

FREMONT GOLD LTD.

#1500 – 409 Granville Street
Vancouver, British Columbia
Canada V6C 1T2

MANAGEMENT INFORMATION CIRCULAR

as at **September 13, 2024**

This management information circular (“Information Circular”) is furnished in connection with the solicitation of proxies by management of Fremont Gold Ltd. (the “Company”) for use at the annual general meeting (the “Meeting”) of the shareholders of the Company (“Shareholders”) to be held on October 22, 2024 and any adjournment or postponement thereof, for the purposes set forth in the attached Notice of Annual General Meeting. Except where otherwise indicated, the information contained herein is stated as of September 13, 2024.

In this Information Circular, references to the “**Company**” and “**we**” refer to Fremont Gold Ltd. “**Common Shares**” means common shares without par value in the capital of the Company. “**Registered Shareholders**” means Shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “**Non-Registered Shareholders**” means Shareholders who do not hold Common Shares in their own name. “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders. Unless otherwise indicated, all references to “\$” or “dollars” in this Information Circular means Canadian Dollars.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged to send meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners) under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”). As a result, objecting beneficial owners will not receive the Information Circular and associated meeting materials unless their Intermediary assumes the costs of delivery.

Appointment and Revocation of Proxies

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers or directors of the Company, or solicitors for the Company. **If you are a Registered Shareholder, you have the right to attend the Meeting or vote by proxy and to appoint a person or company other than the person designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of Proxy.**

If you are a Registered Shareholder you may wish to vote by proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed form of proxy and returning it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), in accordance with the instructions on the Proxy.

In all cases you should ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

Registered Shareholders electing to submit a Proxy may do so by:

- (i) **Internet:** Vote online at www.investorvote.com using the Proxy Control Number found in the enclosed Proxy;
- (ii) **Mail:** Completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Computershare, by fax within North America at 1-866-249-7775, or by mail or hand delivery at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Canada; or
- (iii) **Telephone:** Using a touch-tone phone to transmit voting choices to the toll-free number given in the Proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder's account number and the Proxy Control Number.

Every Proxy may be revoked by an instrument in writing:

- (i) executed by the Registered Shareholder or by his/her attorney authorized in writing or, where the Registered Shareholder is a company, by a duly authorized officer or attorney of the company; and
- (ii) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof,

or in any other manner provided by law.

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf. If you are a Non-Registered Shareholder, see "Voting by Non-Registered Shareholders" below for further information on how to vote your Common Shares.

Exercise of Discretion by Proxyholder

If you vote by proxy, the persons named in the Proxy (the "**Proxyholder**") will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (i) each matter or group of matters identified therein for which a choice is not specified,
- (ii) any amendment to or variation of any matter identified therein,
- (iii) any other matter that properly comes before the Meeting, and
- (iv) the exercise of discretion of the Proxyholder.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter. Management is not currently aware of any other matters that could come before the Meeting.

Voting by Non-Registered Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary or an agent of that Intermediary. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. (the registration name for the Depository Trust Company, which acts as nominee for many U.S. brokerage firms), and in Canada, under the name of CDS & Co. (the registration name for the Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

If you have consented to disclosure of your ownership information, you will receive a request for voting instructions from the Company (through Computershare). If you have declined to disclose your ownership information, you may receive a request for voting instructions from your Intermediary if they have assumed the cost of delivering the Information Circular and associated meeting materials. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the voting instruction form received from Computershare or Broadridge in order to ensure that your Common Shares are voted at the Meeting. The voting instruction form supplied to you will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf.

The voting instruction form sent by Computershare or Broadridge will name the same persons as the Company's proxy to represent you at the Meeting. **Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or a person designated by you (who need not be a Shareholder), may attend at the Meeting as Proxyholder for your Intermediary and vote your Common Shares in that capacity. To exercise this right to attend the Meeting or appoint a Proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the voting instruction form.** Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as Proxyholder for your Intermediary. The completed voting instruction form or other written instructions must then be returned in accordance with the instructions on the form.

