Mutual Release Agreement, agreeing to pay Mr. Clode the amount of USD \$45,000.00 in settlement of the Company's outstanding obligations to Mr. Clode, and in consideration of their mutual release.

Similarly, on April 4, 2024, the Company entered into a Release Agreement with Martin Cooper, with the Company agreeing to pay Mr. Cooper the amount of CA\$60,000.00 in settlement of the Company's outstanding obligations to Mr. Cooper, and in consideration of Mr. Cooper releasing the Company from any claims following his engagement.

Except as otherwise disclosed herein, there are no compensatory plans, contracts or arrangements in place with the Named Executive Officers resulting from the resignation, retirement or any other termination of employment of the Named Executive Officers with the Company or from a change in control of the Company, or a change in the Named Executive Officers' responsibilities following a change in control.

PENSION DISCLOSURE

The Company does not have any pension, retirement, defined benefit, defined contribution or deferred compensation plans that provides for payments or benefits to its directors and NEOs at, following, or in connection with retirement and none are proposed at this time.

SECTION 6 - AUDIT AND RISK COMMITTEE

It is the Board's responsibility to ensure that an effective internal control framework exists within the Company. The Audit and Risk Committee has been formed to assist the Board in meeting its oversight responsibilities in relation to the Company's financial reporting and external audit function, internal control structure and risk management procedures. In doing so, it is the responsibility of the Audit and Risk Committee to maintain free and open communication between the Audit and Risk Committee, the external auditor and the management of the Company.

National Instrument 52-110 - *Audit and Risk Committees* ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its Audit and Risk Committee and its relationship with its independent auditor. Such disclosure is set forth below.

AUDIT AND RISK COMMITTEE CHARTER

The full text of the Company's Audit and Risk Committee Charter is attached as Schedule "C" to this Circular.

COMPOSITION OF AUDIT AND RISK COMMITTEE

As at the date of this Circular, the Audit and Risk Committee of the Company is comprised of three directors, namely Jonathan Rubenstein, Alexander Davidson, and Geoffrey Lawrence. Jonathan Rubenstein serves as the Chair of the Audit and Risk Committee of the Company. During part of the financial year ended March 31, 2025, Catherine Fitzgerald and Dain Curie also served as members of the Audit and Risk Committee.

NI 52-110 provides that a member of an Audit and Risk Committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment. As the Company is classified as a venture issuer, the Company is exempt from the Audit and Risk Committee composition requirements in NI 52-110 which require all Audit and Risk Committee members to be independent. Nevertheless, all of the current members of the Company's Audit and Risk Committee are all considered to be independent. At the time of their respective memberships to the Committee, Dain Curie was independent, while Catherine Fitzgerald was not independent.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the current and past members of the Company's Audit and Risk Committee during the recently completed financial year are financially literate as that term is defined.

RELEVANT EDUCATION AND EXPERIENCE

Each member of the Company's Audit and Risk Committee has adequate education and experience that is relevant to his performance as an Audit and Risk Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

- (b) 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 Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

Jonathan Rubenstein (Chair)

A lawyer in private practice for 18 years, Mr. Rubenstein transitioned to the mining sector where he has served as a director and senior officer, as well as a member of key board committees, for numerous junior and senior mining companies. His career highlights include strategic leadership in acquisitions, financing, exploration, permitting, and development for several world-class mining projects. Mr. Rubenstein has been a principal negotiator in high-stakes mergers and acquisitions, including the sales of Sutton Resources, Canico Resource Corp., Cumberland Resources, Aurelian Resources, and Dalradian Resources to major mining companies and private equity funds. His governance roles have included long-standing directorships at Eldorado Gold, Detour Gold, and MAG Silver, where he also served as Chairman. He therefore has the requisite education and experience to serve as Chair of the Audit and Risk Committee.

Geoffrey Lawrence

Mr. Lawrence has +18 years in the managed services and energy sector, including +7 years as the CEO of Pacific Energy Corp., a leading mid-market EPC contractor in PNG. Currently, he is the CEO of Twenty20 Energy, delivering large projects including a new 45 MW gas-fired power station in Port Moresby. Mr. Lawrence brings a wealth of knowledge operating within PNG & SE Asia, with extensive key government and corporate contacts. He therefore has the requisite education and experience to serve as a member of the Audit and Risk Committee.

Alexander Davidson

Recognized for his leadership as Executive Vice President of Exploration and Corporate Development at Barrick Gold Corporation, Mr. Davidson played a pivotal role in the company's success as it evolved from its North American base into the world's leading gold producer through a series of world-class discoveries and strategic mergers and acquisitions. He therefore has the requisite education and experience to serve as a member of the Audit and Risk Committee.

Catherine Fitzgerald (Former Audit and Risk Committee Member)

Ms. Fitzgerald is an executive and professional geoscientist with over 20 years of experience in technical and leadership roles, driving the strategy, execution, and advancement of exploration and development projects across various commodities. She was previously VP Exploration & Resource Development at Apollo Silver and Director Resource Evaluation, Ivanhoe Electric. She therefore has the requisite education and experience to have served as a member of the Audit and Risk Committee.

Dain Curie (Former Audit and Risk Committee Member)

Mr. Curie is a seasoned capital markets professional with over 18 years' experience working with both private and public companies, primarily in the mining, oil and gas, agriculture, and technology sectors. His expertise spans M&A, debt and equity fund raising, business strategy, corporate governance, and investor relations. He has been self-employed as president and director of Oceanside Strategies Inc., an investment

holding company since 2013, and a partner and director of Oceanside Group, a firm providing corporate finance consulting services to private and public companies since 2019. Mr. Currie is also a director of Intertidal and Wittering Capital, both are capital pool companies listed on the TSX-V. Prior to this, Mr. Currie was an investment advisor with Vancouver-based brokerage firms including Haywood Securities Inc. Mr. Currie has obtained his Professional Financial Planner designation with the Canadian Securities Institute. He therefore has the requisite education and experience to have served as a member the Audit and Risk Committee.

AUDIT AND RISK COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year ended March 31, 2025, was a recommendation of the Audit and Risk Committee to nominate or compensate an external auditor not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed financial year ended March 31, 2025, has the Company relied on the exemption in section 2.4 of NI 52-110 - *Audit and Risk Committees (De Minimis Non-audit Services)*, the exemption in section 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*), the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or an exemption, in whole or in part, granted under Part 8 of NI 52-110.

As the Company is a "Venture Issuer" pursuant to relevant securities legislation, the Company has relied on the exemption in section 6.1 of NI 52-110 - *Audit and Risk Committees*, from the requirement of Parts 3 (*Composition of the Audit and Risk Committee*) and 5 (*Reporting Obligations*) of NI 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit and Risk Committee must pre-approve any engagement of the external auditors for any non-audit services to the Company in accordance with the applicable law and policies and procedures to be approved by the Board. The engagement of non-audit services will be considered by the Board on a case-by-case basis.

EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The aggregate fees billed by the Company's external auditor in each of the last two financial years with respect to the Company, by category, are as follows:

Financial Year	Audit Fees ⁽¹⁾ (\$)	Audit-Related Fees ⁽²⁾ (\$)	Tax Fees ⁽³⁾ (\$)	All Other Fees ⁽⁴⁾ (\$)
2025 ⁽⁵⁾	\$70,000	Nil	Nil	Nil
2023 ⁽⁶⁾	\$72,000	Nil	Nil	Nil

NOTE(S):

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

- (4) “All Other Fees” include all other non-audit services, other than for services reported under (1), (2) and (3) above.
(5) For the 15 months ended March 31, 2025.
(6) For the 12 months ended December 31, 2023.

SECTION 7 - CORPORATE GOVERNANCE

GENERAL

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices. Corporate governance relates to the policies, structure, and activities of a board of directors of a corporation, the members of which are elected by and are accountable to the shareholders of the corporation, and takes into account the role of the individual members of management who are appointed by the board of directors and who are charged with the day-to-day management of the corporation.

National Policy 58-201 - *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices.

Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of Shareholders and help to contribute to effective and efficient decision-making and believes the Company’s system of corporate governance meets or exceeds the majority of the guidelines and requirements contained in NP 58-201.

BOARD OF DIRECTORS

As at the date of this Circular, the members of the Board are Michael Murphy, Geoffrey Lawrence, Alexander John Davidson, and Jonathan Rubenstein. Messrs. Lawrence, Davidson, and Rubenstein are considered to be independent (as such term is defined in applicable securities legislation). Mr. Murphy is not considered to be independent within the meaning of NI 52-110 as he was an executive officer of the Company in the past three years.

