

# **ATACAMA COPPER CORPORATION**

## **NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 22, 2023**

- and -

## **MANAGEMENT INFORMATION CIRCULAR**

November 16, 2023

*This Information Circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult your financial, legal, tax or other professional advisor.*

## ATACAMA COPPER CORPORATION

### NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN THAT** the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) in the capital of Atacama Copper Corporation (the “**Corporation**” or “**Atacama**”) will be held at the offices of Borden Ladner Gervais LLP, located at Centennial Place, East Tower, 1900, 520 – 3rd Ave. SW, Calgary, AB, Canada T2P 0R3, on December 22, 2023, at the hour of 1:00 p.m. (Calgary time), for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for the year ended December 31, 2022, together with the auditor’s report thereon;
2. to fix the board of directors of the Corporation at five (5) members;
3. to elect the directors of the Corporation for the ensuing year, all as more particularly described in the accompanying management information circular prepared for the purposes of the Meeting (the “**Information Circular**”);
4. to approve the appointment of Davidson & Company LLP, as the auditors of the Corporation until the earlier of the close of the next annual meeting of Shareholders or their earlier resignation or replacement, and to authorize the directors of the Corporation to set their remuneration;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Corporation’s existing long term incentive plan, a copy of which is attached hereto as Schedule “A”;
6. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving a shares-for-debt transaction, the full text of which is set forth in the Information Circular, to approve the issuance of up to 1,296,296 common shares of the Corporation to certain officers of the Corporation, for unpaid salaries pursuant to their respective executive employment agreements; and
7. to transact such other business as may properly be brought before the Meeting, or any adjournment or postponement thereof.

Terms not defined herein are defined in the accompanying Information Circular. The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice of Annual General and Special Meeting of Shareholders.

Only persons registered as Shareholders of the Corporation as of the close of business on November 16, 2023 (the “**Record Date**”), are entitled to receive notice of the Meeting or any adjournment or adjournments thereof and to vote thereat unless, after the Record Date, a Shareholder transfers his Common Shares and the transferee not later than ten (10) days before the Meeting, produces properly endorsed certificates evidencing such Common Shares or otherwise establishes that he owns such Common Shares and requests that the transferee’s name be included in the list of Shareholders entitled to vote, in which case such transferee shall be entitled to vote such Common Shares at the Meeting. **Shareholders may vote in person at the Meeting or any adjournment or adjournments thereof, or they may appoint another person or company (who need not be a Shareholder) as their proxy to attend and vote in their place. Shareholders who are unable to attend the Meeting in person are requested to date, sign and return the accompanying Instrument of Proxy for use at the Meeting or any adjournment or postponement thereof.** To be valid, proxies must be received by TSX Trust Company, by mail at 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department, or by email at tsxtrustproxyvoting@tmx.com, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the Meeting.

**DATED** as of the 16<sup>th</sup> day of November, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS**

Per: “Tim Warman”  
Tim Warman  
Chief Executive Officer

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# ATACAMA COPPER CORPORATION

## MANAGEMENT INFORMATION CIRCULAR

Annual General and Special Meeting of Shareholders  
to be held on December 22, 2023

### INTRODUCTION

THIS MANAGEMENT INFORMATION CIRCULAR (the “**Information Circular**”) IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY OR ON BEHALF OF THE MANAGEMENT OF Atacama Copper Corporation (the “**Corporation**” or “**Atacama**”) for use at the annual general and special meeting of the holders (the “**Shareholders**”) of common shares in the capital of Atacama (“**Common Shares**”) to be held at the offices of Borden Ladner Gervais LLP, located at Centennial Place, East Tower, 1900, 520 – 3rd Ave. SW, Calgary, AB, Canada T2P 0R3, on December 22, 2023 at the hour of 1:00 p.m. (Calgary time), and at any adjournment(s) thereof (the “**Meeting**”) for the purposes set out in the accompanying Notice of Meeting. Information in this Information Circular is given as at November 16, 2023, unless otherwise stated.

### SOLICITATION OF PROXIES

Management of the Corporation is soliciting proxies from Shareholders for the Meeting. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors or officers of the Corporation. The cost of any such solicitation will be borne by the Corporation.

The Corporation has determined to deliver the proxy solicitation materials indirectly to the non-objecting Beneficial Shareholders (“**NOBOs**”). The Corporation does not intend to pay for intermediaries to deliver proxy-related materials or Form 54-101F7 – Request for Voting Instructions Made by Intermediary to the objecting beneficial owners of Common Shares (“**OBOs**”) and as such, OBOs will not receive such materials unless their intermediary assumes the costs thereof (OBOs and NOBOs are herein collectively referred to as the “**Beneficial Shareholders**”). See also “*Advice to Beneficial Shareholders*” in this Information Circular.

### APPOINTMENT OF PROXY

The form appointing a proxy shall be in writing and shall be executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

**The persons named in the enclosed form of proxy (the “Form of Proxy”) are directors and officers of the Corporation. A Shareholder submitting the proxy has the right to appoint a person (who need not be a Shareholder) to represent it at the Meeting other than the persons designated in the enclosed Form of Proxy. To exercise this right, the Shareholder should insert the name of the desired representative in the blank space provided in the Form of Proxy and strike out the other names, or submit another appropriate proxy. Such Shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and should instruct him or her as to how the Shareholder’s Common Shares are to be voted. In any case, the Form of Proxy should be dated and executed by the Shareholder or its attorney duly authorized in writing.**

## EXERCISE OF DISCRETION BY PROXY HOLDERS

All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting, as applicable, and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted, or withheld from voting if applicable, in accordance with such specifications. In the absence of any such specifications, the management designees, if named as proxy, will vote in favour of all the matters set out herein. The enclosed Instrument of Proxy confers discretionary authority upon the management designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. At the date of this Information Circular, the Corporation is not aware of any amendments to, or variations of, or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the management designees.

## REVOCATION OF PROXIES

A Shareholder who has submitted a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. A proxy may be revoked by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Shareholder or by his authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, and by depositing the proxy bearing a later date with the Chief Executive Officer of the Corporation, at any time up to and including the last business day preceding the date of the Meeting or any adjournment thereof at which the proxy is to be used or by depositing the revocation of proxy with the chairman of such Meeting on the day of the Meeting, or any adjournment thereof, or in any other matter permitted by law. In addition, a proxy may be revoked by the Shareholder personally attending at the Meeting and voting his or her Common Shares.

## ADVICE TO BENEFICIAL SHAREHOLDERS

**The information in this section is of significant importance to non-registered Shareholders of the Corporation (“Beneficial Shareholders”) since most Shareholders do not hold Common Shares in their own name. Beneficial Shareholders are advised that only proxies from shareholders of record can be recognized and voted upon at the Meeting.** If Common Shares are listed in the account statement provided to the Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder’s name. Such Common Shares are more likely held under the name of the broker or a broker’s agent clearing house. Common Shares held by brokers, or their nominees can only be voted (for or against or withheld, as applicable) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. **Beneficial Shareholders should therefore ensure that voting instructions are properly communicated to the appropriate person or that the Common Shares are duly registered in their name well in advance of the Meeting.**

Applicable regulatory policies require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the applicable meeting. Often, the proxy form supplied to a Beneficial Shareholder by its broker is identical to that provided to a registered shareholder. However, its purpose is limited to instructing the registered shareholder on how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada. Broadridge typically mails a scannable Voting Instruction Form in lieu of the applicable proxy form. The Beneficial Shareholder is requested to complete and return the Voting Instruction Form by mail or facsimile. Alternatively, the

Beneficial Shareholder can call a toll-free telephone number or access the internet to vote the shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the applicable meeting. **A Beneficial Shareholder receiving a proxy form or Voting Instruction Form from its broker or other intermediary (or an agent or nominee of such broker or other intermediary) cannot use that form to vote shares directly at the applicable meeting. Voting instructions must be communicated to the broker, intermediary, agent or nominee (in accordance with the instructions provided by it or on its behalf) well in advance of the meeting in order to have the shares to which such instructions relate voted at the meeting.**

**If you are a Beneficial Shareholder and wish to vote at the Meeting, you must insert your own name in the space provided on the voting instruction form sent to you by your intermediary and follow all of the applicable instructions provided by your intermediary.** By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary.

**Submit the Voting Instruction Form:** To appoint someone other than the individuals named in the voting instruction form as proxyholder, insert that person's name in the blank space provided in the voting instruction form (if permitted) and follow the instructions for submitting such voting instruction form. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted the voting instruction form.

**Beneficial Shareholders should contact their broker or other Intermediary through which they hold Common Shares if they have any questions regarding the voting of such Common Shares.**

All references to Shareholders in this Information Circular and the accompanying Form of Proxy and Notice of Meeting are to Shareholders of record unless specifically stated otherwise. Where documents are stated to be available for review or inspection, such items will be shown upon request to registered Shareholders that produce proof of their identity.

#### **VOTING SECURITIES AND PRINCIPAL HOLDER THEREOF**

The Corporation is authorized to issue an unlimited number of Common Shares. As at the date of this Information Circular, there were 35,940,488 Common Shares issued and outstanding. Each Common Share carries the right to one vote on any matter properly coming before the Meeting or any adjournment or postponement thereof.

The record date for the Meeting is November 16, 2023 (the "**Record Date**"). Only registered holders of Common Shares at the close of business on the Record Date are entitled to notice of the Meeting and to vote thereat unless, after the Record Date, a registered holder transferred his Common Shares and that transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he owns such shares, requests, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote, in which case such transferee shall be entitled to vote such shares at the Meeting.

To the knowledge of the directors and senior officers of the Corporation, as of the date hereof no person or corporation beneficially owns or controls or directs, directly or indirectly, more than then percent (10%) of the voting rights attached to all of the outstanding Common Shares of the Corporation, except as follows:

<b>Name of Shareholder</b>	<b>Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly</b>
Gino Zandonai	7,108,776 (19.779%)

Natalie Stevens

4,791,225  
(13.330%)

## QUORUM FOR MEETING

Under the Articles of the Corporation, a quorum for the Meeting is two individuals who are shareholders, proxy holders representing shareholders or duly authorized representatives of corporate shareholders personally present and representing shares aggregating not less than ten percent (10%) of the issued shares of the Corporation carrying the right to vote at that meeting.

## APPROVAL REQUIREMENTS

All of the matters to be considered at the Meeting under the ordinary resolutions require approval by more than fifty percent (50%) of the votes cast in respect of the resolution by or on behalf of Shareholders present in person or represented by proxy at the Meeting.

## MATTERS TO BE ACTED UPON AT THE MEETING

At the Meeting, Shareholders will consider the following items:

### 1. Financial Statements

The financial statements of the Corporation (the “**Financial Statements**”), consisting of audited financial statements for the year ended December 31, 2022, will be placed before the Meeting. Copies of the Financial Statements have been delivered to Shareholders. No vote will be taken at the Meeting in respect of the Financial Statements.

### 2. Number of Directors

The term of office of each of the present directors expires at the Meeting. At the Meeting, Shareholders will be asked to consider passing an ordinary resolution fixing the number of directors of the Corporation to be elected at five (5) members, 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 Atacama, unless their offices are earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) or Atacama’s constating documents. In order for the resolution to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote proxies in the accompanying form in favour of setting the number of directors to be elected at the Meeting at five (5).

The board of directors of Atacama believe the passing of the above resolution is in the best interests of the Corporation and recommends that the Shareholders vote **IN FAVOUR** of the ordinary resolutions fixing the number of directors to be elected at the Meeting as set out above. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed instrument of proxy to vote proxies in favour of the above resolutions.

### 3. Election of Board of Directors

The Shareholders will be asked to consider an ordinary resolution electing directors of the Corporation 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 Atacama, unless their offices are earlier vacated in accordance with the provisions of the BCBCA or Atacama’s constating documents. It is proposed that the persons named below will be nominated at the Meeting. Management does not contemplate that any of such nominees will be unable to serve as directors.