If you receive a voting instruction form from Computershare or Broadridge, you cannot use it to vote Common Shares directly at the Meeting – the voting instruction form must be completed as described above and returned in accordance with its instructions well in advance of the Meeting in order to have the Common Shares voted.

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

Except as disclosed herein, no person or company has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors. For the purpose of this paragraph, "person" shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company's last financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person or company included in subparagraph (a) or (b) above.

RECORD DATE AND QUORUM

The board of directors (the "**Board**") of the Company has fixed the record date for the Meeting as the close of business on September 13, 2024 (the "**Record Date**"). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Common Shares at the Meeting.

Under the Company's articles, the quorum for the transaction of business at a meeting of Shareholders is one person who is a Shareholder, or who is otherwise permitted to vote Common Shares of the Company at a meeting of Shareholders, present in person or by proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On the Record Date, there were 58,188,097 Common Shares issued and outstanding, with each Common Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by Proxy at the Meeting or any adjournment or postponement thereof.

To the knowledge of the directors and executive officers of the Company, as of the Record Date, there are no Shareholders who beneficially own, directly or indirectly, or exercise control or direction over, Common Shares of the Company carrying more than 10% of the voting rights attached to all of the issued and outstanding Common Shares of the Company, other than as set forth below.

Name of Shareholder	Number of Common Shares Owned or Controlled, Directly or Indirectly	Percentage of Class of Outstanding Common Shares
Dennis Moore	6,458,268	11.10%

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Company's directors, the only matters to be placed before the Meeting are those set forth in the accompanying notice of Meeting and more particularly discussed below.

PRESENTATION OF FINANCIAL STATEMENTS

The annual consolidated financial statements of the Company for the financial year ended March 31, 2024, together with the auditor's report thereon, will be placed before the Meeting. The Company's financial statements are available on the System of Electronic Document Analysis and Retrieval (SEDAR+) website at www.sedarplus.ca.

FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS

The Company proposes to fix the number of directors of the Company at five (5) and to nominate the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until their successor is elected or appointed, unless their office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the Proxy as nominee to vote the Common Shares represented by Proxy for the election of any other person or persons as directors.

Pursuant to the advance notice provisions contained in the Company's Articles (the "**Advance Notice Provisions**"), the Board has determined that notice of nominations of persons for election to the Board at the Meeting must be made following the requirements of such Advance Notice Provisions. To the date of this Information Circular, the Company has not received notice of a nomination in compliance with the Articles and, subject to the timely receipt of any such nomination, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

The following table sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares which each beneficially owns or over which control or direction is exercised.

Name, Residence and Present Position within the Company	Director Since	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Discretion is Exercised ⁽¹⁾	Principal Occupation ⁽¹⁾
Joel Sutherland United States <i>Chief Executive Officer & Director</i>	August 16, 2024	2,755,600	VP Corporate Development of Prostar since January 2022. Consulting services to various issuers as capital markets advisor from 2019 through end of 2021. Managing Director Institutional Equity Sales CIBC New York City through 2019.
Dennis Moore Portugal <i>President, Chairman & Director</i>	June 29, 2017	6,458,268	CEO of Fremont Gold Ltd. since May 11, 2021. President of Fremont Gold Ltd. since June 29, 2017. CEO of Fremont Gold Ltd. from June 29, 2017 to September 30, 2018. Advisor to Cabral Gold Ltd. from February 2016 to October 30, 2017. Vice President of Corporate Development for Magellan Minerals Ltd. from June 2008 to May 2016. Exploration geologist.
Michael Williams ⁽²⁾⁽³⁾ British Columbia, Canada <i>Director</i>	September 30, 2014	Nil	President of Vendetta Mining Corp. since 2009.
Randall Chatwin ⁽²⁾⁽³⁾ British Columbia, Canada <i>Director</i>	April 17, 2020	90,000	Senior Vice President, Legal & Corporate Communications of B2Gold Corp. since September 1, 2019. Vice President, Assistant General Counsel of Goldcorp Inc. from May 2015 to May 2019. Director of Calibre Mining Corp. from January 2020 to June 2024.
Jason Libenson ⁽²⁾ British Columbia, Canada <i>Director</i>	April 27, 2023	100,000	President and Chief Compliance Officer at Castlewood Capital since August 2022. Capital markets advisor to various junior mining companies prior to August 2022.