Mandate of the Board

The Board has the duty to supervise the management of the business and affairs of the Company and shall, directly and through its committees, provide direction to senior management to pursue the best interests of the Company. Directors shall exercise their business judgment in a manner consistent with their fiduciary duties. In particular, directors are required to act honestly and in good faith, with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Board exercises supervision over the Company’s management through regular meetings of the Board, held to obtain an update on significant corporate activities and plans, both with and without members of management being in attendance.

Meetings of the Board

The Board fulfills its responsibility for the broader stewardship of the Company’s business and affairs through its meetings at which members of management provide reports to the Board with respect to the Company’s business and operations, make proposals to the Board and receive the Board’s decisions for implementation.

The independent directors do not hold regularly scheduled meetings. However, the independent directors may hold *ad hoc* meetings at their discretion, as and when deemed necessary.

DIRECTORSHIPS IN OTHER REPORTING ISSUERS

Certain of the directors of the Company are also directors of other reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other Reporting Issuer (or the equivalent) ⁽¹⁾	Name of Trading Market
Michael Murphy	Global Battery Metals Ltd.	GBML, TSX-V; REZZF, OTCQB
Alexander John Davidson	NorthIsle Copper and Gold Inc.	NCX, TSX-V; NTCPF, OTCQX

NOTE(S):

- (1) The information in the table above as to other directorships is not within the knowledge of management of the Company and has been furnished by the respective director(s).

POSITION DESCRIPTIONS

The Board delegates the day-to-day management of the business and affairs of the Company to the executive officers of the Company. Generally, operations in the ordinary course or operations that are not in the ordinary course and do not exceed material levels of expenditures or commitment on the part of the Company have been delegated to management. Decisions relating to matters that are not in the ordinary course and that involve material expenditures or commitments on the part of the Company require prior approval of the Board. Any responsibility which is not delegated to management or a Board committee remains with the Board. The CEO regularly reviews corporate objectives with the Board. In this manner, the Board approves or develops the corporate objectives that management of the Company is responsible for achieving.

ORIENTATION AND CONTINUING EDUCATION

The Company has not yet developed a formal orientation and training program for directors. If and when new directors are added, they will be provided with:

- (a) information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
- (b) access to recent, publicly filed documents of the Company and the Company's internal financial information;
- (c) access to management and technical experts and consultants; and
- (d) a summary of significant corporate and securities responsibilities.

The Board members are encouraged to communicate with management, auditors, and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars. The Board members have full access to the Company's records.

ETHICAL BUSINESS CONDUCT

The Board has responsibility for the stewardship of the Company, including responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training, and monitoring senior

management) and the integrity of the Company's internal control and management information systems. To facilitate meeting this responsibility, the Board seeks to foster a culture of ethical conduct by striving to ensure that the Company carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board:

- (a) has adopted a Code of Business Conduct and Ethics for its directors, officers, employees, and consultants to operate in accordance with the highest ethical standards in their conduct of business for and on behalf of the Company;
- (b) encourages management to consult with legal and financial advisors to ensure that the Company is meeting those requirements;
- (c) is cognizant of the Company's timely disclosure obligations under Canadian securities laws and will review material disclosure documents such as financial statements, MD&A, and press releases prior to their distribution;
- (d) will rely on its Audit and Risk Committee to monitor compliance with the Code of Business Conduct and Ethics and to annually review the systems of internal financial control and discuss such matters with the Company's external auditor; and
- (e) will actively monitor the Company's compliance with the Board's directives and ensure that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management.

NOMINATION OF DIRECTORS

In consultation with the Board, the Compensation and Corporate Governance Committee establishes and reviews with the Board the appropriate skills and characteristics required of members of the Board, taking into consideration the Board's short-term needs and long-term succession plans. In addition, the Compensation and Corporate Governance Committee develops and updates a long-term plan for the Board's composition, taking into consideration the characteristics of independence, age, skills, experience and availability of service to the Company of its members, as well as opportunities, risks and strategic direction of the Company.

The Compensation and Corporate Governance Committee is responsible for identifying potential Board candidates and assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors and recommends nominees to fill vacancies on the Board. Members of management and the Board are expected to be consulted for possible candidates and the Compensation and Corporate Governance Committee will make an assessment of whether each candidate is or would be (i) "independent" and (ii) "financially literate" within the meaning of applicable law.

The Compensation and Corporate Governance Committee assists the Board in assessing each director's independence and reviews the relationship each director has with the Company to determine whether their independence is maintained.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board currently has three committees, namely the (i) Audit and Risk Committee, (ii) Compensation and Corporate Governance Committee and (iii) Healthy and Safety Committee.

As at March 31, 2025 and as at the date of this Circular, the members of the Audit and Risk Committee were Jonathan Rubenstein, Geoffrey Lawrence, and Alexander Davidson. A description of the members

and function of the Audit and Risk Committee can be found in this Circular under “*Section 6 - Audit and Risk Committee*”.

As at March 31, 2025 and as at the date of this Circular, the members of the Compensation and Corporate Governance Committee are Alexander Davidson, Jonathan Rubenstein, and Geoffrey Lawrence.

As at March 31, 2025, the members of the Healthy and Safety Committee were Alexander Davidson, Catherine Fitzgerald, and Michael Murphy. Ms. Fitzgerald ceased to be a member of the Healthy and Safety Committee on July 11, 2025.

ASSESSMENTS

The Board satisfies itself that the Board, its committees, and the individual directors are performing effectively by conducting informal assessments from time to time.

SECTION 8 - OTHER INFORMATION

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has a 10% rolling security-based compensation plan in place. See “*Section 4 – Particulars of Matters to be Acted Upon – Approval of Omnibus Compensation Plan*” and “*Section 5 - Statement of Executive Compensation – Stock Options and Other Compensation Securities*”.

The following table provides information as at March 31, 2025, regarding the number of Shares to be issued pursuant to the Omnibus Compensation Plan. The Company does not have any equity compensation plans that have not been approved by Shareholders.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders ⁽¹⁾	3,140,000	\$0.553	2,045,392
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total:			

(1) Represents the Omnibus Compensation Plan. As at March 31, 2025, the Omnibus Compensation Plan reserved Shares equal to a maximum of 10% of the issued and outstanding Shares of the Company. As at March 31, 2025, the Company had 51,853,920 Shares issued and outstanding.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than "routine indebtedness" as defined in applicable securities legislation, since the beginning of the financial year ended March 31, 2025, none of:

- (a) the executive officers, directors, employees and former executive officers, directors and employees of the Company or any of its subsidiaries;
- (b) the proposed nominees for election as a director of the Company; or

(c) any associates of the foregoing persons;

is or has been indebted to the Company or any of its subsidiaries or has been indebted to any other entity where that indebtedness was 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, and which was not entirely repaid on or before the date of this Circular.

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

Except as disclosed herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the approval of the Omnibus Compensation Plan, all described in this Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein or in the Company's financial statements, no informed person of the Company, or proposed director of the Company, or any associate or affiliate of any informed person or proposed director, 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 or any of its subsidiaries.

An "informed person" means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

MANAGEMENT CONTRACTS

Since the beginning of the Company's most recently completed financial year ended March 31, 2025, management functions of the Company are not, and have not been, to any substantial degree performed by any person other than the executive officers and directors of the Company. See *Section 5 - Statement of Executive Compensation – Employment, Consulting and Management Agreements*".

ADDITIONAL INFORMATION

Financial information about the Company will be included in the Company's annual financial statements and Management's Discussion and Analysis for the for the financial year ended March 31, 2025, which will be made available on SEDAR+ at www.sedarplus.ca under the Company's profile. A copy of the Financial Statements will be available at the Meeting and may also be obtained by a Shareholder upon request without charge from the Company, at 710-1030 West Georgia St, Vancouver, British Columbia, V6E 2Y3, Canada or via email to info@southpacificmetals.ca.

You may also access the Company's other public disclosure documents online under the Company's profile on SEDAR+ at www.sedarplus.ca. Additional information about the Company can be found on the Company's website at <https://southpacificmetals.ca/>.

REQUEST FOR FINANCIAL STATEMENTS

National Instrument 51-102 – *Continuous Disclosure Obligations* sets out the procedures for a Shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form of proxy or provide instructions in any other written format.

APPROVAL OF THE BOARD OF DIRECTORS

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

DATED at Vancouver, British Columbia, this 15th day of July, 2025.