The board of directors of Atacama believe the passing of the above resolutions is in the best interests of Atacama and recommends that the Shareholders vote IN FAVOUR of the election of the proposed directors noted below.

The following table states the names of all persons proposed to be nominated for election as directors, position or office within the Corporation now held by them, their principal occupations within the five (5) preceding years, the date on which they became directors of the Corporation and the number of Common Shares owned by them or over which they exercise control or direction as of the date hereof.

Name, Province and Country of Residence	Office Held and Date became a Director	Principal Occupation	Common Shares beneficially Owned, or Controlled or Directed, Directly or Indirectly
Tim Warman Toronto, Canada	August 15, 2022 - Current Chief Executive Officer	Chief Executive Officer of the Corporation, prior thereto Chief Executive Officer of Fiore Gold	1,000,000
Martyn Buttenshaw <sup>(1)(2)(3)</sup> Unterageri, Switzerland	August 23, 2021 - Current Chairman	Senior Mining Executive & Director	1,511,000
Scott Hicks <sup>(1)(2)(3)</sup> Vancouver, Canada	August 23, 2021 - Current	EVP Corporate Development and Director of Strategic Resources and VP of Corporate Development and Communications at both Lumina Gold and Luminex Resources	702,000
Richard Reinert <sup>(1)(2)</sup> Almancil, Portugal	August 23, 2021 - Current	Managing Partner of Citation Capital and non-executive direct of multiple investment funds	290,000
Gino Zandonai <sup>(3)</sup> Santiago, Chile	August 23, 2021 - Current	Senior VP of Business Development of the Corporation, prior thereto Managing Director of DGCS SA	11,900,000 <sup>(4)</sup>

**Notes:**

- (1) Members of the Audit Committee.
- (2) Members of the Corporate Governance and Compensation Committee.
- (3) Technical Committee.
- (4) Mr. Zandonai's spouse, holds 4,791,224 Common Shares of the 11,900,000 Common Shares indicated in the table.

**Regulatory Matters and Bankruptcies and Insolvencies**

For the purposes of this section, "order" has the meaning given to such term under Section 7.2.3. of National Instrument 51-102F5 – *Information Circular*.

Other than as set out below, no proposed director or executive officer of the Corporation is, at the date of the Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any corporation (including the Corporation) that:

- (a) was subject to a cease trade or similar order or an order that denied the relevant corporation access to any exemption under securities legislation that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to 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.

Martyn Buttenshaw was the Chairman and CEO of Melior Resources Inc. when on November 1, 2019, Melior Resources Inc.'s securities were subject to a cease trade order issued by the Ontario Securities Commission relating to delayed filing of annual, audited financial statements and associated disclosures for the fiscal years ending June 30, 2019. The cease trade order was revoked on May 7, 2020.

No proposed director or executive officer of the Corporation has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any corporation (including the Corporation), 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.

Martyn Buttenshaw was the Chairman and CEO of Melior Resources Inc. when on September 9, 2019, Melior Resources Inc. announced that its wholly-owned subsidiaries, Goondicum Resources Pty. Ltd (“**Goondicum**”) and Melior Australia Pty. Ltd (“**Melior Australia**” and, together with Goondicum, the “**Subsidiaries**”), of which Mr. Buttenshaw was a director, appointed a voluntary administrator (the “**Administrator**”) pursuant to Section 436A of the *Corporations Act 2001* (Australia). In the opinion of the directors of the Subsidiaries, the Subsidiaries were insolvent or were likely to become insolvent at some future time. The Subsidiaries were unable to obtain additional funding necessary to satisfy the ongoing cash needs of the business resulting from the continuing production underperformance at the Goondicum mine. The Administrator took control of the operations and assets of the Subsidiaries.

No proposed director or executive officer of the Corporation has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of the Corporation, as of the date hereof, no proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body, that would likely be considered important to a reasonable Shareholder in deciding to vote for a proposed director.

#### **4. Appointment of Auditor**

Shareholders will be asked to consider an ordinary resolution at the Meeting concerning the appointment of Davidson & Company LLP as auditor of the Corporation, to hold office until the earlier of the close of the next annual meeting of Shareholders of the Corporation or their earlier resignation or replacement, at a remuneration to be fixed by the board of directors of Atacama. Davidson & Company LLP was first appointed auditors of the Corporation on August 23, 2021.

The board of directors of Atacama believe the passing of the above resolution is in the best interests of the Corporation and recommends that the Shareholders vote IN FAVOUR of the ordinary resolution appointing the auditors of the Corporation as set out above. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed instrument of proxy to vote proxies in favour of the above resolution.

## 5. Approval of Incentive Plan

The Corporation has adopted a long term incentive plan (the “**Incentive Plan**”), in the form attached as Schedule “A” to this Information Circular, which provides for the grant of the following incentive based compensation awards: (i) stock options of the Corporation (“**Options**”); (ii) restricted share units of the Corporation (“**RSUs**”); and (iii) performance share units of the Corporation (“**PSUs**”) (collectively, the “**Awards**”) to eligible participants being all directors, officers, senior executives, consultants, management company employees and other employees of the Corporation or subsidiary, providing ongoing services to the Corporation and its affiliates. Notwithstanding the foregoing, investor relations service providers are not eligible to participate in the Incentive Plan.

The Incentive Plan, subject to adjustment provisions provided for therein, provides that the total number of common shares reserved and available for grant and issuance pursuant to Awards under the Incentive Plan shall not exceed ten percent (10%) of the total issued and outstanding common shares from time to time or such other number as may be approved by the TSXV and the shareholders of the Corporation from time to time.

The following additional limits are imposed under the Incentive Plan:

- (a) the total number of shares which may be reserved for issuance to any one eligible participant under the Incentive Plan together with all of the Corporation’s other previously established or proposed share compensation arrangements shall not exceed five percent (5%) of the issued and outstanding shares on the grant date or within any twelve (12) month period (in each case on a non-diluted basis);
- (b) the aggregate number of Awards to any one eligible participant that is a consultant of the Corporation in any twelve (12) month period must not exceed two percent (2%) of the issued shares calculated at the first such grant date;
- (c) the aggregate number of Options to all persons retained to provide investor relations activities must not exceed two percent (2%) of the issued shares in any twelve (12) month period calculated at the first such grant date (and including any eligible participant that performs investor relations activities and/or whose role or duties primarily consist of investor relations activities); and
- (d) Options granted to any person retained to provide investor relations activities must vest in a period of not less than twelve (12) months from the date of grant of the Award and with no more the twenty-five percent (25%) of the Options vesting in any three (3) month period notwithstanding any other provision of the Incentive Plan.

The Incentive Plan provides that the aggregate number of common shares of the Corporation (i) issued to insiders under the Incentive Plan or any other proposed or established share compensation arrangement within any one (1) year period and (ii) issuable to insiders at any time under the Incentive Plan or any other proposed or established share compensation arrangement, shall in each case not exceed ten percent (10%) of the total issued and outstanding shares from time to time.

### Options

The board of directors from time to time shall, (i) designate the eligible participants who may receive Options under the Incentive Plan, (ii) determine the number of Options to be granted to each eligible 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 (“**Exercise Price**”), which shall not be less than the TSXV Market Price (as such term is defined in the Incentive Plan), as calculated under the policies of the TSXV, (iv) determine the relevant vesting provisions, and (v) determine the Expiry Date.

Subject to the terms of any other agreement between the eligible participant and the Corporation, or the board of directors expressly providing to the contrary, and except as otherwise provided in the Incentive Plan, each Option shall vest as to 1/3 on the date of grant, 1/3 on the first anniversary of the date of grant and 1/3 on the second anniversary of the date of grant.

Each Option must be exercised no later than ten (10) years after the date the Option is granted or such shorter period as set out in the participant's Option Agreement, at which time such Option will expire (the "**Expiry Date**").

#### Share Units

A Share Unit is either an RSU or PSU. The board of directors shall, from time to time, in its sole discretion (i) designate the eligible participants who may receive Share Units, (ii) fix the number of Share Units to be granted to each eligible participant and the dates they shall be granted, and (iii) determine the relevant conditions and vesting provisions and restriction period for any Share Units.

The board of directors shall determine whether each Share Unit awarded to a participant shall entitle the participant: (i) to receive one share issued from treasury; (ii) to receive the cash equivalent of one share; or (iii) to elect to receive either one share from treasury, the cash equivalent of one share or a combination of cash and shares. Share Units shall be settled by the eligible participant at any time beginning on the first business day following the date the board of directors determines that the performance criteria and other vesting conditions with respect to the Share Units have been met, and no later than five (5) years from this date. Unless otherwise specified in the RSU agreements, one-third of RSUs awarded pursuant to a RSU agreement shall vest on each of the first three anniversaries of the date of grant. At all times when the Corporation is listed on the TSXV, no person retained to provide investor relations activities shall receive any grant of Share Units.

The applicable restriction period of a Share Unit shall be determined by the board of directors but in all cases shall end no later than December 31, of the calendar year which is three (3) years after the calendar year in which the Award was granted.

#### General Conditions

Except as set forth herein, Awards are not transferable and non-assignable. Awards may be exercised upon the participant's death, only by the legal representative of the participant's estate, provided that any such legal representative shall first deliver evidence satisfactory to the Corporation of entitlement to exercise any Award. A person exercising an Award may subscribe for shares only in the person's own name or in the person's capacity as a legal representative.

A participant may cease to be an eligible participant upon death, a change of control, termination for cause and for other reasons outside of cause and death.

Upon a participant ceasing to be an eligible participant for "cause", all unexercised vested or unvested Share Units and Options granted to such participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of the Incentive Plan, the determination by the Corporation that the participant was discharged for cause shall be binding on the participant.

In the case of a participant ceasing to be an eligible participant for any reason (other than for "cause" or death), subject to any later expiration dates determined by the board of directors, all Share Units and Options shall expire on the earlier of one hundred and twenty (120) days after the effective date of such termination or cessation, or the expiry date of such Share Unit or Option, to the extent such Share Unit or Option was vested and exercisable by the participant on the effective date of such termination or cessation and all unexercised unvested Share Units and/or Options granted to such participant shall terminate on the effective date of such termination or cessation.

Unless otherwise determined by the board of directors, the Incentive 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 of directors) shall be no greater than the rights of an unsecured creditor of the Corporation.

The text of the resolution which management intends to place before the Meeting for the approval of the Incentive Plan is as follows:

**“BE IT HEREBY RESOLVED** as an ordinary resolution that:

1. the long term incentive plan of the Corporation, in the form attached as Schedule “A” to the Information Circular (the **“Incentive Plan”**), be and is hereby approved and adopted as the Incentive Plan of the Corporation;
2. any one director or officer may amend the form of the Incentive Plan in order to satisfy the requirements or requests of any regulatory authorities, including the TSX Venture Exchange, without requiring further approval of the shareholders of the Corporation; and
3. any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, document and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

**Unless otherwise directed, the management designees, if named as proxy holders, intend to vote proxies in FAVOUR of the ordinary resolution to approve the Incentive Plan.**

## **6. Shares-for-Debt**

The Corporation intends to enter into a shares-for-debt transaction (**“Shares-for-Debt Transaction”**) with each of Tim Warman, Chief Executive Officer and a Director of the Corporation, and Gino Zandonai, Senior Vice President, Business Development and a Director of the Corporation, for unpaid salaries pursuant to their respective executive employment agreements (the **“Salaries”**), incurred from July 2023 until the consummation of a proposed business combination transaction with TCP1 Corporation and concurrent financing. In connection with the Shares-for-Debt Transaction, the Corporation will issue to each of Messrs. Warman and Zandonai up to a maximum of 648,148 common shares, at a deemed price of \$0.18 per common share, in settlement of unpaid accrued salaries up to an amount of \$116,666.66.