Notes:

- (1) The information as to principal occupation, business or employment, and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above not elected at the last annual general meeting have held the principal occupation or employment indicated for the last five preceding years.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.

Except as otherwise disclosed below, to the knowledge of the Company, no proposed director of the Company is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to an order 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.

For the purposes of subsection (a) above, “order” means:

- (i) a cease trade order;
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant company access to any exemption under securities legislation;

that was in effect for more than 30 consecutive days.

Except as otherwise disclosed below, to the knowledge of the Company, no proposed director of the Company:

- (a) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in the 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;
- (b) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director or executive officer;
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

APPOINTMENT OF AUDITOR

The Board recommends that Shareholders vote to appoint DeVisser Gray LLP, Chartered Professional Accountants (“**DeVisser Gray**”) of 401 – 905 West Pender Street, Vancouver, BC, V6C 1L6, as the Company’s auditor and to authorize the directors to fix their remuneration. Davidson was appointed as auditors for the Company effective as of May 2, 2018.

The management designees, if named as proxy, intend to vote the Common Shares represented by any such Proxy FOR the appointment of DeVisser Gray as auditors of the Company, at a remuneration to be fixed by the Board, unless a Shareholder has specified in his or her Proxy that his or her Common Shares are to be withheld from voting on the appointment of the auditor.

APPROVAL OF OMNIBUS EQUITY INCENTIVE PLAN

At the Company’s 2023 annual general meeting, the Shareholders approved the Company’s 10% rolling stock option plan. In accordance with the policies of the TSX Venture Exchange (the “**Exchange**”), a plan with a rolling 10% maximum must be confirmed by the Shareholders at each annual general meeting. At this year’s Meeting, the Shareholders will be asked to approve the adoption of a new omnibus equity incentive plan (the “**Compensation Plan**”) for directors, officers, employees, management company employees and consultants. The Compensation Plan includes the ability to issue stock options (“**Options**”), restricted share units (“**RSUs**”), performance share units (“**PSUs**”), and deferred share units (“**DSUs**”, and together with Options, RSUs, PSUs, the “**Awards**”). The aggregate number of Common Shares reserved for issuance in respect of Options shall not exceed 10% of the total number of issued Common Shares (calculated on a non-diluted basis) at the time an Option is granted. The aggregate number of Common Shares issuable in respect of RSUs, PSUs and DSUs is proposed to be 5,818,809 Common Shares. Once approved by Shareholders and the Exchange, the Compensation Plan will replace the Company’s existing stock option plan.

The purpose of the Compensation Plan is to provide an incentive to directors, employees and consultants to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

The Compensation Plan is considered an “evergreen” plan, since Options which have been exercised, cancelled, terminated, surrendered, forfeited or expired without being exercised shall be available for subsequent grants under the Compensation Plan and the number of Options available to grant increases as the number of issued and outstanding Common Shares increases.

At the Meeting, Shareholders will be asked to pass an ordinary resolution approving the Compensation Plan to accommodate the Exchange’s policies governing security-based compensation plans. The following is a summary of certain provisions of the Compensation Plan and is subject to, and qualified in its entirety by, the full text of the Compensation Plan, a copy of which is attached hereto as Schedule “B”.

Type of Awards. Awards of Options, RSUs, PSUs and DSUs may be made under the Compensation Plan. All of the Awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Board, in its sole discretion, subject to such limitations provided in the Compensation Plan, and will generally be evidenced by an Award agreement.

Each Option entitles a holder thereof to purchase a prescribed number of Common Shares at an exercise price determined by the Board at the time of the grant of the Option, which includes an Option that is granted to a U.S. participant intended to constitute an incentive stock option within the meaning of Section 422 of the United States Internal Revenue Code of 1986, as amended (an “ISO”).