BY ORDER OF THE BOARD

SOUTH PACIFIC METALS CORP.

/s/ Timo Jauristo

Timo Jauristo
Chief Executive Officer

Schedule "A" Reporting Package



South Pacific Metals Corp.
Registered Office Address
1133 Melville Street
Suite 3500, The Stack
Vancouver, British Columbia
V6E 4E5 Canada

To: Smythe LLP, Chartered Professional Accountants
Davidson & Company LLP, Chartered Professional Accountants

Re: South Pacific Metals Corp. (the "**Company**")
Notice of Change of Auditor (the "**Notice**")

In compliance with Section 4.11 of National Instrument 51-102 – Continuous Disclosure Obligations ("**NI 51-102**"), please be advised as follows:

1. The Company has changed its auditor from Smythe LLP, Chartered Professional Accountants, of 1700 – 475 Howe Street, Vancouver, British Columbia, V6C 2B3, to Davidson & Company LLP, Chartered Professional Accountants, of 1200 – 609 Granville Street, Vancouver, British Columbia, V7Y 1H4.
2. The date of said change of auditor is December 10, 2024.
3. Smythe LLP, Chartered Professional Accountants, has resigned on its own initiative.
4. The resignation of Smythe LLP, Chartered Professional Accountants, and the appointment of Davidson & Company LLP, Chartered Professional Accountants, have been approved by the Company's Board of Directors.
5. None of the reports of Smythe LLP, Chartered Professional Accountants, on any of the Company's financial statements relating to the "relevant period" (as such term is defined in section 4.11(1) of NI 51-102) expressed a modified opinion.
6. There has not been a "reportable event" (as such term is defined in section 4.11(1) of NI 51-102), which occurred in connection with the audit of the financial years ended December 31, 2022, and December 31, 2023, or for any period subsequent thereto.

Please review this Notice and prepare a letter identifying whether you agree, disagree and the reasons why, or have no basis to agree or disagree with each statement contained in this Notice, addressing your response to the relevant securities regulatory authorities (list of addresses attached hereto). Please deliver the response to the Company within seven (7) days from the date of this Notice.

This Notice and your reply will be part of the reporting package that will be filed with the applicable regulator or relevant securities administrators.

Dated this 10th day of December, 2024.

SOUTH PACIFIC METALS CORP.

/s/ Michael Murphy
Michael Murphy
Chief Executive Officer

List of Addresses

Alberta Securities Commission
Suite 600, 250 – 5th Street SW
Calgary, Alberta, T2P 0R4

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia, V7Y 1L2

Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, Ontario, M5H 3S8



December 16, 2024

Private and Confidential

British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

Dear Sirs/Mesdames:

**RE: SOUTH PACIFIC METALS CORP. (THE "COMPANY")
CHANGE OF AUDITOR**

We are writing in accordance with Section 4.11(5)(a) of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"). We wish to confirm that we have read the Notice of Change of Auditor of the Company dated December 10, 2024 and that based on our current knowledge we are in agreement with the information contained in such Notice.

Yours very truly,

Smythe LLP

Chartered Professional Accountants

VANCOUVER

1700-475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

LANGLEY

600-19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

NANAIMO

201-1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

December 16, 2024

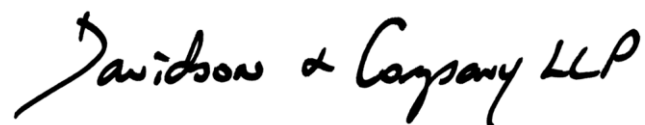
**Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission**

Dear Sirs / Mesdames:

**Re: South Pacific Metals Corp. (the "Company")
Notice Pursuant to NI 51-102 - Change of Auditor**

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated December 10, 2024 (the "Notice"), and, based on our knowledge of such information at this time, we agree with the information contained in the Notice pertaining to our firm.

Yours very truly,



DAVIDSON & COMPANY LLP
Chartered Professional Accountants

cc: TSX Venture Exchange



Schedule “B”

OMNIBUS COMPENSATION PLAN

South Pacific Metals Corp. (the “**Company**”) hereby establishes an omnibus incentive plan for certain qualified Directors, Executive Officers, Employees or Consultants of the Company or any of its Subsidiaries.

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions.

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

“**Account**” means an account maintained for each Participant on the books of the Company which will be credited with Awards in accordance with the terms of this Plan;

“**Affiliate**” has the meaning ascribed thereto in Policy 1.1 of the TSX Venture Exchange;

“**Annual Base Compensation**” means an annual compensation amount payable to Directors and Executive Officers, as established from time to time by the Board.

“**Award**” means any of an Option or RSU granted to a Participant pursuant to the terms of the Plan;

“**Black-Out Period**” means an interval of time (i) when any trading guidelines of the Company, as amended from time to time, restrict Participants from trading in any securities of the Company because they may be in possession of confidential information; or (ii) when the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of confidential information;

“**Board**” has the meaning ascribed thereto in Section 2.2(1) hereof;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Vancouver, British Columbia for the transaction of banking business;

“**Cash Equivalent**” means the amount of money equal to the Market Value multiplied by the number of vested RSUs as applicable, in the Participant’s Account, net of any applicable taxes in accordance with Section 7.2, on the RSU Settlement Date, as applicable;

“**Cashless Exercise Right**” has the meaning ascribed thereto in Section 3.6(3) hereof;

“**Cause**” has the meaning ascribed thereto in Section 5.2(1) hereof;

“**Change of Control**” means, unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:

- (i) any transaction pursuant to which any Person or group of Persons acting jointly or in concert acquires for the first time the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company’s then issued and outstanding securities entitled to vote in the election of Directors of the Company, other than any such acquisition that occurs upon the exercise or settlement of options or other securities granted by the Company under any of the Company’s equity incentive plans;
- (ii) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Company immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction; or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such

arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such transaction;

- (iii) the sale, lease, exchange, license or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Company or any of its Subsidiaries which have an aggregate book value greater than 50% of the book value of the assets, rights and properties of the Company and its Subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned Subsidiary of the Company in the course of a reorganization of the assets of the Company and its wholly-owned Subsidiaries;
- (iv) the passing of a resolution by the Board or shareholders of the Company to substantially liquidate the assets of the Company or wind up the Company's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such rearrangement is part of a bona fide reorganization of the Company in circumstances where the business of the Company is continued and the shareholdings remain substantially the same following the re- arrangement);
- (v) individuals who, on the Effective Date, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board; or
- (vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

"Company" means South Pacific Metals Corp., a corporation existing under the *Business Corporations Act* (British Columbia), as amended from time to time;

"Consultant" means, in relation to an Issuer, an individual (other than a Director, Executive Officer or Employee of the Issuer or of any of its subsidiaries) of the Company that:

- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to an Affiliate of any of the Issuer's subsidiaries;
- (ii) provides the services under a written contract between the Issuer or the Affiliate of any of its subsidiaries and the individual or the Company, as the case may be;
- (iii) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or an Affiliate of the Issuer; and
- (iv) has a relationship with the Issuer or an Affiliate of the Issuer that enables the individual to be knowledgeable about the business and affairs of the Issuer or any of its subsidiaries;

"Consulting Agreement" means, with respect to any Participant, any written consulting agreement between the Company or a Subsidiary and such Participant;

"Director" means a director of the Company as may be elected from time to time;

"Dividend Equivalent" means a cash credit equivalent in value to a dividend paid on a Share credited to a Participant's Account;

"Eligibility Date" the effective date on which a Participant becomes eligible to receive long-term disability benefits if such benefits are then existing and established by the Company (provided that, for greater certainty, such effective date shall be confirmed in writing to the Company by the insurance company providing such long-term disability benefits, if applicable);

"Employee" means:

- (i) Person who is considered an employee under the Income Tax Act (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
- (ii) Person who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
- (iii) Person who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

“Employment Agreement” means, with respect to any Participant, any written employment agreement between the Company or a Subsidiary and such Participant;

“Executive Officer” means a duly appointed senior officer of the Company;

“Exercise Notice” means a notice in writing signed by a Participant and stating the Participant’s intention to exercise a particular Award, if applicable;

“Grant Agreement” means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement, an RSU Agreement, an Employment Agreement or a Consulting Agreement;

“Incentive Stock Option” or **“ISO”** means an Option that is granted to a U.S. Participant, as described in Section 3.8;

“Insider” has the meaning set out in the applicable rules and policies of the Stock Exchange;