In order to conserve capital while pursuing a business combination transaction with TCP1 Corporation and concurrent financing, the Corporation proposes to proceed with the Shares-for-Debt Transaction to settle the outstanding Salaries owed by the Corporation in lieu of cash payment.

The Shares-for-Debt Transaction is subject to approval from the TSX Venture Exchange (the **“Exchange”**). Pursuant to the policies of the Exchange, the Shares-for-Debt Transaction requires the approval of a majority of the disinterested shareholders of the Corporation who vote on the applicable resolution at a meeting of the shareholders called for that purpose. As at the date hereof, an aggregate of 12,900,000 Common shares held by the following persons will be excluded from voting on this resolution: Tim Warman and Gino Zandonai (collectively, the **“Related Parties”**).

The proposed Shares-for-Debt Transaction is exempt from the formal valuation and minority approval requirements applicable to related party transactions pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*, on the basis that the fair market value of the transaction is less than twenty-five percent (25%) of the Corporation’s market capitalization.

### ***Shares-for-Debt Resolution***

In accordance with Exchange policies, disinterested shareholders of the Corporation will be asked to approve the following resolution authorizing the Shares-for-Debt Transaction:

**“BE IT RESOLVED** as an ordinary resolution of the disinterested shareholders that:

1. subject to approval of the TSX Venture Exchange, the Corporation be and is hereby authorized to issue up to a maximum of 1,296,296 common shares in the capital of the Corporation, in settlement of unpaid accrued salaries up to an aggregate amount of \$233,333.33, at a deemed issue price \$0.18 per common share (the **“Shares-for-Debt Transaction”**); and
2. any one director or officer of the Corporation is hereby authorized to execute (whether under the corporate seal of the Corporation or otherwise) and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with these resolutions, the execution of any such document or the doing of any such other act or thing by a director or officer of the Corporation being conclusive evidence of such determination.”

In accordance with the requirement to obtain disinterested shareholder approval, shares beneficially owned by the Related Parties, or by their associates or affiliates (as such terms are defined in the TSXV policies) will not be eligible to vote on this resolution. As at the date hereof, the Related Parties and their associates or affiliates own or control, directly or indirectly, in the aggregate 12,900,000 common shares representing approximately 35.89% of the issued and outstanding common shares of the Corporation.

### ***Directors Approval and Recommendation***

The board or directors unanimously approved proceeding with the settlement of the unpaid accrued Salaries (with each of Tim Warman and Gino Zandonai (i) having declared and fully disclosed the nature and extent of their respective interests, (ii) having refrained from attending or participating in that part of the meeting in which the proposed transaction was discussed, and (iii) having not voted thereon).

**The Corporation’s board of directors recommends that shareholders vote “FOR” the approval of the Shares for-Debt Resolution. In the absence of contrary instructions, the persons designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the approval of the Shares-for-Debt Resolution.**

### **STATEMENT OF EXECUTIVE COMPENSATION**

The purpose of this section is to describe the compensation of certain named executive officers of the Corporation and the directors of the Corporation for the most recent completed financial year of the Corporation in accordance with Form 51-102F6V – *Statement of Executive Compensation* published by the Canadian Securities Administrators. When used in this section, “Named Executive Officers” or “NEOs” means (i) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer, (ii) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer, (iii) in respect of the Corporation and its subsidiaries, the most highly compensated executive officer other than the chief executive officer and the chief financial officer at the end of the most recently completed financial year whose total compensation was more than \$150,000, and (iv) each individual who would be a NEO under paragraph (iii) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of that financial year.

The NEOs of the Corporation in respect of the most recently completed financial year were, Tim Warman (CEO), Eddy Yu (CFO, deceased), and Gino Zandonai (previous CEO, current Senior VP Business Development).

The Corporation's compensation policies are founded on the principle that compensation should be aligned with Shareholders' interests, while also recognizing that the Corporation's performance is dependent upon its ability to retain highly trained, experienced and committed directors, executive officers and employees who have the necessary skill sets, education, experience and personal qualities required to manage the business of the Corporation. The Corporation also recognizes that the various components of its compensation program must be sufficiently flexible to adapt to unexpected developments in the mining industry and the impact of internal and market-related occurrences from time to time.

### **Base Salaries and Consulting Fees**

The base salary and consulting fee component is intended to provide a fixed level of competitive pay that is established at the time when an officer, employee or consultant joins the Corporation.

### **Oversight and Description of Named Executive Officer and Director Compensation**

The Corporation has a Corporate Governance and Compensation Committee (the "**Governance and Compensation Committee**") that is primarily responsible for evaluating and making recommendations to the board of directors of the Corporation for the compensation of directors and executive officers. The current members of the Governance and Compensation Committee are Scott Hicks, Richard Reinert and Martyn Buttenshaw. The Governance and Compensation committee consists of two individuals who are "independent" within the meaning of National Instruments 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), being Scott Hicks and Richard Reinert, and one individual who is not independent, being Martyn Buttenshaw as a result of being the former Executive Chairman of the Corporation.

Based upon these recommendations, the board of directors is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the Corporation's directors and executive officers. The Corporation at this time does not have a formal compensation program with specific performance goals; however, the performance of each executive is considered along with the Corporation's ability to pay compensation and its results of operation for the period.

The overall compensation program is intended to attract and retain competent, committed individuals who will ensure the long-term success of the Corporation by rewarding performance and contributions to the achievement of corporate goals and objectives. The Corporation strives to maintain alignment between the interests of shareholders with those of executives and key employees. To this end, salaries for the current executive officers have been held significantly below market, and executives have been awarded stock options, allowing the Corporation to offer a competitive compensation package and encouraging investment in the Corporation.

### **Other Board Committees**

The Corporation has established a technical committee (the "**Technical Committee**"), the purpose of which is to assist the board of directors in fulfilling its oversight responsibilities with respect to the operational performance and operating risks of the Corporation, particularly regarding those areas where technical understanding is required. The Technical Committee is comprised of Scott Hicks, Martyn Buttenshaw and Gino Zandonai. Martyn Buttenshaw and Gino Zandonai are not considered independent for the purposes of NI 58-101, as Martyn Buttenshaw is the former Executive Chairman of the Corporation and Gino Zandonai is the former CEO of the Corporation and current Senior VP Business Development.

## Named Executive Officer and Director Compensation Table

The following tables sets out information concerning the compensation paid to each of the Corporation's directors and NEOs, excluding compensation securities, for each of the two most recently completed financial years.

Table of Compensation (Excluding Compensation Securities)							
Name and position(s)	Year	Salary, consulting fee, retainer, or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
<b>Tim Warman</b> CEO and Director	2022	75,000	-	-	-	-	75,000
	2021	-	-	-	-	-	-
<b>Martyn Buttenshaw</b> Chairman and Director	2022	175,000	-	-	-	-	175,000
	2021	66,667	-	-	-	-	66,667
<b>Gino Zandonai</b> Former CEO, currently Senior VP Business Development and Director	2022	204,133	-	-	-	-	204,133
	2021	66,667	-	-	-	-	66,667
<b>Scott Hicks</b> Director	2022	-	-	-	-	-	-
	2021	-	-	-	-	-	-
<b>Richard Reinert</b> Director	2022	-	-	-	-	-	-
	2021	-	-	-	-	-	-

## Outstanding Share-Based Awards and Option-Based Awards

The Corporation granted options to officers and directors during the most recently completed financial year ended December 31, 2022. The following table sets out the number of options outstanding at the end of the most recently completed financial year.

Compensation Securities							
Name and Position(s)	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or 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
<b>Tim Warman</b> CEO and Director	Options	300,000	August 15, 2022	\$0.20	\$0.20	\$0.17	August 15, 2027
<b>Martyn Buttenshaw</b>	Options	280,000	December 21, 2021	\$0.42	\$0.39	\$0.37	December 22, 2026

Chairman and Director	RSU	100,000	December 20, 2021	-	-	-	December 31, 2024
<b>Gino Zandonai</b> Senior VP Business Development and Director	Options	300,000	December 21, 2021	\$0.42	\$0.39	\$0.37	December 22, 2026
	RSU	100,000	December 20, 2021	-	-	-	December 31, 2024
<b>Scott Hicks</b> Director	Options	180,000	December 21, 2021	\$0.42	\$0.39	\$0.37	December 22, 2026
	RSU	20,000	December 20, 2021	-	-	-	December 21, 2024
<b>Richard Reinert</b> Director	Options	180,000	December 21, 2021	\$0.42	\$0.39	\$0.37	December 22, 2026
	RSU	20,000	December 20, 2021	-	-	-	December 21, 2024

In the most recently completed financial year of the Corporation, no directors or NEOs exercised Options, RSUs or any other compensation securities.

#### EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Corporation which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Securities Authorized For Issuance Under Equity Compensation Plans			
Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(1)</sup>
Equity Compensation plans approved by security holders	1,240,000 Stock Options 240,000 RSUs	\$0.37	1,957,315
Equity Compensation plans not approved by security holders	NIL	N/A	N/A
<b>TOTAL</b>	1,480,000	\$0.37	1,957,315

Notes:

(1) Based on 34,373,156 common shares of the Corporation issued and outstanding as at December 31, 2022. The maximum

aggregate number of common shares that may be reserved for issuance under the Incentive Plan is equal to 10% of the issued and outstanding common shares at the time of the option grant.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation as of the end of the most recently completed financial year ended December 31, 2022.

## **AUDIT COMMITTEE INFORMATION**

### **Audit Committee Charter**

The charter of the Audit Committee is attached as Schedule “B” to this Information Circular.

### **Composition of the Audit Committee and Independence**

The Corporation’s Audit Committee consists of Scott Hicks, Richard Reinert and Martyn Buttenshaw. National Instrument 52-110 – *Audit Committees* (“NI 52-110”) provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the board of directors, reasonably interfere with the exercise of the member’s independent judgment. The board of directors has determined that Scott Hicks and Richard Reinert are “independent” directors. Martyn Buttenshaw is not independent as he is the former executive officer of the Corporation.

### **Audit Committee Oversight**

Since the commencement of the Corporation’s most recently completed financial year, the Audit Committee has not made any recommendations to nominate or compensate an external auditor that were not adopted by the board of directors.

### **Reliance on Certain Exemptions**

Since the commencement of the Corporation’s most recently completed financial year, the Corporation has not relied on the exemptions in section 2.4 (*De Minimis Non-audit Services*), section 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*), section 6.1.1(5) (*Events Outside Control of Member*) or section 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

### **Pre-Approval Policies and Procedures**

All non-audit services must be pre-approved by the audit committee. In no event can the external auditor undertake non-audit services prohibited by legislation or by professional standards.

### **Exemption**

As the Corporation is a “venture issuer” the Corporation is relying on the exemptions provided by section 6.1 of NI 52-110 with respect to Part 3 – *Composition of the Audit Committee* and Part 5 – *Reporting Obligations*.

### **Audit Fees**

The following table sets forth the fees billed to the Corporation and its subsidiaries by the Corporation’s external auditors for services rendered during the years ended December 31, 2021 and 2022:

	2021	2022
Audit Fees <sup>(1)</sup>	\$ 9,358	\$ 48,815
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	Nil	Nil
All Other Fees <sup>(4)</sup>	Nil	Nil
<b>Total</b>	\$ 9,358	\$ 48,815

Notes:

- (1) The aggregate fees billed or accrued for audit services.
- (2) The aggregate fees billed for assurance and related services by Atacama’s external auditor that are reasonably related to the performance of the audit or review of Atacama’s financial statements and are not disclosed in the “Audit Fees” column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in “Audit Fees”, “Audit-Related Fees” and “Tax Fees”.