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

An RSU is a right awarded to a participant, as compensation for employment or consulting services or services as a director or officer, to receive for no additional cash consideration, securities of the Company upon specified vesting criteria being satisfied, and subject to the terms and conditions of the Compensation Plan and the applicable Award agreement, and which may be paid in cash and/or Common Shares.

A PSU is a right awarded to a participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company upon specified performance and vesting criteria being satisfied, subject to the terms and conditions of the Compensation Plan and the applicable Award agreement, and which may be paid in cash and/or Common Shares.

A DSU is a right granted to a participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company on a deferred basis upon specified vesting criteria being satisfied, subject to the terms and conditions of the Compensation Plan and the applicable Award agreement, and which may be paid in cash and/or Common Shares.

Eligible Participants. Awards may be granted under the Compensation Plan to directors and senior officers of the Company or its subsidiaries, management company employees (collectively, the “**Directors**”), employees of the Company or its subsidiaries (collectively, the “**Employees**”) or consultants of the Company or its subsidiaries (collectively, the “**Consultants**”). The Board, in its discretion, determines which of the Directors, Employees or Consultants will be granted Awards under the Compensation Plan.

Number of Common Shares Reserved. The aggregate number of Common Shares reserved for issuance in respect of Options shall not exceed 10% of the total number of issued Common Shares (calculated on a non-diluted basis) at the time an Option is granted. Options that are exercised, converted, cancelled or expire continue to be issuable under the Compensation Plan. The aggregate number of Common Shares issuable in respect of RSUs, PSUs and DSUs is proposed to be 5,818,809 Common Shares.

Limitations. Under the Compensation Plan, the aggregate number of Common Shares that are issuable pursuant to all Awards granted or issued to any one person (including companies wholly owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Common Shares of the Company, calculated on the date the Award is granted or issued to the person. The aggregate number of Common Shares that are issuable pursuant to all Awards granted or issued to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Common Shares of the Company, calculated at the date the Award is granted or issued. The aggregate number of Common Shares issuable pursuant to all Awards granted or issued to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding Common Shares of the Company in any 12-month period, calculated at the date an Award is granted or issued to any such person. Disinterested shareholder approval will be required for any grant of Awards which will result in the number of Common Shares issuable pursuant to all Awards granted or issued to Insiders (as defined in the *Securities Act* (British Columbia)) as a group at any point in time or within a 12 month period exceeding 10% of the issued and outstanding Common Shares of the Company.

Exercise Price. The exercise price of Options granted under the Compensation Plan is determined by the Board, provided that it is not less than the discounted market price, as that term is defined in Exchange policy manual, or such other minimum price as is permitted by the Exchange in accordance with the policies in effect at the time of the grant, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to Insiders may not be decreased without disinterested Shareholder approval at the time of the proposed amendment.

Cashless Exercise. Subject to the rules and policies of the Exchange, the Board may, in its discretion and at any time, determine to grant a participant the alternative, when entitled to exercise an Option, to deal with such Option on a “cashless exercise” basis, on such terms as the Board may determine in its discretion (the “**Cashless Exercise Right**”). Without limitation, the Board may determine in its discretion that such Cashless Exercise Right, if any, grants a participant the right to engage a broker to sell such number of Common Shares as is necessary to raise an amount equal to the aggregate exercise price for all Options being exercised by that participant and any applicable tax withholdings. Pursuant to the Award agreement, the participant may authorize the broker to sell Common Shares on the open market and forward the proceeds to the Company to satisfy the exercise price and any applicable tax withholdings, promptly following which the Company shall issue the Common Shares underlying the number of Options as provided for in the Award agreement. In the event the Company permits a participant to exercise a Cashless Exercise Right, the Company shall make an election pursuant to subsection 110(1.1) of the *Income Tax Act* (Canada), as amended from time to time.