“Market Value” means at any date when the market value of Shares is to be determined, (i) if the Shares are listed on a Stock Exchange, the volume weighted average trading price of the Shares on such Stock Exchange for the five trading days immediately preceding the relevant time as it relates to an Award, provided that if the Shares are listed on the TSX Venture Exchange, at no time shall the market value of the Shares be less than the Discounted Market Price (within the meaning of the policies of the TSX Venture Exchange); or (ii) if the Shares are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith and such determination shall be conclusive and binding on all Persons;

“Option” means an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof, and includes an ISO;

“Option Agreement” means a document evidencing the grant of Options and the terms and conditions thereof;

“Option Price” has the meaning ascribed thereto in Section 3.2 hereof;

“Option Term” has the meaning ascribed thereto in Section 3.4 hereof;

“Outstanding Issue” means the number of Shares that are issued and outstanding, on a non-diluted basis;

“Participants” means any Director, Executive Officer, Employee or Consultant of the Company or any of its Subsidiaries, but for the purposes of Article 5, this definition shall be limited to Directors and Executive Officers of the Company or any of its Subsidiaries;

“Performance Criteria” means specified criteria, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Award;

“Performance Period” means the period determined by the Board at the time any Award is granted or at any time thereafter during which any Performance Criteria and any other vesting conditions specified by the Board with respect to such Award are to be measured;

“Person” means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

“Plan” means this Omnibus Incentive Plan, including any amendments or supplements hereto made after the effective date hereof;

“Restriction Period” means the period determined by the Board pursuant to Section 4.3 hereof;

“RSU” means a restricted share unit that is a right awarded to a Participant to receive a payment in the form of Shares, Cash Equivalent or a combination thereof as provided in Article 4 hereof and subject to the terms and conditions of this Plan;

“RSU Agreement” means a document evidencing the grant of RSUs and the terms and conditions thereof;

“RSU Settlement Date” has the meaning determined in Section 4.5(1);

“RSU Vesting Determination Date” has the meaning described thereto in Section 4.4 hereof;

“Shares” means the common shares in the share capital of the Company;

“Share Compensation Arrangement” means a stock option, stock 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, Directors, Executive Officers, Insiders, or Consultants of the Company or a Subsidiary provided, however, that any such arrangements that do not involve the issuance from treasury or potential issuance from treasury of Shares of the Company are not “Share Compensation Arrangements” for the purposes of this Plan, as such Share Compensation Arrangements require the Company to obtain specific disinterested shareholder approval in accordance with Policy 4.4 of the TSX Venture Exchange;

“Stock Exchange” means the stock exchange on which the majority of the trading volume and value of the Shares occurs, at the applicable time;

“Subsidiary” means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;

“Tax Act” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

“Termination” means that a Person has ceased to be a Participant, including for greater certainty, the earliest date on which both of the following conditions are met: (i) the Participant has ceased to be employed by, or otherwise have a service relationship with, the Company or any Subsidiary thereof for any reason whatsoever; and (ii) the Participant is not a member of the Board nor a Director of the Company or any of its Subsidiaries;

“Termination Date” means (i) in the event of a Participant’s resignation, the date on which such Participant ceases to be a Director, Executive Officer, Employee or Consultant of the Company or one of its Subsidiaries and (ii) in the event of the termination of the Participant’s employment, or position as Director or Executive Officer of the Company or a Subsidiary, or Consultant, the effective date of the termination as specified in the notice of termination provided to the Participant by the Company or the Subsidiary, as the case may be, and, for greater certainty, without regard to any period of notice, pay in lieu of notice, or severance that may follow the Termination Date pursuant to the terms of the Participant’s employment or services agreement (if any), the applicable employment standards legislation or the common law (if applicable), and regardless of whether the Termination was lawful or unlawful, except as may otherwise be required to meet minimum standards prescribed by the applicable standards legislation;

“Termination of Service” means that a Person has ceased to be a Participant, including for greater certainty, the earliest date on which both of the following conditions are met: (i) the Participant has ceased to be employed by the Company or has ceased providing ongoing services as a Consultant to the Company or any Subsidiary thereof for any reason whatsoever; and (ii) the Participant is not a member of the Board nor a Director of the Company or any of its Subsidiaries;

“Trading Session” means a trading session on a day which the applicable Stock Exchange is open for trading;

“TSXV Share Limits” means: (i) the maximum number of Shares issuable to any one Participant under Awards in a 12-month period shall not exceed 5% of the Outstanding Issue (unless requisite disinterested shareholder approval has been obtained to exceed); (ii) the maximum number of Shares issuable to any one Consultant in a 12-month

period shall not exceed 2% of the Outstanding Issue; and (iii) Investor Relations Services Providers (within the meaning of the policies of the TSX Venture Exchange) may only be granted Options under an Award and the maximum number of Shares issuable to all Investor Relations Services Providers under any Options awarded shall not exceed 2% of the Outstanding Issue in any 12month period, in each case measured as of the date of grant of an Award;

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

“**U.S. Participant**” means any Participant who, at any time during the period from the date an Award is granted to the date such award is exercised, redeemed, or otherwise paid to the Participant, is subject to income taxation in the United States on the income received for services provided to the Company or a Subsidiary and who is not otherwise exempt from United States income taxation under the relevant provisions of the U.S. Tax Code or the Canada-U.S. Income Tax Convention, as amended;

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

“**U.S. Tax Code**” means the United States Internal Revenue Code of 1986, as amended; and “**Vested Awards**” has the meaning described thereto in Section 5.2(5) hereof.

Section 1.2 Interpretation.

- (1) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term “discretion” or “authority” means the sole and absolute discretion of the Board.
- (2) The provision of a table of contents, the division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.
- (3) In this Plan, words importing the singular shall include the plural, and vice versa and words importing any gender include any other gender.
- (4) The words “including”, “includes” and “include” and any derivatives of such words mean “including (or includes or include) without limitation”. As used herein, the expressions “Article”, “Section” and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.
- (5) Unless otherwise specified in the Participant’s Grant Agreement, all references to money amounts are to Canadian currency.
- (6) For purposes of this Plan, the legal representatives of a Participant shall only include the administrator, the executor or the liquidator of the Participant’s estate or will.
- (7) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

ARTICLE 2

PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS

Section 2.1 Purpose of the Plan.

The purpose of the Plan is to permit the Company to grant Awards to Participants, subject to certain conditions as hereinafter set forth, for the following purposes:

- (a) to increase the interest in the Company’s welfare of those Participants, who share responsibility for the management, growth and protection of the business of the Company or a Subsidiary;
- (b) to provide an incentive to such Participants to continue their services for the Company or a Subsidiary and to encourage such Participants whose skills, performance and loyalty to the objectives and interests of the Company or a Subsidiary are necessary or essential to its success, image, reputation or activities;

- (c) to reward Participants for their performance of services while working for the Company or a Subsidiary; and
- (d) to provide a means through which the Company or a Subsidiary may attract and retain able Persons to enter its employment or service.

Section 2.2 Implementation and Administration of the Plan.

- (1) The Plan shall be administered and interpreted by the board of directors of the Company (the “**Board**”) or, if the Board by resolution so decides, by a committee or plan administrator appointed by the Board. If such committee or plan administrator is appointed for this purpose, all references to the “Board” herein will be deemed references to such committee or plan administrator. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements, subject to any required approval.
- (2) Subject to Article 6 and any applicable rules of a Stock Exchange, the Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations or vary the terms of this Plan and/or any Award hereunder for carrying out the provisions and purposes of the Plan and/or to address tax or other requirements of any applicable jurisdiction.
- (3) Subject to the provisions of this Plan, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration and operations of the Plan as it may deem necessary or advisable. The Board may delegate to Executive Officers or managers of the Company, or committees thereof, the authority, subject to such terms as the Board shall determine, to perform such functions, in whole or in part. Any such delegation by the Board may be revoked at any time at the Board’s sole discretion. The interpretation, administration, construction and application of the Plan and any provisions hereof made by the Board, or by any Executive Officer, manager, committee or any other Person to which the Board delegated authority to perform such functions, shall be final and binding on the Company, its Subsidiaries and all Participants.
- (4) No member of the Board or any Person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder. Members of the Board or any person acting at the direction or on behalf of the Board, shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination.
- (5) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issuance of any Shares or any other securities in the capital of the Company. For greater clarity, the Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or varying or amending its share capital or corporate structure.

Section 2.3 Participation in this Plan.