## CORPORATE GOVERNANCE

The Corporation’s disclosure of corporate governance practices pursuant to National Instruments 58-101, is set out below in the form required by Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

### Board of Directors

The board of directors is responsible for the stewardship of the Corporation and for the supervision of management to protect shareholder interests. The board of directors oversees the development of the Corporation’s strategic plan and the ability of management to continue to deliver on the corporate objectives.

The board of directors is presently comprised of five (5) members: Tim Warman, Martyn Buttenshaw, Gino Zandonai, Scott Hicks, and Richard Reinert. All five (5) current directors will be nominated at the Meeting to hold office for the ensuing year.

NP 58-201 – *Corporate Governance Guidelines*, suggests that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors, within the meaning set out under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Corporation. “Material relationship” is defined as a relationship which could, in the view of the board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

Scott Hicks and Richard Reinert are considered to be independent directors of the Corporation.

The board of directors believes that it functions independently of management. To enhance its ability to act independently of management, the members of the board of directors may meet without management and the non-independent directors. In the event of a conflict of interest at a meeting of the board of directors, the conflicted director will, in accordance with corporate law and his or her fiduciary obligations as a director of the Corporation, disclose the nature and extent of his or her interest to the meeting and abstain from voting on the matter at issue. In addition, the members of the board of directors who are not members of management are encouraged to obtain advice from external advisors and legal counsel as they may deem necessary in order to reach a conclusion with respect to issues brought before the board of directors.

## Directorships

Certain of the Corporation's directors are currently directors or have in the last five (5) years, served as directors or officers of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of director, officer or Promoter	Name of reporting issuer	Exchange	Position	From	To
Martyn Buttenshaw	Ranchero Gold Corp. (formerly Melior Resources Inc.) (Canada)	TSXV	Director, former Chairman and CEO	March 2014	Present
	Kasbah Resources (Australia)	ASX	Director	January 2018	January 2020
Scott Hicks	Strategic Resources Inc.	TSXV	EVP Corporate Development and Director	June 2019	Present
Tim Warman	Revival Gold Ltd.	TSXV	Director	February 2022	Present
	Fiore Gold	TSXV	CEO and Director	October 2017	January 2022

## Orientation and Continuing Education

The board of directors has no formal orientation and education program for new directors. At present, each new director is given an outline of the nature of the Corporation's business, its strategy, and present issues with the Corporation. New directors would also be expected to meet with the management of the Corporation to discuss and better understand the Corporation's business and would be advised by the Corporation's legal counsel of their legal obligations as directors of the Corporation.

## Ethical Business Conduct

The entire board of directors is responsible for developing the Corporation's approach to governance issues, in connection with the recommendations of the Governance and Compensation Committee. The board of directors has reviewed this Corporate Governance disclosure and concurs that it accurately reflects the Corporation's activities. The board of directors has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, and the restrictions placed by applicable corporation legislation on an individual director's participation in decisions of the board of directors in which the director has an interest have been sufficient to ensure that the board of directors operates independently of management and in the best interest of the Corporation.

In addition, each nominee for director of the Corporation must disclose to the Corporation all interest and relationships of which the director is aware of at the time of consideration which will or may give rise to a conflict of interest. If such an interest or relationship should arise while the individual is a director, the individual shall make immediate disclosure of all relevant facts to the Corporation.

## Nomination of Directors

The Governance and Compensation Committee and the board of directors considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual meeting of Shareholders, taking into account the number required to carry out the board of directors' duties effectively and to maintain a diversity of views and experience. There is no set process for identifying new board of director candidates.

## Compensation

Compensation for the directors and executive officers is considered and recommended by the Governance and Compensation Committee to the board of directors. The board of directors as a whole is responsible for approving the overall compensation strategy of the Corporation and administering the Corporation's executive compensation program. For more information, see heading "*Statement of Executive Compensation*" above.

## Other Board Committees

The board of directors constituted its standing committees as of September 17, 2021, establishing three (3) standing committees whose members are as follows:

Board Committee	Committee Members	Status
Audit Committee	Scott Hicks (Chair) Richard Reinert Martyn Buttenshaw	Independent Independent Former Executive Chairman (Not Independent)
Corporate Governance and Compensation Committee	Scott Hicks (Chair) Richard Reinert Martyn Buttenshaw	Independent Independent Former Executive Chairman (Not Independent)
Technical Committee	Scott Hicks (Chair) Martyn Buttenshaw Gino Zandonai	Independent Former Executive Chairman (Not Independent) Former CEO, current Senior VP Business Development (Not Independent)

The board of directors does not have any other standing committees.

## Assessments

The board of directors does not have a formal process where the board of directors, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution.

## INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Management is not aware of any material interest, direct or indirect, of any informed person or insider of the Corporation, any proposed director of the Corporation, or any associate or affiliate of any informed person, insider or proposed director, in any transaction since the commencement of the Corporation's most recently completed financial year, or in any proposed transaction which has materially affected or would materially affect the Corporation.

## **INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED ON**

To the knowledge of management, no person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon, other than as set forth herein.

## **OTHER MATTERS COMING BEFORE THE MEETING**

Management knows of no other matter to come before the Meeting other than as set forth above and in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by the proxies solicited hereby will be voted on such matters in accordance with the best judgment of the person voting by proxy.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com). Shareholders may contact the Corporation at [info@atacamacopper.ca](mailto:info@atacamacopper.ca) to request copies of the Financial Statements and MD&A. Financial information regarding the Corporation is provided in the Corporation's Financial Statements and MD&A for the most recently completed financial year.

**SCHEDULE A**

**LONG TERM INCENTIVE PLAN**

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**ATACAMA COPPER CORPORATION  
(FORMERLY 1246773 B.C. LTD.)**

**LONG-TERM INCENTIVE PLAN**

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**March \_\_, 2023**

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**ATACAMA COPPER CORPORATION  
LONG-TERM INCENTIVE PLAN**

Atacama Copper Corporation (the “**Corporation**”) hereby establishes a Long-Term Incentive Plan for certain qualified directors, officers, employees, consultants and management company employees providing ongoing services to the Corporation and its Affiliates (as defined herein).

**ARTICLE 1 - DEFINITIONS**

**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:

- (i) “**Affiliates**” has the meaning given to this term in the *Securities Act* (British Columbia), as such legislation may be amended, supplemented or replaced from time to time;
- (ii) “**Awards**” means Options, RSUs and PSUs granted to a Participant pursuant to the terms of the Plan;
- (iii) “**Award Agreement**” means an Option Agreement, RSU Agreement or a PSU Agreement, as the context requires;
- (iv) “**Black-Out Period**” means the period of time required by applicable law when, pursuant to any policies or determinations of the Corporation, securities of the Corporation may not be traded by Insiders or other specified persons;
- (v) “**Board**” means the board of directors of the Corporation as constituted from time to time;
- (vi) “**Broker**” has the meaning ascribed thereto in Section 7.4(b) hereof;
- (vii) “**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Calgary, Alberta, Canada for the transaction of banking business;
- (viii) “**Cancellation**” has the meaning ascribed thereto in Section 2.5(a) hereof;
- (ix) “**Cash Equivalent**” means in the case of Share Units, the amount of money equal to the Market Value multiplied by the number of vested Share Units in the Participant’s Account, net of any applicable taxes in accordance with Section 7.4, on the Share Unit Settlement Date;
- (x) “**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:
  - (A) any transaction (other than a transaction described in clause (ii) below) pursuant to which any person or group of persons acting jointly or in concert

acquires the direct or indirect beneficial ownership of securities of the Corporation representing 50% or more of the aggregate voting power of all of the Corporation's then issued and outstanding securities entitled to vote in the election of directors of the Corporation, other than any such acquisition that occurs (A) upon the exercise or settlement of options or other securities granted by the Corporation under any of the Corporation's equity incentive plans; or (B) as a result of the conversion of the multiple voting shares in the capital of the Corporation into Shares;

- (B) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Corporation and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Corporation 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 Corporation immediately prior to such transaction;
- (C) the sale, lease, exchange, license or other disposition of all or substantially all of the Corporation's assets to a person other than a person that was an Affiliate of the Corporation at the time of such sale, lease, exchange, license or other disposition, other than a sale, lease, exchange, license or other disposition to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are beneficially owned by shareholders of the Corporation in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such sale, lease, exchange, license or other disposition;
- (D) the passing of a resolution by the Board or shareholders of the Corporation to substantially liquidate the assets of the Corporation or wind up the Corporation'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 re-arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and the shareholdings remain substantially the same following the re-arrangement); or
- (E) 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;

- (xi) “**Corporation**” means Atacama Copper Corporation (formerly known as 1246773 B.C. Ltd., a corporation existing under the *Business Corporations Act* (British Columbia), as amended from time to time;
- (xii) “**Discounted Market Price**” has the meaning given to such term in TSXV Policy 1.1, as amended, supplemented or replaced from time to time;
- (xiii) “**Dividend Share Units**” has the meaning ascribed thereto in Section 5.2 hereof;
- (xiv) “**Eligible Participants**” has the meaning ascribed thereto in Section 2.4(a) hereof;
- (xv) “**Exercise Notice**” means a notice in writing signed by a Participant and stating the Participant’s intention to exercise a particular Award, if applicable;
- (xvi) “**Exercise Price**” has the meaning ascribed thereto in Section 3.3 hereof;
- (xvii) “**Expiry Date**” has the meaning ascribed thereto in Section 3.4 hereof;
- (xviii) “**Insider**” has the meaning attributed thereto in the TSXV Policy 1.1, as amended, supplemented or replaced from time to time;
- (xix) “**Investor Relations Activities**” has the meaning given to such term in TSXV Policy 1.1, as amended, supplemented or replaced from time to time;
- (xx) “**Market Value**” means at any date when the market value of Shares of the Corporation is to be determined, the five-day volume weighted average trading price of the Shares on the Trading Day prior to the date of grant on the principal stock exchange on which the Shares are listed, or if the Shares of the Corporation are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith;
- (xxi) “**Option**” means an option granted to the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Exercise Price, but subject to the provisions hereof;
- (xxii) “**Option Agreement**” means a written notice from the Corporation to a Participant evidencing the grant of Options and the terms and conditions thereof, substantially in the form set out in Appendix “A”, or such other form as the Board may approve from time to time;
- (xxiii) “**Participants**” means Eligible Participants that are granted Awards under the Plan;

- (xxiv) “**Participant’s Account**” means an account maintained to reflect each Participant’s participation in RSUs and/or PSUs under the Plan;
- (xxv) “**Performance Criteria**” means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance and/or the financial performance of the Corporation and/or of its Affiliates, and that may be used to determine the vesting of the Awards, when applicable;
- (xxvi) “**Performance Period**” means the period determined by the Board pursuant to Section 4.4 hereof;
- (xxvii) “**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;
- (xxviii) “**Plan**” means this Long-Term Incentive Plan, as amended and restated from time to time;
- (xxix) “**PSU**” means a right awarded to a Participant to receive a payment in the form of Shares as provided in Article 4 hereof and subject to the terms and conditions of this Plan;
- (xxx) “**PSU Agreement**” means a written notice from the Corporation to a Participant evidencing the grant of PSUs and the terms and conditions thereof, substantially in the form of Appendix “C”, or such other form as the Board may approve from time to time;
- (xxxi) “**Restriction Period**” means the period determined by the Board pursuant to Section 4.3 hereof;
- (xxxii) “**RSU**” means a right awarded to a Participant to receive a payment in the form of Shares as provided in Article 4 hereof and subject to the terms and conditions of this Plan;
- (xxxiii) “**RSU Agreement**” means a written notice from the Corporation to a Participant evidencing the grant of RSUs and the terms and conditions thereof, substantially in the form of Appendix “B”, or such other form as the Board may approve from time to time;
- (xxxiv) “**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 employees, directors, officers or insiders of the Corporation or a Subsidiary;
- (xxxv) “**Shares**” means the common shares in the capital of the Corporation;

- (xxxvi) “**Share Unit**” means a RSU or PSU, as the context requires;
- (xxxvii) “**Share Unit Settlement Date**” has the meaning determined in Section 4.6(a)(i);
- (xxxviii) “**Share Unit Settlement Notice**” means a notice by a Participant to the Corporation electing the desired form of settlement of vested RSUs or PSUs;
- (xxxix) “**Share Unit Vesting Determination Date**” has the meaning described thereto in Section 4.5 hereof;
- (xl) “**Stock Exchange**” means the TSXV or the TSX, as applicable from time to time;
- (xli) “**Subsidiary**” means a corporation, company, partnership or other body corporate that is controlled, directly or indirectly, by the Corporation;
- (xlii) “**Successor Corporation**” has the meaning ascribed thereto in Section 6.1(c) hereof;
- (xliii) “**Surrender**” has the meaning ascribed thereto in Section 3.6(c);
- (xliv) “**Surrender Notice**” has the meaning ascribed thereto in Section 3.6(c);
- (xlv) “**Tax Act**” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;
- (xlvi) “**Termination Date**” means the date on which a Participant ceases to be an Eligible Participant;
- (xlvii) “**Trading Day**” means any day on which the Stock Exchange is opened for trading;
- (xlviii) “**TSX**” means the Toronto Stock Exchange;
- (xlix) “**TSXV**” means the TSX Venture Exchange;
- (l) “**TSXV Market Price**” means the closing price of the Shares on the TSXV on the last Trading Day preceding the date on which the grant of Options is approved by the Board, or if the Shares of the Corporation are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith; and
- (li) “**TSXV Policy**” means the TSXV Corporate Finance Policies.