Term of Options. Subject to the termination and change of control provisions noted below, the term of any Option granted under the Compensation Plan is determined by the Board and may not exceed ten (10) years from the date of grant. Disinterested Shareholder approval will be required for any extension to Awards granted to individuals that are Insiders at the time of the proposed amendment.

Deferment. Subject to the terms and conditions of the applicable Award agreement, if a participant wishes to defer settling an Award of RSUs, the participant must provide written notice to the Company within three business days of the Vesting Date. Subject to the terms and conditions of the applicable Award agreement, if a participant wishes to defer settling an Award of PSUs, the participant must provide written notice to the Company within three business days of the Determination Date (as defined in the Compensation Plan).

Vesting. All Options granted pursuant to the Compensation Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board. Options issued to persons retained to provide Investor Relations Activities must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three month period. No Awards issued pursuant to the Compensation Plan, other than Options, may vest before the date that is one year following the date it is granted or issued.

Termination.

Options

Any Options granted pursuant to the Compensation Plan will terminate at the end of the term of the Option. Where a participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all Options granted to the participant under the Compensation Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date. Where a participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the participant, such that the participant no longer qualifies as an eligible person, all Options granted to the participant under the Compensation Plan that have not vested will vest and, in accordance with the Compensation Plan, shall be exercisable by such participant for a period of 90 days following the date the participant ceased to be an eligible person, or such longer period as may be provided for in the Award agreement or as may be determined by the Board provided such period does not exceed 12 months after the termination date.

RSUs

Where a participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all RSUs granted to the participant under the Compensation Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the participant, all RSUs granted to the participant under the Compensation Plan that have not vested will, unless the applicable Award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such participant which, prior to the participant's termination without cause, voluntary termination, voluntary resignation or retirement, had vested pursuant to the terms of the applicable Award agreement will accrue to the participant in accordance with the Compensation Plan.

PSUs

Where a participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all PSUs granted to the participant under the Compensation Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the participant, all PSUs granted to the participant which have not vested will, unless the Award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the participant shall have no right, title or interest therein whatsoever; provided, however, the Board may determine, in its sole discretion, the number of the participant's PSUs that will vest based on the extent to which the applicable performance have been satisfied in that portion of the performance cycle that has lapsed.

DSUs

Upon a participant ceasing to be a participant by reason of Termination for Cause, the participant's participation in the Compensation Plan shall be terminated immediately, all DSUs credited to such participant's Awards that have not vested shall be forfeited and cancelled, and the participant's rights to Common Shares or Cash Equivalent or a combination

thereof that relate to such participant's unvested DSUs shall be forfeited and cancelled on the Termination Date. The participant shall not receive any payment in lieu of cancelled DSUs that have not vested. "Termination for Cause" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Company's codes of conduct and any other reason determined by the Company to be cause for termination. For the purposes of the Compensation Plan, the determination by the Company that the participant was discharged for cause shall be binding on the participant.

Adjustments. Any adjustment to Awards granted or issued (except in relation to a consolidation or share split) must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization. The Company will seek Disinterested Shareholder approval in respect of any material amendment to the Compensation Plan.

The Compensation Plan is subject to the approval of the Exchange and if the Exchange finds the disclosure in this Information Circular to be inadequate, then the Shareholder approval may not be accepted by the Exchange. The Compensation Plan has been reviewed by the Exchange and the Company has incorporated any comments from the Exchange into the Compensation Plan.

The implementation of the Compensation Plan remains subject to the ratification of the shareholders of the Company and final approval of the Exchange.

The Compensation Plan Resolution

Shareholders will be asked at the Meeting to approve, with or without variation, the following ordinary resolution (the "**Compensation Plan Resolution**"):

"BE IT RESOLVED THAT:

- (a) The Company's 2024 omnibus equity incentive plan (the "**Compensation Plan**"), in substantially the form attached as Schedule "B" to the management information circular of the Company dated as of September 13, 2024, be and is hereby confirmed, ratified and approved, and the Company has the ability to grant awards under the Compensation Plan.
- (b) The board of directors of the Company be authorized in its absolute discretion to administer the Compensation Plan, and amend or modify the Compensation Plan in accordance with its terms and conditions and with the policies of the TSX Venture Exchange.
- (c) All issued and outstanding stock options of the Company previously granted shall be continued under and governed by the Compensation Plan.
- (d) Any director or officer of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution."