- (1) The Company makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant of an Award, the exercise of an Option or transactions in the Shares or otherwise in respect of participation under the Plan. Neither the Company, nor any of its Directors, Executive Officers, Employees, shareholders or agents shall be liable for anything done or omitted to be done by such Person or any other Person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Company and its Subsidiaries do not assume and shall not have responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with his or her own tax advisors.
- (2) Participants (and their legal representatives) shall have no legal or equitable right, claim, or interest in any specific property or asset of the Company or any of its Subsidiaries. No asset of the Company or any of its Subsidiaries shall be held in any way as collateral security for the fulfillment of the obligations of

the Company or any of its Subsidiaries under this Plan. Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company.

- (3) The Company shall not offer financial assistance to any Participant in regard to the exercise of any Award granted under this Plan.
- (4) The Board may also require that any Participant in the Plan provide certain representations, warranties and certifications to the Company to satisfy the requirements of applicable laws, including, without limitation, exemptions from the registration requirements of the U.S. Securities Act, and applicable U.S. state securities laws.
- (5) In connection with an Award to be granted to any Participant, it shall be the responsibility of such person and the Company to confirm that such person is a bona fide Participant for the purposes of participation under the Plan.

Section 2.4 Shares Subject to the Plan.

- (1) Subject to adjustment pursuant to Article 6 hereof, the securities that may be acquired by Participants under this Plan shall consist of authorized but unissued Shares.
- (2) The maximum number of Shares issuable at any time pursuant to outstanding Awards under this Plan shall be equal to ten percent (10%) of the Outstanding Issue, as measured at the date of any grant.
- (3) No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the abovenoted total numbers of Shares reserved for issuance pursuant to the settlement of Awards.
- (4) The Plan is an “evergreen” plan, as Shares of the Company covered by Awards which have been exercised or settled, as applicable, and Awards which expire or are forfeited, surrendered, cancelled or otherwise terminated or lapse for any reason without having been exercised, will be available for subsequent grant under the Plan and the number of Awards that may be granted under the Omnibus Plan increases if the total number of issued and outstanding Shares of the Company increases. Shares will not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award that is settled in cash.

Section 2.5 Limits with Respect to other Share Compensation Arrangements, Insiders, Individual Limits, and Annual Grant Limits.

- (1) The maximum number of Shares issuable pursuant to this Plan and any other Share Compensation Arrangement shall not exceed the limits set out in Section 2.4(2).
- (2) Unless disinterested shareholder approval has been obtained, the maximum number of Shares issuable to Participants who are Insiders, at any time, under this Plan and any other Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue from time to time.
- (3) Unless disinterested shareholder approval has been obtained, the maximum number of Shares issued to Participants who are Insiders, within any one-year period, under this Plan and any other Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue from time to time.
- (4) Subject to the policies of the applicable Stock Exchange, any Award granted pursuant to the Plan, or securities issued under any other Share Compensation Arrangement, prior to a Participant becoming an Insider, shall be included for the purposes of the limits set out in Section 2.5(2) and Section 2.5(3).
- (5) The TSXV Share Limits shall apply to the Shares issued or issuable under any Award granted under the Plan and any other Share Compensation Arrangement, subject to the Shares being listed for trading on the TSX Venture Exchange.

Section 2.6 Granting of Awards.

Any Award granted under the Plan shall be subject to the requirement that, if at any time the Company shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any stock exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant of such Awards or exercise of any Option or the issuance or purchase of Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval.

Section 2.7 TSX Venture Exchange Vesting Restrictions

While the Shares are listed for trading on the TSX Venture Exchange:

- (a) no Award (other than Options), may vest before the date that is one year following the date the Award is granted or issued, provided that this requirement may be accelerated for a Person who dies or who ceases to be a Participant under the provisions hereof in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction; and
- (b) any Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months with no more than 1/4 of the Options vesting in any 3 month period, must be in accordance with the vesting restrictions set out in Section 4.4(c) of Policy 4.4 of the TSX Venture Exchange, and there can be no acceleration of the vesting requirements applicable to any Options granted to any Investor Relations Service Provider without the prior written approval of the TSX Venture Exchange.

ARTICLE 3 OPTIONS

Section 3.1 Nature of Options

An Option is an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof. For the avoidance of doubt, no Dividend Equivalents shall be granted in connection with an Option.

Section 3.2 Option Awards.

Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Participants who may receive Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Participant and the date or dates on which such Options shall be granted, (iii) determine the price per Share to be payable upon the exercise of each such Option (the “**Option Price**”) and the relevant vesting provisions (including Performance Criteria, if applicable) and the Option Term, the whole subject to the terms and conditions prescribed in this Plan or in any Option Agreement, and any applicable rules of a Stock Exchange.

Section 3.3 Option Price.

The Option Price for Shares that are the subject of any Option shall be determined and approved by the Board when such Option is granted but shall not be less than the Market Value of such Shares at the time of the grant.

Section 3.4 Option Term.

- (1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten years from the date the Option is granted (“**Option Term**”).
- (2) Should the expiration date for an Option fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the expiration date for such Option for all purposes under the Plan.

Section 3.5 **Exercise of Options.**

Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, any exercise of Options by a Participant shall be made in accordance with any insider trading policies implemented by the Company.

Section 3.6 **Method of Exercise and Payment of Purchase Price.**

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Corporate Secretary of the Company (or the individual that the Corporate Secretary of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash, certified cheque, bank draft or any other form of payment deemed acceptable by the Board of the purchase price for the number of Shares specified therein and, if required by Section 7.2, the amount necessary to satisfy any taxes.
- (2) Upon the exercise, the Company shall, as soon as practicable after such exercise but no later than ten Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares either to:
 - (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
 - (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.
- (3) Subject to the rules and policies of the Stock Exchange, except in the case of Investor Relations Services Providers (within the meaning of the policies of the TSX Venture Exchange), the Board may, in its discretion and at any time, determine to grant a Participant the alternative, when entitled to exercise an Option, to deal with such Option on a “cashless exercise” basis, on such terms as the Board may determine in its discretion (the “**Cashless Exercise Right**”). Without limitation, the Board may determine in its discretion that such Cashless Exercise Right, if any, grants a Participant the right to terminate such Option in whole or in part by notice in writing to the Company and in lieu of receiving Shares pursuant to the exercise of the Option, receive, without payment of any cash other than pursuant to Section 7.2, that number of Shares, disregarding fractions, which when multiplied by the VWAP (within the meaning of the policies of the TSX Venture Exchange) on the day immediately prior to the exercise of the Cashless Exercise Right, have a total value equal to the quotient obtained by dividing:
(A) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options by the VWAP of the underlying Shares
- (4) In the event of the Cashless Exercise Right, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Company, must be included in calculating the limits set forth in the TSXV Share Limits and Section 2.5.
- (5) In the event the Company determines to accept the Participant’s request pursuant to a Cashless Exercise Right, the Company shall make an election pursuant to subsection 110(1.1) of the Tax Act.

Section 3.7 Option Agreements.

Options shall be evidenced by an Option Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine. The Option Agreement may contain any such terms that the Company considers necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Section 3.8 Incentive Stock Options.

- (1) ISOs are available only for Participants who are Employees of the Company, or a “parent corporation” or “subsidiary corporation” (as such terms are defined in Section 424(e) and (f) of the U.S. Tax Code), on the date the Option is granted. In addition, a Participant who holds an ISO must continue as an Employee, except that upon termination of employment the Option will continue to be treated as an ISO for up to three months, after which the Option will no longer qualify as an ISO, except as provided in this Section 3.8(1). A Participant’s employment will be deemed to continue during period of sick leave, military leave or other bona fide leave of absence, provided the leave of absence does not exceed three months, or the Participant’s return to employment is guaranteed by statute or contract. If a termination of employment is due to permanent disability, an Option may continue its ISO status for up to one year, and if the termination is due to death, the ISO status may continue for the balance of the Option’s term. Nothing in this Section 3.8(1) will be deemed to extend the original expiry date of an Option.
- (2) A Participant who owns, or is deemed to own, pursuant to Section 424(e) of the U.S. Tax Code, Shares possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company may not be granted an Option that is an ISO unless the Option Price is at least one hundred and ten percent (110%) of the Market Value of the Shares, as of the date of the grant, and the Option is not exercisable after the expiration of five (5) years from the date of grant.
- (3) To the extent the aggregate Market Value (determined as of the date of grant) of Shares with respect to which ISOs are exercisable for the first time by a Participant during any calendar year (under all plans of the Company and any affiliates) exceeds One Hundred Thousand United States Dollars (US\$100,000), the Options or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Options other than ISOs, notwithstanding any contrary provision in the applicable Option Agreement.