## **ARTICLE 2 - PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS**

### **Section 2.1 Purpose of the Plan.**

The purpose of this Plan is to advance the interests of the Corporation by: (i) providing Eligible Participants with additional incentives; (ii) encouraging stock ownership by such Eligible Participants; (iii) increasing the proprietary interest of Eligible Participants in the success of the Corporation; (iv) promoting growth and profitability of the Corporation; (v) encouraging Eligible Participants to take into account long-term corporate performance; (vi) rewarding Eligible Participants for sustained contributions to the Corporation and/or significant performance achievements of the Corporation; and (vii) enhancing the Corporation's ability to attract, retain and motivate Eligible Participants.

### **Section 2.2 Implementation and Administration of the Plan.**

- (a) Subject to Section 2.3, this Plan will be administered by the Board.
- (b) Subject to the terms and conditions set forth in this Plan, the Board is authorized to provide for the granting, exercise and method of exercise of Awards, all at such times and on such terms (which may vary between Awards granted from time to time) as it determines. In addition, the Board has the authority to (i) construe and interpret this Plan and all certificates, agreements or other documents provided or entered into under this Plan; (ii) prescribe, amend and rescind rules and regulations relating to this Plan; and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board will be binding on all Participants and on their legal, personal representatives and beneficiaries.
- (c) No member of the Board will be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan, any Award Agreement or other document or any Awards granted pursuant to this Plan.
- (d) The day-to-day administration of the Plan may be delegated to such committee of the Board and/or such officers and employees of the Corporation as the Board determines from time to time.
- (e) Subject to the provisions of this Plan, the Board has the authority to determine the limitations, restrictions and conditions, if any, applicable to the exercise of an Award.

### **Section 2.3 Delegation to Committee.**

Despite Section 2.2 or any other provision contained in this Plan, the Board has the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member of the Board. In such circumstances, all references to the Board in this Plan include reference to such committee and/or member of the Board, as applicable.

## **Section 2.4 Eligible Participants.**

- (a) The Persons who shall be eligible to receive Awards (“**Eligible Participants**”) shall be the bona fide directors, officers, senior executives, consultants, management company employees and other employees of the Corporation or a Subsidiary, providing ongoing services to the Corporation and its Affiliates; notwithstanding the foregoing, providers of Investor Relations Activities shall not be included as Eligible Participants entitled to receive Share Units related to RSU Agreements or PSU Agreements.
- (b) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant’s relationship, employment or appointment with the Corporation.
- (c) 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 of employment or appointment by the Corporation.

## **Section 2.5 Shares Subject to the Plan.**

- (a) Subject to adjustment pursuant to provisions of Article 6 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan shall not exceed ten percent (10%) of the total issued and outstanding Shares from time to time or such other number as may be approved by the Stock Exchange and the shareholders of the Corporation from time to time, provided that at all times when the Corporation is listed on the TSXV, the shareholder approval referred to herein must be obtained on a “disinterested” basis in compliance with the applicable policies of the TSXV. For the purposes of this Section 2.5(a), in the event that the Corporation cancels or purchases to cancel any of its issued and outstanding Shares (“**Cancellation**”) and as a result of such Cancellation the Corporation exceeds the limit set out in this Section 2.5(a), no approval of the Corporation’s shareholders will be required for the issuance of Shares on the exercise of any Options which were granted prior to such Cancellation.
- (b) Shares in respect of which an Award is granted under the Plan, but not exercised prior to the termination of such Award or not vested or settled prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Shares issued pursuant to the exercise or the vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Shares.

## **Section 2.6 Participation Limits.**

Subject to adjustment pursuant to provisions of Article 6 hereof, the aggregate number of Shares (i) issued to Insiders under the Plan or any other proposed or established Share Compensation Arrangement within any one-year period and (ii) issuable to Insiders at any time under the Plan or any other proposed or established Share Compensation Arrangement, shall in each case not exceed ten percent (10%) of the total issued and outstanding Shares from time to time.

## **Section 2.7 Additional TSXV Limits.**

- (a) In addition to the requirements in Section 2.5 and Section 2.6, subject to Section 4.2(g), and notwithstanding any other provision of this Plan, at all times when the Corporation is listed on the TSXV:
  - (i) the total number of Shares which may be reserved for issuance to any one Eligible Participant under the Plan together with all of the Corporation's other previously established or proposed Share Compensation Arrangements shall not exceed 5% of the issued and outstanding Shares on the grant date or within any 12-month period (in each case on a non-diluted basis);
  - (ii) the aggregate number of Awards to any one Eligible Participant that is a consultant of the Corporation in any 12 month period must not exceed 2% of the issued Shares calculated at the first such grant date;
  - (iii) the aggregate number of Options to all persons retained to provide Investor Relations Activities must not exceed 2% of the issued Shares in any 12-month period calculated at the first such grant date (and including any Eligible Participant that performs Investor Relations Activities and/or whose role or duties primarily consist of Investor Relations Activities); and
  - (iv) Options granted to any person retained to provide Investor Relations Activities must vest in a period of not less than 12 months from the date of grant of the Award and with no more the 25% of the Options vesting in any three (3) month period notwithstanding any other provision of this Plan.
- (b) At all times when the Corporation is listed on the TSXV, the Corporation shall seek annual TSXV and shareholder approval for this rolling Plan in conformity with TSXV Policy 4.4.

## **ARTICLE 3 - OPTIONS**

### **Section 3.1 Nature of Options.**

An Option is an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Exercise Price, subject to the provisions hereof.

### **Section 3.2 Option Awards.**

- (a) The Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) determine the number of Options, if any, to be granted to each Eligible 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 "**Exercise Price**"), (iv) determine the relevant vesting provisions (including Performance Criteria, if applicable) and (v) determine the Expiry Date, the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the Stock Exchange.

- (b) Subject to the terms of any other agreement between the Participant and the Corporation, or the Board expressly providing to the contrary, and except as otherwise provided in a Option Agreement, each Option shall vest as to 1/3 on the date of grant, 1/3 on the first anniversary of the date of grant and 1/3 on the second anniversary of the date of grant.
- (c) Notwithstanding any other provision of this Plan, at all times when the Corporation is listed on the TSXV, the Corporation shall maintain timely disclosure and file appropriate documentation in connection with Option grants made under this Plan in accordance with TSXV Policy 4.4.

### **Section 3.3 Exercise Price.**

The Exercise Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, but shall not be less than:

- (A) the Market Value of such Shares at the time of the grant; or
- (B) if the Shares are listed on the TSXV, the TSXV Market Price,

and in any event shall not be less than the Discounted Market Price.

### **Section 3.4 Expiry Date; Blackout Period.**

Subject to Section 6.2, each Option must be exercised no later than ten (10) years after the date the Option is granted or such shorter period as set out in the Participant's Option Agreement, at which time such Option will expire (the "**Expiry Date**"). Notwithstanding any other provision of this Plan, each Option that would expire during or within ten (10) Business Days immediately following a Black-Out Period shall expire on the date that is ten (10) Business Days immediately following the expiration of the Black-Out Period. Where an Option will expire on a date that falls immediately after a Black-Out Period, and for greater certainty, not later than ten (10) Business Days after the Black- Out Period, then the date such Option will expire will be automatically extended by such number of days equal to ten (10) Business Days less the number of Business Days after the Black-Out Period that the Option expires.

### **Section 3.5 Exercise of Options.**

- (a) Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.
- (b) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board may determine in its sole discretion.
- (c) No fractional Shares will be issued upon the exercise of Options granted under this Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise of an Option, or from an adjustment pursuant to Section 6.1, such Participant will

only have the right to acquire 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 3.6 Method of Exercise and Payment of Purchase Price.**

- (a) Subject to the provisions of the Plan and the alternative exercise procedures set out herein, an Option granted under the Plan may 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 an Exercise Notice to the Corporation in the form and manner determined by the Board from time to time, together with cash, a bank draft or certified cheque in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Options and any applicable tax withholdings.
- (b) Pursuant to the Exercise Notice and subject to the approval of the Board, a Participant may choose to undertake a “cashless exercise” with the assistance of a broker in order to facilitate the exercise of such Participant’s Options. The “cashless exercise” procedure may include a sale of such number of Shares as is necessary to raise an amount equal to the aggregate Exercise Price for all Options being exercised by that Participant under an Exercise Notice and any applicable tax withholdings. Pursuant to the Exercise Notice, the Participant may authorize the broker to sell Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Corporation to satisfy the Exercise Price and any applicable tax withholdings, promptly following which the Corporation shall issue the Shares underlying the number of Options as provided for in the Exercise Notice.
- (c) In addition, in lieu of exercising any vested Option in the manner described in this Section 3.6(a) or Section 3.6(b), and pursuant to the terms of this Article 3, a Participant may, by surrendering an Option (“**Surrender**”) with a properly endorsed notice of Surrender to the Corporate Secretary of the Corporation, substantially in the form of Schedule “B” to the Option Agreement (a “**Surrender Notice**”), elect to receive that number of Shares calculated using the following formula:

$$X = (Y * (A-B)) / A$$

**Where:**

X = the number of Shares to be issued to the Participant upon exercising such Options; provided that if the foregoing calculation results in a negative number, then no Shares shall be issued

Y = the number of Shares underlying the Options to be Surrendered

A = the Market Value of the Shares as at the date of the Surrender

B = the Exercise Price of such Options

- (d) Upon the exercise of an Option pursuant to Section 3.6(a) or Section 3.6(c), the Corporation shall, as soon as practicable after such exercise but no later than ten (10)

Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to deliver to the Participant such number of Shares as the Participant shall have then paid for and as are specified in such Exercise Notice.

## **ARTICLE 4 - SHARE UNITS**

### **Section 4.1 Nature of Share Units.**

A Share Unit is an Award entitling the recipient to acquire Shares, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives.