Management recommends that Shareholders approve the Compensation Plan Resolution. If the Compensation Plan Resolution is approved by Shareholders, the Board will have the authority, in their sole discretion, to implement or revoke the Compensation Plan Resolution and otherwise implement or abandon the Compensation Plan.

Proxies received in favour of management will be voted in favour of the approval of the Compensation Plan, unless the Shareholder has specified in their Proxy that their Common Shares are to be voted against such resolution.

Table of compensation excluding compensation securities							
Name and position	Year Ended March 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Randall Chatwin Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Jason Libenson Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Alan Carter ⁽³⁾ Former Chairman & Former Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Moore was appointed as the President and a director of the Company effective as of June 29, 2017, and was appointed as CEO of the Company effective as of May 11, 2021. Mr. Moore ceased to act as the CEO of the Company effective as of August 16, 2024 and was replaced by Joel Sutherland, who is currently the CEO of the Company. All compensation paid to Mr. Moore is in connection with his positions as President and CEO of the Company.
- (2) Mr. Hansed was appointed as the CFO of the Company effective as of June 29, 2017. Includes compensation paid to both a private company controlled by Mr. Hansed and Mr. Hansed directly. See “Employment, consulting and management agreements” below.
- (3) Mr. Carter was appointed as the Chairman and a director of the Company effective as of June 29, 2017 and resigned as the Chairman and a director of the Company effective as of April 20, 2023.

Stock Options and Other Compensation Securities

The Company granted the following compensation securities to each director and NEO in the financial year ended March 31, 2024 for services provided or to be provided, directly or indirectly, to the Company.

Compensation Securities							
Name and position	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 (C\$)	Closing price of security or underlying security on date of grant (C\$)	Closing price of security or underlying security at year end (C\$)	Expiry Date
Dennis Moore ⁽¹⁾ President, Chairman and Director, and former CEO	Stock options	500,000 (14.7%)	Apr. 27, 2023	\$0.09	\$0.08	\$0.09	Apr. 23, 2028
		250,000 (7.4%)	Jan. 2, 2024	\$0.09	\$0.08	\$0.09	Dec. 20, 2028
Paul Hansed ⁽²⁾ CFO & Corporate Secretary	Stock options	400,000 (11.8%)	Apr. 27, 2023	\$0.09	\$0.08	\$0.09	Apr. 23, 2028
		250,000 (7.4%)	Jan. 2, 2024	\$0.09	\$0.08	\$0.09	Dec. 20, 2028
Michael Williams ⁽³⁾ Director	Stock options	100,000 (2.9%)	Apr. 27, 2023	\$0.09	\$0.08	\$0.09	Apr. 23, 2028

Compensation Securities							
Name and position	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 (C\$)	Closing price of security or underlying security on date of grant (C\$)	Closing price of security or underlying security at year end (C\$)	Expiry Date
Randall Chatwin ⁽⁴⁾ Director	Stock options	100,000 (2.9%)Nil	Apr. 27, 2023	\$0.09	\$0.08	\$0.09	Apr. 23, 2028
Jason Libenson ⁽⁵⁾ Director	Stock options	100,000 (2.9%)Nil	Apr. 27, 2023	\$0.09	\$0.08	\$0.09	Apr. 23, 2028

Notes:

- (1) Mr. Moore held 815,000 compensation securities on the last day of the most recently completed financial year.
- (2) Mr. Hansed held 710,000 compensation securities on the last day of the most recently completed financial year.
- (3) Mr. Williams held 150,000 compensation securities on the last day of the most recently completed financial year.
- (4) Mr. Chatwin held 150,000 compensation securities on the last day of the most recently completed financial year.
- (5) Mr. Libenson held 100,000 compensation securities on the last day of the most recently completed financial year.