ARTICLE 4 RESTRICTED SHARE UNITS

Section 4.1 Nature of RSUs.

A “Restricted Share Unit” (or “RSU”) is an Award in the nature of a bonus for services rendered that, upon settlement, entitles the recipient Participant to acquire Shares as determined by the Board or to receive the Cash Equivalent or a combination thereof, as the case may be, pursuant and subject to such restrictions and conditions as the Board may determine at the time of grant, unless such RSU expires prior to being settled. Vesting conditions may, without limitation, be based on continuing employment (or other service relationship) and/or achievement of Performance Criteria. Unless otherwise determined by the Board in its discretion, the Award of an RSU is considered a bonus for services rendered in the calendar year in which the Award is made.

Section 4.2 RSU Awards.

- (1) The Board shall, from time to time by resolution, in its sole discretion, (i) designate the Participants who may receive RSUs under the Plan, (ii) fix the number of RSUs, if any, to be granted to each Participant and the date or dates on which such RSUs shall be granted, (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the Restriction Period of such RSUs, (provided, however, that no such Restriction Period shall exceed the 3 years referenced in Section 4.3) and (iv) any other terms and conditions applicable to the granted RSUs, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.

- (2) Subject to the vesting and other conditions and provisions in this Plan and in the RSU Agreement, each vested RSU awarded to a Participant shall entitle the Participant to receive one Share, the Cash Equivalent or a combination thereof upon confirmation by the Board that the vesting conditions (including the Performance Criteria, if any) have been met and no later than the last day of the Restriction Period. For greater certainty, RSUs that are subject to Performance Criteria may not become fully vested by the last day of the Restricted Period.

Section 4.3 Restriction Period.

The applicable restriction period in respect of a particular RSU shall be determined by the Board but in all cases shall end no later than the 31st of December of the calendar year which commences three years after the calendar year in which the performance of services for which such RSU is granted, occurred (“**Restriction Period**”). All unvested RSUs shall be cancelled on the RSU Vesting Determination Date (as such term is defined in Section 4.4) and, in any event:

- (i) all unvested RSUs shall be cancelled no later than the last day of the Restriction Period.

Section 4.4 RSU Vesting Determination Date.

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to an RSU have been met (the “**RSU Vesting Determination Date**”), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than; (i) the 15th of December of the calendar year which commences three years after the calendar year in which the performance of services for which such RSU is granted, occurred. Notwithstanding the foregoing, for any U.S. Participant, the RSU Vesting Determination Date shall occur no later than March 15 of the calendar year following the end of the Performance Period. Notwithstanding anything in this Section 4.4, no RSU may vest before the date that is one year following the date the RSU is granted or issued.

Section 4.5 Settlement of RSUs.

- (1) Except as otherwise provided in the RSU Agreement, all of the vested RSUs covered by a particular grant shall be settled as soon as practicable and in any event within ten Business Days following their RSU Vesting Determination Date and no later than the end of the Restriction Period (the “**RSU Settlement Date**”).
- (2) Settlement of RSUs shall take place promptly following the RSU Settlement Date and no later than the end of the Restriction Period, and shall take the form determined by the Board, in its sole discretion. Settlement of RSUs shall be subject to Section 7.2 and shall take place through:
 - (a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
 - (b) in the case of settlement of RSUs for Shares (which may include Shares purchased in the secondary market by a trustee or administrative agent appointed by the Board):
 - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
 - (ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; and
 - (iii) in either case of (i) or (ii), such settlement of the RSUs for Shares shall be in compliance and in accordance with Section 4.14 of Policy 4.4 of the TSX Venture Exchange whereby the Company shall engage an independent trustee to facilitate open market purchases.

- (c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (3) Notwithstanding the foregoing, for any U.S. Participant, the RSU Settlement Date and delivery of Shares or Cash Equivalent, if any, shall each occur no later than March 15 of the calendar year following the end of the Performance Period.

Section 4.6 Determination of Amounts.

- (1) For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 4.5, such calculation will be made on the RSU Settlement Date based on the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant's Account to settle in cash.
- (2) For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of RSUs pursuant to Section 4.5, such calculation will be made on the RSU Settlement Date based on the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant's Account to settle in Shares.

Section 4.7 RSU Agreements.

RSUs shall be evidenced by an RSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. The RSU Agreement may contain any such terms that the Company considers necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

Section 4.8 Award of Dividend Equivalents.

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of unvested RSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date, provided that any such Dividend Equivalents must be payable in cash to the extent the issuance of Shares would exceed the TSXV Share Limits or any other limitations prescribed by this Plan.

In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant and returned to the Company's account.

ARTICLE 5 GENERAL CONDITONS

Section 5.1 General Conditions Applicable to Awards.

Each Award, as applicable, shall be subject to the following conditions:

- (1) **Vesting Period.** No Award (other than Options), may vest before the date that is one year following the date the Award is granted or issued, provided that this requirement may be accelerated for a Person who dies or who ceases to be a Participant under the provisions hereof in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction. Each Award granted hereunder shall further vest in accordance with the terms of the Grant Agreement entered into in respect of such Award. The Board has the right to accelerate the date upon which any Award becomes exercisable, subject to TSX Venture Exchange approval, notwithstanding the vesting schedule set forth for such Award, regardless of any adverse or potentially adverse tax consequence resulting from such acceleration.
- (2) **Employment.** Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee by the Company or a Subsidiary to the Participant of employment or another service relationship with the Company or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Company or any of its Affiliates in connection with the employment, retention or termination of any

such Participant. The loss of existing or potential profit in Shares underlying Awards granted under this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.

- (3) **Grant of Awards.** Eligibility to participate in this Plan does not confer upon any Participant any right to be granted Awards pursuant to this Plan. Granting Awards to any Participant does not confer upon any Participant the right to receive nor preclude such Participant from receiving any additional Awards at any time. The extent to which any Participant is entitled to be granted Awards pursuant to this Plan will be determined in the sole discretion of the Board. Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect a Participant's relationship or employment with the Company or any Subsidiary.
- (4) **Rights as a Shareholder.** Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Subject to Section 4.8, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.
- (5) **Conformity to Plan.** In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.
- (6) **Non-Transferrable Awards.** Each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased Participant. No Award granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.
- (7) **Participant's Entitlement.** Except as otherwise provided in this Plan or unless the Board permits otherwise, upon any Subsidiary of the Company ceasing to be a Subsidiary of the Company, Awards previously granted under this Plan that, at the time of such change, are held by a Person who is a Director, Executive Officer, Employee or Consultant of such Subsidiary of the Company and not of the Company itself, whether or not then exercisable, shall automatically terminate on the date of such change.

Section 5.2 General Conditions Applicable to Options.

Each Option shall be subject to the following conditions:

- (1) **Termination for Cause.** Upon a Person ceasing to be a Participant for Cause, any vested or unvested Option granted to such Participant shall terminate automatically and become void immediately. For the purposes of the Plan, the determination by the Company that the Participant was discharged for Cause shall be binding on the Participant. "Cause" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Company's codes of conduct and any other reason determined by the Company to be cause for termination.
- (2) **Termination not for Cause.** Upon a Person ceasing to be a Participant as a result of his or her employment or service relationship with the Company or a Subsidiary being terminated without Cause,
 - (i) any unvested Option granted to such Participant shall terminate and become void immediately and
 - (ii) any vested Option granted to such Participant may be exercised by such Participant. Unless otherwise determined by the Board, in its sole discretion (subject to compliance with the policies of the exchange on which the Company trades), such Option shall only be exercisable within the earlier of 90 days after the Termination Date, or the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the above, such Option shall only be exercisable within 12 months after the Person ceases to be a Participant.
- (3) **Resignation.** Upon a Person ceasing to be a Participant as a result of his or her resignation from the Company or a Subsidiary,
 - (i) each unvested Option granted to such Participant shall terminate and

become void immediately upon resignation and (ii) unless otherwise determined by the Board, in its sole discretion (subject to compliance with the policies of the exchange on which the Company trades), each vested Option granted to such Participant will cease to be exercisable on the earlier of the 90 days following the Termination Date and the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the above, such Option shall only be exercisable within 12 months after the Person ceases to be a Participant.