### **Section 4.2 Share Unit Awards.**

- (a) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs and/or PSUs under the Plan, (ii) fix the number of RSUs and/or PSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs and/or PSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions (including, in the case of PSUs, the applicable Performance Period and Performance Criteria, if any) and Restriction Period of such RSUs and/or PSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.
- (b) The RSUs and PSUs are structured so as to be considered to be a plan described in Section 7 of the Tax Act or any successor to such provision.
- (c) Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement and/or PSU Agreement, the Board shall determine whether each RSU and/or PSU awarded to a Participant shall entitle the Participant: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one Share; or (iii) to elect to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares.
- (d) Share Units shall be settled by the Participant at any time beginning on the first Business Day following their Share Unit Vesting Determination Date but no later than the Share Unit Settlement Date.
- (e) Unless otherwise specified in the RSU Agreements, one-third of RSUs awarded pursuant to a RSU Agreement shall vest on each of the first three anniversaries of the date of grant.
- (f) Notwithstanding any other provision of this Plan, at all times when the Corporation is listed on the TSXV, no person retained to provide Investor Relations Activities shall receive any grant of Share Units in compliance with TSXV Policy 3.4.

### **Section 4.3 Restriction Period Applicable to Share Units.**

The applicable restriction period in respect of a particular Share Unit shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three (3) years after the calendar year in which the Award is granted (“**Restriction Period**”). For example, the Restriction Period for a grant made in June 2019 shall end no later than December 31, 2022. Subject to the Board’s determination, any vested Share Units with respect to a Restriction Period will be paid to Participants in accordance with Article 4, no later than the end of the Restriction Period. Unless otherwise determined by the Board, all unvested Share Units shall be cancelled on the Share Unit Vesting Determination Date (as such term is defined in Section 4.5) and, in any event, no later than the last day of the Restriction Period.

### **Section 4.4 Performance Criteria and Performance Period Applicable to PSU Awards.**

- (a) For each award of PSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the PSUs held by such Participant (the “**Performance Period**”), provided that such Performance Period may not expire after the end of the Restriction Period, being no longer than three (3) years after the calendar year in which the Award was granted. For example, a Performance Period determined by the Board to be for a period of three (3) financial years will start on the first day of the financial year in which the award is granted and will end on the last day of the second financial year after the year in which the grant was made. In such a case, for a grant made on January 4, 2019, the Performance Period will start on January 1, 2019 and will end on December 31, 2021.
- (b) For each award of PSUs, the Board shall establish any Performance Criteria and other vesting conditions in order for a Participant to be entitled to receive Shares in exchange for his or her PSUs.

### **Section 4.5 Share Unit Vesting Determination Date.**

- (a) The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU and/or PSU have been met (the “**Share Unit Vesting Determination Date**”), and as a result, establishes the number of RSUs and/or PSUs that become vested, if any. For greater certainty, the Share Unit Vesting Determination Date in respect of Share Units must fall after the end of the Performance Period, if applicable, but no later than the last day of the Restriction Period.
- (b) At all times that the Corporation is listed on the TSXV, the Share Unit Vesting Determination Date shall be not less than one (1) year following the date on which the RSU and/or PSU was granted or issued.

### **Section 4.6 Settlement of Share Unit Awards.**

- (a) Subject to the terms of any other agreement between the Participant and the Corporation, or the Board expressly providing to the contrary, and except as otherwise provided in a

RSU Agreement and/or PSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of a Share Unit are satisfied:

- (i) all of the vested Share Units covered by a particular grant may, subject to Section 4.6(d), be settled at any time beginning on the first Business Day following their Share Unit Vesting Determination Date but no later than the date that is five (5) years from their Share Unit Vesting Determination Date (the “**Share Unit Settlement Date**”); and
  - (ii) a Participant is entitled to deliver to the Corporation, on or before the Share Unit Settlement Date, a Share Unit Settlement Notice in respect of any or all vested Share Units held by such Participant.
- (b) Subject to Section 4.6(d), settlement of Share Units shall take place promptly following the Share Unit Settlement Date and take the form set out in the Share Unit Settlement Notice through:
- (i) in the case of settlement of Share Units for their Cash Equivalent, delivery of a bank draft, certified cheque or other acceptable form of payment to the Participant representing the Cash Equivalent;
  - (ii) in the case of settlement of Share Units for Shares, delivery of Shares to the Participant; or
  - (iii) in the case of settlement of the Share Units for a combination of Shares and the Cash Equivalent, a combination of (i) and (ii) above.
- (c) If a Share Unit Settlement Notice is not received by the Corporation on or before the Share Unit Settlement Date, settlement shall take the form of Shares issued from treasury as set out in Section 4.7(b).
- (d) Notwithstanding any other provision of this Plan, in the event that a Share Unit Settlement Date falls during a Black-Out Period and the Participant has not delivered a Share Unit Settlement Notice, then such Share Unit Settlement Date shall be automatically extended to the tenth (10th) Business Day following the date that such Black-Out Period is terminated. Where a Share Unit Settlement Date falls immediately after a Black-Out Period, and for greater certainty, not later than ten (10) Business Days after the Black-Out Period, then the Share Unit Settlement Date will be automatically extended by such number of days equal to ten (10) Business Days less the number of Business Days that a Share Unit Settlement Date is after the Black-Out Period.

#### **Section 4.7 Determination of Amounts.**

- (a) For purposes of determining the Cash Equivalent of Share Units to be made pursuant to Section 4.6, such calculation will be made on the Share Unit Settlement Date and shall equal the Market Value on the Share Unit Settlement Date multiplied by the number of vested Share Units in the Participant’s Account which the Participant desires to settle in cash pursuant to the Share Unit Settlement Notice.

- (b) For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of Share Units pursuant to Section 4.6, such calculation will be made on the Share Unit Settlement Date and be the whole number of Shares equal to the whole number of vested Share Units then recorded in the Participant's Account which the Participant desires to settle pursuant to the Share Unit Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Corporation and the entitlement of the Participant under this Plan in respect of such Share Units settled for Shares shall be satisfied in full by such issuance of Shares.

## ARTICLE 5 - GENERAL CONDITIONS

### Section 5.1 General Conditions applicable to Awards.

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

- (a) **Employment** - The granting of an Award to a Participant shall not impose upon the Corporation or a Subsidiary any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any awards in the future nor shall it entitle the Participant to receive future grants.
- (b) **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 until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such person's name on the share register for the Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued or entry of such person's name on the share register for the Shares.
- (c) **Conformity to Plan** - In the event that an Award is granted or an Award 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.
- (d) **Non-Transferability** - Except as set forth herein, Awards are not transferable and non-assignable. Awards may be exercised only upon the Participant's death, by the legal representative of the Participant's estate, provided that any such legal representative shall first deliver evidence satisfactory to the Corporation of entitlement to exercise any Award. A person exercising an Award may subscribe for Shares only in the person's own name or in the person's capacity as a legal representative.
- (e) **Hold Period** - In the event that the Shares are listed on the TSXV, the granting of an Award (i) to Insiders, or (ii) where the exercise price is at a discount to the TSXV Market

Price shall be subject to a four-month hold period in compliance with the applicable policies of the TSXV.

## **Section 5.2 Dividend Share Units.**

When dividends (other than stock dividends) are paid on Shares, Participants shall receive additional RSUs and/or PSUs, as applicable (“**Dividend Share Units**”) as of the dividend payment date. The number of Dividend Share Units to be granted to the Participant shall be determined by multiplying the aggregate number of RSUs and/or PSUs, as applicable, held by the Participant on the relevant record date by the amount of the dividend paid by the Corporation on each Share, and dividing the result by the Market Value on the dividend payment date, which Dividend Share Units shall be in the form of RSUs and/or PSUs, as applicable. Dividend Share Units granted to a Participant in accordance with this Section 5.2 shall be subject to the same vesting conditions applicable to the related RSUs and/or PSUs.

## **Section 5.3 Termination of Employment.**

- (a) Unless otherwise determined by the Board, each Share Unit and Option shall be subject to the following conditions:
- (i) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for “cause”, all unexercised vested or unvested Share Units and Options granted to such Participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of the Plan, the determination by the Corporation that the Participant was discharged for cause shall be binding on the Participant.
  - (ii) **Termination or Cessation.** In the case of a Participant ceasing to be an Eligible Participant for any reason (other than for “cause” or death), subject to any later expiration dates determined by the Board, all Share Units and Options shall expire on the earlier of one hundred and twenty (120) days after the effective date of such termination or cessation, or the expiry date of such Share Unit or Option, to the extent such Share Unit or Option was vested and exercisable by the Participant on the effective date of such termination or cessation and all unexercised unvested Share Units and/or Options granted to such Participant shall terminate on the effective date of such termination or cessation.
  - (iii) **Death.** If a Participant dies while in his or her capacity as an Eligible Participant, all unvested Share Units and Options will immediately vest and all Share Units and Options will expire one (1) year after the death of such Participant.
  - (iv) **Change of Control.** Subject to any written employment or contracting agreement between the Corporation and a Participant, if a participant is terminated without “cause” or resigns for good reason during the 12 month period following a Change of Control, or after the Corporation has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Share Units and/or Options will immediately vest and may be exercised prior to the earlier of thirty (30) days of such date or the expiry date of such Options.

- (b) For the purposes of this Plan, a Participant's employment with the Corporation or an Affiliate is considered to have terminated effective on the last day of the Participant's actual and active employment with the Corporation or Affiliate, whether such day is selected by agreement with the individual, unilaterally by the Corporation or Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant's last day of actual and active employment will be considered as extending the Participant's period of employment for the purposes of determining his entitlement under this Plan.
- (c) The Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any awards which would have settled or vested or accrued to the Participant after the date of cessation of employment or if working notice of termination had been given.

#### **Section 5.4 Unfunded 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 Corporation. Notwithstanding the foregoing, any determinations made shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.

### **ARTICLE 6 - ADJUSTMENTS AND AMENDMENTS**

#### **Section 6.1 Adjustment to Shares Subject to Outstanding Awards.**

- (a) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (b) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of

Shares as such Participant would have held as a result of such consideration if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

- (c) Subject to the prior written approval of the TSXV (at any time that the Corporation is listed on the TSXV), if at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Section 6.1(a) or Section 6.1(b) hereof or, subject to the provisions of Section 6.2(c) hereof, the Corporation shall consolidate, merge or amalgamate with or into another corporation (the corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the “Successor Corporation”), the Participant shall be entitled to receive upon the subsequent exercise or vesting of Award, in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate class or other securities of the Corporation or the Successor Corporation (as the case may be) or other consideration from the Corporation or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of Section 6.2(c) hereof, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, such Participant had been the registered holder of the number of Shares to which such Participant was immediately theretofore entitled upon such exercise or vesting of such Award.
- (d) Subject to the prior written approval of the TSXV (at any time that the Corporation is listed on the TSXV), if, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall make a distribution to all holders of Shares or other securities in the capital of the Corporation, or cash, evidences of indebtedness or other assets of the Corporation (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 Corporation or one of its subsidiaries or cash proceeds of the disposition of such a subsidiary or business unit), or should the Corporation effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants’ economic rights in respect of their Awards in connection with such distribution, transaction or change.