- (4) **Permanent Disability/Retirement.** Upon a Person ceasing to be a Participant by reason of retirement (in accordance with any retirement policy implemented by the Company from time to time) or permanent disability, (i) any unvested Option shall terminate and become void immediately, and (ii) any vested Option will cease to be exercisable on the earlier of the 90 days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any Subsidiary by reason of permanent disability, and the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire.
- (5) **Death.** Upon a Person ceasing to be a Participant by reason of death, any vested Option granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares only which such Participant was entitled to acquire under the respective Options (the “**Vested Awards**”) on the date of such Participant’s death. Such Vested Awards shall only be exercisable within 12 months after the Participant’s death or prior to the expiration of the original term of the Options whichever occurs earlier.

Section 5.3 General Conditions Applicable to RSUs.

Each RSU shall be subject to the following conditions:

- (1) **Termination for Cause and Resignation.** Upon a Person ceasing to be a Participant as a result of Termination for Cause or as a result of his or her resignation from the Company or a Subsidiary, the Participant’s participation in the Plan shall be terminated immediately, all RSUs credited to such Participant’s Account that have not vested shall be forfeited and cancelled, and the Participant’s rights to Shares or Cash Equivalent or a combination thereof that relate to such Participant’s unvested RSUs shall be forfeited and cancelled on the Termination Date. The Participant shall not receive any payment in lieu of cancelled RSUs that have not vested.
- (2) **Death or Termination.** Except as otherwise determined by the Board from time to time, at its sole discretion, upon a Person ceasing to be a Participant as a result of (i) death, (ii) retirement, (iii) Termination for reasons other than for Cause, (iv) his or her employment or service relationship with the Company or a Subsidiary being terminated by reason of injury or disability or (v) becoming eligible to receive long-term disability benefits (benefits if such benefits are then existing and established by the Company), all unvested RSUs in the Participant’s Account as of such date relating to a Restriction Period in progress shall be terminated, and the Participant shall not receive any payment in lieu of cancelled RSUs.
- (3) **General.** For greater certainty, where a Participant’s employment or service relationship with the Company or a Subsidiary is terminated pursuant to Section 5.3(1) or Section 5.3(2) hereof following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the Participant shall remain entitled to such distribution or payment. Such vested RSUs shall only be exercisable within 12 months after the Person ceases to be a Participant.

ARTICLE 6 ADJUSTMENTS AND AMENDMENTS

Section 6.1 Adjustment to Shares.

In the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the Company with or into another corporation, or (v) any distribution to all holders of Shares or other securities in the capital of the Company, of cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or Shares, but including for greater certainty

shares or equity interests in a Subsidiary or business unit of the Company or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit) or any transaction or change having a similar effect, then the Board shall in its sole discretion, subject to the required approval of any Stock Exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such occurrence or change, including, without limitation:

- (a) adjustments to the exercise price of such Award without any change in the total price applicable to the unexercised portion of the Award;
- (b) adjustments to the number of Shares to which the Participant is entitled upon exercise of such Award; or
- (c) adjustments to the number or kind of Shares reserved for issuance pursuant to the Plan.

Section 6.2 Change of Control.

- (1) Notwithstanding any express or implied term of this Plan to the contrary, but subject to Regulations as set forth by the TSX Venture Exchange, all issued Options as at the date on which there occurs a completion of a transaction constituting a Change of Control shall immediately vest.
- (2) Upon the completion of a transaction constituting a Change of Control, no Award issued pursuant to the Plan, other than Options, may vest before the date that is one year following the date it is granted or issued, provided that this requirement may be accelerated for a Person who dies or who ceases to be a Participant under the provisions hereof in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction. Any Options that become exercisable pursuant to this Section 6.2(2) shall remain open for exercise in accordance with the terms set out in the Award Agreement. Notwithstanding the foregoing, there can be no acceleration of the vesting requirements applicable to Options grants to an Investor Relations Service Provider without the prior written approval of the TSX Venture Exchange and any Award must expire within a reasonable period following a Participant ceasing to be an eligible Participant (with a maximum period of 12 months).
- (3) In the event of a potential Change of Control, the Board shall have the power, in its sole discretion, subject to Section 6.3, to modify the terms of this Plan and/or the Awards to assist the Participants to tender into a take-over bid or to participate in any other transaction leading to a Change of Control.
- (4) Notwithstanding any other provision of this Plan, this Section 6.2 shall not apply with respect to any Awards held by a Participant where such Awards are governed under paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.
- (5) Notwithstanding any other provision of this Plan, for all U.S. Participants, “Change of Control” as defined herein shall be as “Change in Control” is defined in 409A of the U.S. Tax Code.

Section 6.3 Amendment or Discontinuance of the Plan.

- (1) The Board may suspend or terminate the Plan at any time. Notwithstanding the foregoing, any suspension or termination of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.
- (2) The Board may from time to time, in its absolute discretion and without approval of the shareholders of the Company amend any provision of this Plan or any Award, subject to any regulatory approval or prior TSX Venture Exchange acceptance at the time of such amendment, including, without limitation:
 - (i) any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body; and
 - (ii) any amendment of a “housekeeping” nature, including to clarify the meaning of an existing provision of the Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan.
- (3) Notwithstanding Section 6.3(2):

- (a) no such amendment shall alter or impair the rights of any Participant, without the consent of such Participant except as permitted by the provisions of the Plan;
- (b) the Board shall be required to obtain disinterested shareholder approval and prior TSX Venture Exchange acceptance to make the following amendments:
 - (i) any increase to the maximum number of Shares issuable under the Plan (either as a fixed number or fixed percentage of the Outstanding Issue), except in the event of an adjustment pursuant to 6;
 - (ii) any amendment that extends the term of Options beyond the original expiry date that benefits an Insider of the Company;
 - (iii) any amendment which extends the expiry date of any Award, or the Restriction Period, or the Performance Period of any RSU beyond the original expiry date or Restriction Period or Performance Period, that benefits an Insider of the Company;
 - (iv) except in the case of an adjustment pursuant to 6, any amendment which reduces the exercise price of an Option or any cancellation of an Option and replacement of such Option with an Option with a lower exercise price;
 - (v) any amendment which increases the maximum number of Shares that may be (i) issuable to Insiders at any time; or (ii) issued to Insiders under the Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment pursuant to Article 6; (vi) any amendment to the definition of a Participant under the Plan; and (vii) any amendment to the amendment provisions of the Plan.
- (4) Subject to the Shares being listed on the TSX Venture Exchange, any shareholder approval required under Section 6.3(3)(b) shall be disinterested shareholder approval (within the meaning of the policies of the TSX Venture Exchange).
- (5) The Company must obtain disinterested Shareholder approval of any decrease in the exercise price of, or extensions to Options granted to individuals that are Insiders at the time of the proposed amendment in accordance with Section 4.12(c) of Policy 4.4 of the TSX Venture Exchange.
- (6) Notwithstanding the foregoing, any amendment of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.

Section 6.4 TSX Venture Exchange Approval of Adjustments

While the Shares are listed for trading on the TSX Venture Exchange, any adjustment, other than in connection with a subdivision of the Shares into a greater number of Shares pursuant to Section 6.1(a) or a consolidation of Shares into a lesser number of Shares pursuant to Section 6.1(b), to any Award pursuant to the provisions hereof is subject to the prior acceptance of the TSX Venture Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

ARTICLE 7 MISCELLANEOUS

Section 7.1 Use of an Administrative Agent and Trustee.

The Board may in its sole discretion, and in accordance with Section 4.14 of Policy 4.4 of the TSX Venture Exchange, appoint from time to time one or more entities to act as administrative agent or trustee to administer the Awards granted under the Plan, including for the purposes of making secondary market purchases of Shares for delivery on settlement of an Award, if applicable, and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the

Board in its sole discretion. The Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

Section 7.2 Tax Withholding.

- (1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of such withholdings, including in respect of applicable taxes and source deductions, as the Company determines. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding may be satisfied in such manner as the Company determines, including by (a) having the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 7.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or determined by the Company as appropriate.
- (2) Notwithstanding Section 7.2(1), the applicable tax withholdings may be waived where a Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which subsection 100(3) of the regulations made under the Tax Act apply.

Section 7.3 US Tax Compliance.

- (1) Option and RSU Awards granted to U.S. Participants are intended to be exempt from all aspects of Section 409A of the U.S. Tax Code and related regulations ("**Section 409A**"). Notwithstanding any provision to the contrary, all taxes associated with participation in the Plan, including any liability imposed by Section 409A, shall be borne by the U.S. Participant.
- (2) For purposes of interpreting and applying the provisions of any Award to subject to Section 409A, the term "termination of employment" or similar phrase will be interpreted to mean a "separation from service," as defined under Section 409A, provided, however, that with respect to an Award subject to the Tax Act, if the Tax Act requires a complete termination of the employment relationship to receive the intended tax treatment, then "termination of employment" will be interpreted to only include a complete termination of the employment relationship.
- (3) If payment under any Award subject to Section 409A is in connection with the U.S. Participant's separation from service, and at the time of the separation from service the Participant is subject to the U.S. Tax Code and is considered a "specified employee" (within the meaning of Section 409A), then any payment that would otherwise be payable during the six-month period following the separation from service will be delayed until after the expiration of the six-month period, to the extent necessary to avoid taxes and penalties under Section 409A, provided that any amounts that would have been paid during the six-month period may be paid in a single lump sum on the first day of the seventh month following the separation from service.

Section 7.4 Clawback.

Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement). Without limiting the generality of the foregoing, the Board may provide in any case that outstanding Awards (whether or not vested or exercisable) and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards will be subject to forfeiture and disgorgement to the Company, with interest and other related earnings, if the Participant to whom the Award was granted violates (i) a non-competition, non-solicitation, confidentiality or other restrictive covenant by which he or she is bound, or (ii) any policy adopted by the Company applicable to the Participant that provides for forfeiture or disgorgement with respect to incentive compensation that includes Awards under the Plan. In addition, the Board may require forfeiture and disgorgement to the Company of outstanding Awards and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards, with interest and other related earnings, to the extent required by law or applicable stock exchange listing standards, including and any related policy adopted by the Company. Each Participant, by accepting or being deemed to have accepted

an Award under the Plan, agrees to cooperate fully with the Board, and to cause any and all permitted transferees of the Participant to cooperate fully with the Board, to effectuate any forfeiture or disgorgement required hereunder. Neither the Board nor the Company nor any other person, other than the Participant and his or her permitted transferees, if any, will be responsible for any adverse tax or other consequences to a Participant or his or her permitted transferees, if any, that may arise in connection with this Section 7.4.

Section 7.5 Securities Law Compliance.

- (1) The Plan (including any amendments to it), the terms of the grant of any Award under the Plan, the grant of any Award and exercise of any Option, and the Company's obligation to sell and deliver Shares in respect of any Awards, shall be subject to all applicable federal, provincial, state and foreign laws, rules and regulations, the rules and regulations of applicable Stock Exchanges and to such approvals by any regulatory or governmental agency as may, as determined by the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any Award hereunder to issue, sell or deliver Shares in violation of such laws, rules and regulations or any condition of such approvals.
- (2) No Awards shall be granted in the United States and no Shares shall be issued in the United States pursuant to any such Awards unless such Shares are registered under the U.S. Securities Act and any applicable state securities laws or an exemption from such registration is available. Any Awards granted in the United States, and any Shares issued pursuant thereto, will be "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Any certificate or instrument representing Awards granted in the United States or Shares issued in the United States pursuant to such Awards pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws shall bear substantially the following legend restricting transfer under applicable United States federal and state securities laws:

THE SECURITIES REPRESENTED HEREBY [and for Awards, the following will be added: AND THE SECURITIES ISSUABLE PURSUANT HERETO] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY (1) RULE 144 THEREUNDER, IF AVAILABLE, OR (2) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN CONNECTION WITH ANY TRANSFERS PURSUANT TO (C)(1) OR (D) ABOVE, THE SELLER HAS FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE, IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY, TO THAT EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

- (3) No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of the Plan or of the Shares under the securities laws of any jurisdiction or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void.
- (4) The Company shall have no obligation to issue any Shares pursuant to this Plan unless upon official notice of issuance such Shares shall have been duly listed with a Stock Exchange. Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws.
- (5) If Shares cannot be issued to a Participant upon the exercise of an Option due to legal or regulatory restrictions, the obligation of the Company to issue such Shares shall terminate and any funds paid to

the Company in connection with the exercise of such Option will be returned to the applicable Participant as soon as practicable.

Section 7.6 Reorganization of the Company.

The existence of any Awards shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, reclassification, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Section 7.7 Quotation of Shares.

So long as the Shares are listed on one or more Stock Exchanges, the Company must apply to such Stock Exchange or Stock Exchanges for the listing or quotation, as applicable, of the Shares underlying the Awards granted under the Plan, however, the Company cannot guarantee that such Shares will be listed or quoted on any Stock Exchange.

Section 7.8 No Fractional Shares.

No fractional Shares shall be issued upon the exercise or vesting of any Award granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise or settlement of such Award, or from an adjustment permitted by the terms of this Plan, such Participant shall only have the right to purchase or receive, as the case may be, the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

Section 7.9 Governing Laws.

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 7.10 Severability.

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

Section 7.11 Effective Date of the Plan

The Plan was adopted by the Board on October 16, 2024 and approved by the shareholders of the Company on November 27, 2024 and is effective as of that date.

SCHEDULE “C”

AUDIT AND RISK COMMITTEE CHARTER

1.0 Purpose of the Committee

1.1 The Audit and Risk Committee represents the Board in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and auditing activities and legal compliance of the Company and its subsidiaries. The Audit and Risk Committee also has the responsibility to identify and understand the principal risks to the Company and its business and to report such risks to the Board to ensure there are systems in place to effectively monitor and manage those risks with a view to the long-term viability of the Company and in order to achieve its long-term strategic objectives.

2.0 Members of the Committee

2.1 The Audit and Risk Committee shall consist of no less than three Directors a majority of whom shall be "independent" as defined under National Instrument 52-110, while the Company is in the developmental stage of its business. The members of the Committee shall be selected annually by the Board and shall serve at the pleasure of the Board.

2.2 Each Member of the Audit and Risk Committee must be "financially literate" as defined under Multilateral Instrument 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

3.0 Meeting Requirements

3.1 The Committee will, where possible, meet on a regular basis, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically and shall be at such times and places as the Committee determines. Without meeting, the Committee may act by unanimous written consent of all members which shall constitute a meeting for the purposes of this charter.

3.2 A majority of the members of the Committee shall constitute a quorum.

4.0 Duties and Responsibilities

4.1 The Audit and Risk Committee's function is one of oversight only and shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and conditions or the responsibilities of the external auditors relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) have the authority with respect to the appointment, retention or discharge of the independent public accountants as auditors of the Company (the "auditors") who perform the annual audit in accordance with applicable securities laws, and who shall be ultimately

accountable to the Board through the Audit and Risk Committee;

- (b) review with the auditors the scope of the audit and the results of the annual audit examination by the auditors, including any reports of the auditors prepared in connection with the annual audit;
- (c) review information, including written statements from the auditors, concerning any relationships between the auditors and the Company or any other relationships that may adversely affect the independence of the auditors and assess the independence of the auditors;
- (d) review and discuss with management and the auditors the Company's audited financial statements and accompanying Management's Discussion and Analysis of Financial Conditions ("MD&A"), including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles and report on them to the Board;
- (e) review and discuss with management the Company's interim financial statements and interim MD&A and report on them to the Board;
- (f) pre-approve all auditing services and non-audit services provided to the Company by the auditors to the extent and in the manner required by applicable law or regulation. In no circumstances shall the auditors provide any non-audit services to the Company that are prohibited by applicable law or regulation;
- (g) evaluate the external auditor's performance for the preceding fiscal year, reviewing their fees and making recommendations to the Board;
- (h) periodically review the adequacy of the Company's internal controls and ensure that such internal controls are effective;
- (i) review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditors that may have a significant impact on the Company's financial reports, and report on them to the Board;
- (j) oversee and annually review the Company's Code of Business Conduct and Ethics;
- (k) approve material contracts where the Board of Directors determines that it has a conflict;
- (l) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding the audit or other accounting matters;
- (m) where unanimously considered necessary by the Audit Committee, engage independent counsel and/or other advisors at the Company's expense to advise on material issues affecting the Company which the Audit Committee considers are not appropriate for the full Board;
- (n) satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulation relating to insider trading, continuous disclosure and financial reporting;
- (o) review and monitor all related party transactions which may be entered into by the

Company;

- (p) periodically review the Company's risk governance framework and the guidelines, policies, and processes for monitoring and mitigating risks, which are available, including management's views on acceptable and appropriate levels of exposures, as well as regularly discuss major risk exposures and the steps management has taken to monitor and control such exposures, and review and discuss with management, the risks associated with cross border operations in line with international corruption/fraud legislation, and report to the Board any significant matters; and
- (q) periodically review the adequacy of its charter and recommending any changes thereto to the Board.

5.0 Miscellaneous

Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time