## **Section 6.2 Amendment or Discontinuance of the Plan.**

- (a) The Board may amend the Plan or any Award at any time without the consent of the Participants provided that such amendment shall:
  - (i) not adversely alter or impair any Award previously granted except as permitted by the provisions of Article 6 hereof;

- (ii) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the Stock Exchange; and
  - (iii) be subject to shareholder approval, where required by law, the requirements of the Stock Exchange or the provisions of the Plan, provided that shareholder approval shall not be required for the following amendments and the Board may make any such amendments (unless expressly required by the requirements of the Stock Exchange):
    - (A) amendments of a general “housekeeping” or clerical nature that, among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in the Plan;
    - (B) changes that alter, extend or accelerate the terms of vesting or settlement applicable to any Award; other than (i) in respect of any Options held by persons retained to provide Investor Relations Activities for which prior approval of the TSXV shall be required at all times when the Corporation is listed on the TSXV; and (ii) changes that would result in the Share Unit Vesting Determination Date being less than one (1) year at all times when the Corporation is listed on the TSXV;
    - (C) any amendment regarding the effect of termination of a Participant’s employment or engagement, provided that the Awards must expire within one (1) year of such termination while the Corporation is listed on the TSXV;
    - (D) any amendment to add or amend provisions relating to the granting of cash-settled awards, provision of financial assistance or clawbacks and any amendment to a cash-settled award, financial assistance or clawbacks provisions which are adopted;
    - (E) any amendment regarding the administration of this Plan;
    - (F) any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body having authority over the Corporation, this Plan or the shareholders of the Corporation (provided, however, that any Stock Exchange shall have the overriding right in such circumstances to require shareholder of any such amendments); and
    - (G) any other amendment that does not require the shareholder approval under Section 6.2(b) or pursuant to the requirements of the Stock Exchange.
- (b) Notwithstanding Section 6.2(a)(iii), the Board shall be required to obtain shareholder approval to make the following amendments:

- (i) any change to the maximum number of Shares issuable from treasury under the Plan, except such increase by operation of Section 2.5 and in the event of an adjustment pursuant to Article 6;
- (ii) any amendment which reduces the exercise price of any Award, except in the case of an adjustment pursuant to Article 6;
- (iii) any amendment to remove or to exceed the insider participation limit set out in Section 2.6;
- (iv) any amendment to remove or to exceed the limit on the number of Shares issuable to any one Person in any 12 month period set out in Section 2.7(a)(i);
- (v) any amendment to the amendment provisions of the Plan.

At all times when the Corporation is listed on the TSXV, the shareholder approval referred to in Section 6.2(b)(ii) (if any such Award is held by an Insider), Section 6.2(b)(iii) and (iv) above must be obtained on a “disinterested” basis in compliance with the applicable policies of the TSXV.

- (c) The Board may, subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant’s employment shall not apply for any reason acceptable to the Board.
- (d) Notwithstanding any other provision of this Plan, at all times when the Corporation is listed on the TSXV:
  - (i) the Corporation shall be required to obtain prior TSXV acceptance of any amendment to this Plan; and
  - (ii) The Corporation shall be required to obtain disinterested shareholder approval in compliance with the applicable policies of the TSXV for this Plan if, together with all of the Corporation’s previously established and outstanding equity compensation plans or grants, could permit at any time: (1) the aggregate number of Shares reserved for issuance under Awards granted to Insiders (as a group) at any point in time exceeding 10% of the issued Shares; and (2) the grant to Insiders (as a group), within a 12 month period, of an aggregate number of Awards exceeding 10% of the issued Shares, calculated at the date an Award is granted to any Insider.

**Section 6.3 Change of Control.**

- (a) Notwithstanding any other provision of this Plan, in the event of a Change of Control, the surviving, successor or acquiring entity shall assume any Awards or shall substitute similar options or share units for the outstanding Awards, as applicable. If the surviving, successor or acquiring entity does not assume the outstanding Awards or substitute similar options or share units for the outstanding Awards, as applicable, or if the Board otherwise determines in its discretion, the Corporation shall give written notice to all Participants

advising that the Plan shall be terminated effective immediately prior to the Change of Control and all Options, RSUs (and related Dividend Share Units) and a specified number of PSUs (and related Dividend Share Units) shall be deemed to be vested and, unless otherwise exercised, settled, forfeited or cancelled prior to the termination of the Plan, shall expire or, with respect to RSUs and PSUs be settled, immediately prior to the termination of the Plan. The number of PSUs which are deemed to be vested shall be determined by the Board, in its sole discretion, having regard to the level of achievement of the Performance Criteria prior to the Change of Control.

- (b) In the event of a Change of Control, the Board has the power to: (i) make such other changes to the terms of the Awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the Participants; (ii) otherwise modify the terms of the Awards to assist the Participants to tender into a takeover bid or other arrangement leading to a Change of Control, and thereafter; and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of such Change of Control. If the Change of Control is not completed within the time specified therein (as the same may be extended), the Awards which vest pursuant to this Section 6.3 shall be returned by the Corporation to the Participant and, if exercised or settled, as applicable, the Shares issued on such exercise or settlement shall be reinstated as authorized but unissued Shares and the original terms applicable to such Awards shall be reinstated.

## **ARTICLE 7 - MISCELLANEOUS**

### **Section 7.1 Currency.**

Unless otherwise specifically provided, all references to dollars in this Plan are references to Canadian dollars.

### **Section 7.2 Compliance and Award Restrictions.**

- (a) The Corporation's obligation to issue and deliver Shares under any Award is subject to: (i) the completion of such registration or other qualification of such Shares or obtaining approval of such regulatory authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Shares to listing on any stock exchange on which such Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Corporation determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Corporation shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any stock exchange on which such Shares are then listed.
- (b) The Participant agrees to fully cooperate with the Corporation in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance by

the Corporation with such laws, rule and requirements, including all tax withholding and remittance obligations.

- (c) No Awards will be granted where such grant is restricted pursuant to the terms of any trading policies or other restrictions imposed by the Corporation.
- (d) The Corporation is not obliged by any provision of this Plan or the grant of any Award under this Plan to issue or sell Shares if, in the opinion of the Board, such action would constitute a violation by the Corporation or a Participant of any laws, rules and regulations or any condition of such approvals.
- (e) If Shares cannot be issued to a Participant upon the exercise or settlement of an Award due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares will terminate and, if applicable, any funds paid to the Corporation in connection with the exercise of any Options will be returned to the applicable Participant as soon as practicable.

### **Section 7.3 Use of an Administrative Agent and Trustee.**

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan 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 Corporation and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

### **Section 7.4 Tax Withholding.**

- (a) 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 applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation 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 Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.
- (b) The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the "**Broker**"), under Section 7.4(a) or under any other provision of the Plan will be made on the Stock Exchange. The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on his behalf and acknowledges and agrees that (i) the number of Shares sold will be, at a minimum, sufficient to fund the withholding obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such Shares, the Corporation

or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Corporation nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sales or any delay in transferring any Shares to a Participant or otherwise.

- (c) The Participant further acknowledges that the sale price of the Shares will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale.
- (d) Notwithstanding the first paragraph of this Section 7.4, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.

#### **Section 7.5 Reorganization of the Corporation.**

The existence of any Awards shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation 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 7.6 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 Alberta and the federal laws of Canada applicable therein.

#### **Section 7.7 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 7.8 Effective Date of the Plan.**

The Plan was approved by the Board and shall take effect as of April \_\_, 2021.

## APPENDIX “A”

### FORM OF OPTION AGREEMENT

#### ATACAMA COPPER CORPORATION

#### OPTION AGREEMENT

This Stock Option Agreement (the “**Option Agreement**”) is granted by Atacama Copper Corporation (the “**Corporation**”), in favour of the optionee named below (the “**Optionee**”) pursuant to and on the terms and subject to the conditions of the Corporation’s Long-Term Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this Option Agreement shall have the meanings set forth in the Plan.

The terms of the option (the “**Option**”), in addition to those terms set forth in the Plan, are as follows:

1. **Optionee**. The Optionee is [•] and the address of the Optionee is currently [•].
2. **Number of Shares**. The Optionee may purchase up to [•] Shares of the Corporation (the “**Option Shares**”) pursuant to this Option, as and to the extent that the Option vests and becomes exercisable as set forth in Section 6 of this Option Agreement.
3. **Exercise Price**. The exercise price is Cdn \$ [•] per Option Share (the “**Exercise Price**”).
4. **Date Option Granted**. The Option was granted on [•].
5. **Expiry Date**. The Option terminates on [•]. (the “**Expiry Date**”).
6. **Vesting**. The Option to purchase Option Shares shall vest and become exercisable as follows:  
  
[•]
7. **Exercise of Options**. In order to exercise the Option, the Optionee shall notify the Corporation in the form annexed hereto as Schedule “A”, whereupon the Corporation shall use reasonable efforts to cause the Optionee to receive a certificate representing the relevant number of fully paid and non-assessable Shares in the Corporation.
8. **Transfer of Option**. The Option is not-transferable or assignable except in accordance with the Plan.
9. **Inconsistency**. This Option Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this Option Agreement and the Plan, the terms of the Plan shall govern.
10. **Severability**. Wherever possible, each provision of this Option Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any

provision of this Option Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Option Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

11. **Entire Agreement.** This Option Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
12. **Successors and Assigns.** This Option Agreement shall bind and enure to the benefit of the Optionee and the Corporation and their respective successors and permitted assigns.
13. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.
14. **Governing Law.** This Agreement and the Option shall be governed by and interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
15. **Counterparts.** This Option Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this Agreement, the Optionee acknowledges that the Optionee has been provided a copy of and has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

IN WITNESS WHEREOF the parties hereof have executed this Option Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**ATACAMA COPPER CORPORATION**

By: \_\_\_\_\_  
Name:  
Title:

Witness

\_\_\_\_\_  
**[Insert Participant's Name]**

**SCHEDULE "A"**  
**ELECTION TO EXERCISE STOCK OPTIONS**

**TO: ATACAMA COPPER CORPORATION (the "Corporation")**

The undersigned Optionee hereby elects to exercise Options granted by the Corporation to the undersigned pursuant to an Award Agreement dated \_\_\_\_\_, 20\_\_ under the Corporation's Long-Term Incentive Plan (the "**Plan**"), for the number Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Shares to be Acquired: \_\_\_\_\_

Exercise Price (per Share): Cdn.\$ \_\_\_\_\_

Aggregate Purchase Price: Cdn.\$ \_\_\_\_\_

Amount enclosed that is payable on account of any source deductions relating to this Option exercise (contact the Corporation for details of such amount): Cdn.\$ \_\_\_\_\_

Or check here if alternative arrangements have been made with the Corporation;

and hereby tenders a certified cheque, bank draft or other form of payment confirmed as acceptable by the Corporation for such aggregate purchase price, and, if applicable, all source deductions, and directs such Shares to be registered in the name of \_\_\_\_\_  
\_\_\_\_\_

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
*Signature of Participant*

\_\_\_\_\_  
*Name of Participant (Please Print)*

**SCHEDULE “B”  
SURRENDER NOTICE**

**TO: ATACAMA COPPER CORPORATION (the “Corporation”)**

The undersigned Optionee hereby elects to surrender \_\_\_\_\_ Options granted by the Corporation to the undersigned pursuant to an Award Agreement dated \_\_\_\_\_, 20\_\_\_\_ under the Corporation’s Long-Term Incentive Plan (the “**Plan**”) in exchange for Shares as calculated in accordance with Section 3.6(c) of the Plan. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Please issue a certificate or certificates representing the Shares in the name of \_\_\_\_\_

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
*Signature of Participant*

\_\_\_\_\_  
*Name of Participant (Please Print)*

## APPENDIX “B”

### FORM OF RSU AGREEMENT

#### ATACAMA COPPER CORPORATION

#### RESTRICTED SHARE UNIT AGREEMENT

This restricted share unit agreement (“**RSU Agreement**”) is granted by Atacama Copper Corporation (the “**Corporation**”) in favour of the Participant named below (the “**Recipient**”) of the restricted share units (“**RSUs**”) pursuant to the Corporation’s Long-Term Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this RSU Agreement shall have the meanings set forth in the Plan.

The terms of the RSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is [•] and the address of the Recipient is currently [•].
2. **Grant of RSUs.** The Recipient is hereby granted [•] RSUs.
3. **Restriction Period.** In accordance with Section 4.3 of the Plan, the restriction period in respect of the RSUs granted hereunder, as determined by the Board, shall commence on [•] and terminate on [•].
4. **Performance Criteria.** [•].
5. **Performance Period.** [•].
6. **Vesting.** The RSUs will vest as follows:  
[•].
7. **Transfer of RSUs.** The RSUs granted hereunder are not-transferable or assignable except in accordance with the Plan.
8. **Inconsistency.** This RSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this RSU Agreement and the Plan, the terms of the Plan shall govern.
9. **Severability.** Wherever possible, each provision of this RSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this RSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this RSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

10. **Entire Agreement.** This RSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
11. **Successors and Assigns.** This RSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.
12. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.
13. **Governing Law.** This RSU Agreement and the RSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
14. **Counterparts.** This RSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this RSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this RSU Agreement.

IN WITNESS WHEREOF the parties hereof have executed this RSU Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**ATACAMA COPPER CORPORATION**

By: \_\_\_\_\_  
 Name:  
 Title:

Witness

\_\_\_\_\_  
**[Insert Participant's Name]**

## APPENDIX “C”

### FORM OF PSU AGREEMENT

#### ATACAMA COPPER CORPORATION

#### PERFORMANCE SHARE UNIT AGREEMENT

This performance share unit agreement (“**PSU Agreement**”) is granted by Atacama Copper Corporation (the “**Corporation**”) in favour of the Participant named below (the “**Recipient**”) of the performance share units (“**PSUs**”) pursuant to the Corporation’s Long-Term Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this PSU Agreement shall have the meanings set forth in the Plan.

The terms of the PSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is [•] and the address of the Recipient is currently [•].
2. **Grant of PSUs.** The Recipient is hereby granted [•] PSUs.
3. **Restriction Period.** In accordance with Section 4.3 of the Plan, the restriction period in respect of the PSUs granted hereunder, as determined by the Board, shall commence on [•] and terminate on [•].
4. **Performance Criteria.** [•].
5. **Performance Period.** [•].
6. **Vesting.** The PSUs will vest as follows:  
[•].
7. **Transfer of PSUs.** The PSUs granted hereunder are not-transferable or assignable except in accordance with the Plan.
8. **Inconsistency.** This PSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this PSU Agreement and the Plan, the terms of the Plan shall govern.
9. **Severability.** Wherever possible, each provision of this PSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this PSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this PSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

10. **Entire Agreement.** This PSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
11. **Successors and Assigns.** This PSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.
12. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.
13. **Governing Law.** This PSU Agreement and the PSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
14. **Counterparts.** This PSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this PSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this PSU Agreement.

IN WITNESS WHEREOF the parties hereof have executed this PSU Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**ATACAMA COPPER CORPORATION**

By: \_\_\_\_\_  
 Name:  
 Title:

Witness

\_\_\_\_\_  
**[Insert Participant's Name]**

**SCHEDULE B**

**ADUIT COMMITTEE CHARTER**

## **CHARTER OF THE AUDIT COMMITTEE**

### **ATACAMA COPPER CORPORATION (the “Corporation”)**

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#### **I. Purpose**

The Audit Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) which assists the Board in overseeing the Corporation’s financial controls and reporting and in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, internal control and legal compliance functions of the Corporation. The Committee’s primary duties and responsibilities are to:

- Oversee: (i) the integrity of the Corporation’s financial statements; (ii) the Corporation’s compliance with legal and regulatory requirements with respect to financial controls and reporting; and (iii) the auditor’s qualifications and independence.
- Serve as an independent and objective party to monitor the Corporation’s financial reporting processes and internal control systems.
- Review and appraise the audit activities of the Corporation’s independent auditor and its internal auditing functions.
- Provide open lines of communication among the independent auditor, financial and senior management and the Board for financial reporting and control matters.

#### **II. Composition**

Members of the Committee are appointed and removed by the Board. The Board shall designate annually the members of the Committee and a Chairman of the Committee. The Committee will be comprised of at least three directors, at least two of whom qualify as independent directors, as determined by the Board<sup>1</sup>. All members of the Committee should have skills and/or experience which are relevant to the mandate of the Committee, as determined by the Board. All members of the Committee shall be financially literate. “Financial literacy” shall be determined by the Board in the exercise of its business judgment, and shall include a working familiarity with basic finance and accounting practices and an ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the Corporation’s financial statements. Committee members, if they or the Board deem it appropriate, may enhance their understanding of finance and accounting by participating in educational programs conducted by the Corporation or an outside consultant or firm.

#### **III. Responsibilities**

The Board, in establishing the Committee, has acknowledged that the Corporation is a

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<sup>1</sup> Determined in accordance with National Instrument 52-110 – *Audit Committees*.

venture issuer and, as such, the responsibilities outlined herein are intended as general guidelines intended to be applied in the context of the size of the Corporation and its stage of development. The responsibilities of the Committee shall generally include, but shall not be restricted to, undertaking the following:

***Selection and Evaluation of Auditor***

- (a) Recommending to the Board the external auditor (subject to shareholder approval) to be engaged to prepare or issue an auditor's report or performing other audit, review or attest services for the Corporation and the compensation of such external auditor.
- (b) Overseeing the independence of the Corporation's auditor and taking such actions as the Committee may deem necessary to satisfy it that the Corporation's auditor is independent within the meaning of applicable securities laws by, among other things: (i) requiring the independent auditor to deliver to the Committee on a periodic basis a formal written statement delineating all relationships between the independent auditor and the Corporation; and (ii) actively engaging in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditor and taking appropriate action to satisfy itself of the auditor's independence.
- (c) Instructing the Corporation's independent auditor that: (i) it is ultimately accountable to the Committee (as representatives of the shareholders of the Corporation); (ii) they must report directly to the Committee; and (iii) the Committee is responsible for the appointment (subject to shareholder approval), compensation, retention, evaluation and oversight of the Corporation's independent auditor.
- (d) Ensuring the respect of legal requirements regarding the rotation of applicable partners of the external auditor, on a regular basis, as required.
- (e) Reviewing and pre-approving all audit and permitted non-audit services or mandates to be provided by the independent auditor to the Corporation or any of its subsidiaries including tax services, and the proposed basis and amount of the external auditor's fees for such services, and determining which non-audit services the auditor is prohibited from providing (and, if deemed advisable, adopting specific policies and procedures related thereto).
- (f) Reviewing the performance of the Corporation's independent auditor and replacing or terminating the independent auditor (subject to required shareholder approvals) when circumstances warrant.

***Oversight of Annual Audit***

- (a) Reviewing and accepting, if appropriate, the annual audit plan of the Corporation's independent auditor, including the scope, extent and schedule of audit activities, and monitoring such plan's progress and results during the year.

- (b) Confirming through private discussions with the Corporation's independent auditor and the Corporation's management that no management restrictions are being placed on the scope of the independent auditor's work.
- (c) Reviewing with the external auditor any audit problems or difficulties and management's response thereto and resolving any disagreement between management and the external auditor regarding accounting and financial reporting.
- (d) Reviewing with management and the external auditor the results of the year-end audit of the Corporation including: (i) the annual financial statements and the audit report, the related management representation letter, the related "Memorandum Regarding Accounting Procedures and Internal Control" or similar memorandum prepared by the Corporation's independent auditor, any other pertinent reports and management's responses concerning such memorandum; and (ii) the qualitative judgments of the independent auditor about the appropriateness, and not just the acceptability, of accounting principles and financial disclosure practices used or proposed to be adopted by the Corporation including any alternative treatments of financial information that have been discussed with management, the ramification of their use and the independent auditor's preferred treatment as well as any other material communications with management and, particularly, about the degree of aggressiveness or conservatism of its accounting principles and underlying estimates.

***Oversight of Financial Reporting Process and Internal Controls***

- (a) Reviewing with management and the external auditor the annual financial statements and accompanying notes, the external auditor's report thereon and the related press release, and obtaining explanations from management on all significant variances with comparative periods, before recommending approval by the Board and the release thereof.
- (b) Reviewing with management the quarterly financial statements, any auditor's review thereof and the related press release before recommending approval by the Board and the release thereof.
- (c) Reviewing and periodically assessing the adequacy of the Corporation's procedures for the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, including reviewing the financial information contained in the annual information form, management proxy circular, management's discussion and analysis, prospectuses and other documents containing similar financial information before their public disclosure or filing with regulatory authorities including any Committee report for inclusion in the Corporation's management information circular in accordance with applicable rules and regulations.
- (d) Periodically reviewing the Corporation's disclosure policy to ensure that it conforms with applicable legal and regulatory requirements.
- (e) Reviewing the adequacy and effectiveness of the Corporation's accounting and internal control policies and procedures through inquiry and discussions with the Corporation's independent auditor and management.
- (f) Monitoring the quality and integrity of the Corporation's disclosure controls and

procedures and management information systems through discussions with management and the external auditor.

- (g) Overseeing management's reporting on internal controls and disclosure controls and procedures.
- (h) Reviewing on a regular basis and monitoring the Corporation's policies and guidelines which govern the Corporation's risk assessment and risk management including the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures including hedging policies through the use of financial derivatives, if any.
- (i) Establishing and maintaining free and open means of communication between and among the Board, the Committee, the Corporation's independent auditor and management.

***Other Matters***

- (a) Assisting the Board with oversight of the Corporation's compliance with applicable legal and regulatory requirements including meeting with outside counsel when appropriate to review legal and regulatory matters including any matters that may have a material impact on the financial statements of the Corporation.
- (b) Reviewing and approving any transactions between the Corporation and members of management and/or the Board as well as policies and procedures with respect to officers' expense accounts and perquisites including the use of corporate assets. The Committee shall consider the results of any review of these policies and procedures by the Corporation's independent auditor.
- (c) Conducting or authorizing investigations into any matters within the Committee's scope of responsibilities including retaining outside counsel or other consultants or experts as the Committee determines necessary to carry out its duties and to set and pay the compensation for these advisors.
- (d) Establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- (e) Establishing procedures for the review and approval of financial and related information of the Corporation.
- (f) Reviewing and approving the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.
- (g) Performing such additional activities, and considering such other matters, within the scope of its responsibilities, as the Committee or the Board deems necessary or appropriate.

**IV. Meetings and Advisors**

The Committee will meet as often as it deems necessary or appropriate to perform its duties and

carry out its responsibilities described above in a timely and efficient manner, but not less than quarterly. The quorum at any meeting of the Committee shall be a majority of its members. All such meetings shall be held pursuant to the by-laws of the Corporation with regard to notice and waiver thereof.

The Committee shall meet on a regular basis without management or the external auditor. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. As part of its mandate to foster open communications, the Committee shall meet at least annually, and more frequently as required, with management and the Corporation's independent auditor in separate executive sessions to discuss any matters that the Committee or any of these groups or persons believe should be discussed privately. The independent auditor will have direct access to the Committee at its own initiative. The Chairman of the Committee shall work with the Chief Financial Officer and management to establish the agenda for Committee meetings.

Written minutes of each meeting of the Committee shall be filed in the Corporation's records. The Chairman of the Committee will report periodically to the Board.

The Committee shall, in appropriate circumstances and subject to advising the Chairman of the Board, have the authority to engage and obtain advice and assistance from such advisors including outside legal counsel and accountants, as it determines is necessary or appropriate to carry out its duties. The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of the fees of (i) any independent auditor engaged for the purpose of rendering or issuing an audit report or related work or performing other audit, review or attest services for the Corporation, and (ii) any independent advisors employed by the Committee.

## **V. Disclosure of Charter**

The charter shall be published in the Corporation's annual information form or information circular if required by applicable securities laws.

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While the Committee has the duties and responsibilities set forth in this charter, the Committee is not responsible for planning or conducting the audit or for determining whether the Corporation's financial statements are complete and accurate and are in accordance with Canadian generally accepted accounting principles. Similarly, it is not the responsibility of the Committee to ensure that the Corporation complies with all laws and regulations.

Nothing contained in this charter is intended to expand applicable standards of conduct under statutory or regulatory requirements for the directors of the Corporation or the members of the Committee.