No compensation securities were exercised by the directors or NEOs during the most recently completed financial year.

Stock option plans and other incentive plans

The Company's current rolling 10% stock option plan (the "Plan") was approved at the annual general meeting of shareholders held on October 23, 2023. It is expected that the Compensation Plan will replace the Plan upon receipt of Shareholder and Exchange approval of the Compensation Plan. See "Approval of Stock Option Plan" above for the material terms of the Omnibus Plan.

The following summary of the material terms of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan.

Eligible Participants. Options may be granted under the Plan to directors and senior officers of the Company or its subsidiaries, management company employees (in this section of the Information Circular, collectively, the "Directors"), employees of the Company or its subsidiaries (in this section of the Information Circular, collectively, the "Employees") or consultants of the Company or its subsidiaries (in this section of the Information Circular, collectively, the "Consultants"). The Board, in its discretion, determines which of the Directors, Employees or Consultants will be awarded options under the Plan.

Number of Common Shares Reserved. The number of Common Shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding Common Shares at the date of granting of options. Options that are exercised, cancelled or expire prior to exercise continue to be issuable under the Plan.

Limitations. Under the Plan, the aggregate number of options granted to any one person (including companies wholly-owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Common Shares of the Company, calculated on the date the option is granted. The aggregate number of options granted to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Common Shares of the Company, calculated at the date the option is granted. The aggregate number of options granted to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding Common Shares of the Company in any 12-month period, calculated at the date an option is granted to any such person. Disinterested shareholder approval will be required for any grant of options which will result in the number of options granted to Insiders (as defined in the *Securities Act* (British Columbia)) as a group at any point in time or within a 12 month period exceeding 10% of the issued and outstanding Common Shares of the Company.

Exercise Price. The exercise price of options granted under the Plan is determined by the Board, provided that it is not less than the discounted market price, as that term is defined in the Exchange policy manual, or such other minimum price as is permitted by the Exchange in accordance with the policies in effect at the time of the grant, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of stock options granted to Insiders may not be decreased without disinterested Shareholder approval at the time of the proposed amendment.

Term of Options. Subject to the termination and change of control provisions noted below, the term of any options granted under the Plan is determined by the Board and may not exceed ten (10) years from the date of grant. Disinterested Shareholder approval will be required for any extension to stock options granted to individuals that are Insiders at the time of the proposed amendment.

Vesting. All options granted pursuant to the Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board. Options issued to persons retained to provide investor relations activities must vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period. In the event of a Change of Control, as defined in the Plan, all unvested options will vest immediately. The acceleration of options held by persons retained to provide investor relations services to the Company will be subject to prior Exchange acceptance.

Dividend entitlement. The Plan does not include any dividend entitlement to participants. If participants were entitled to receive options in lieu of dividends declared by the Company, and if the Company did not have sufficient unallocated options available to satisfy the obligation, then the Company may settle those entitlements with cash.

Termination. Any options granted pursuant to the Plan will terminate upon the earliest of:

- (a) the end of the term of the option;
- (b) on the date the holder ceases to be eligible to hold the option (the “**Cessation Date**”), if the Cessation Date is as a result of dismissal for cause;
- (c) one year from the date of death or disability, if the Cessation Date is as a result of death or disability;
- (d) 90 days from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause;
- (e) on such other date as fixed by the Board, provided that the date is no more than one year from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause; or
- (f) 30 days from the Cessation Date, if the optionee was engaged in investor relations activities.

Exercise of Options. The exercise price of an option must be paid in cash, other than as described below as determined by the Board:

- (a) Cashless Exercise. The Company may make an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to an optionee to purchase the Common Shares issuable upon exercise of their options. The brokerage firm would then sell a sufficient number of Common Shares to cover the exercise price of the options in order to repay the loan made to the optionee. The brokerage firm would then receive an equivalent number of Common Shares from the exercise of the options and the optionee would then receive the balance of the Common Shares or the cash proceeds from the balance of such Common Shares.
- (b) Net Exercise. The Company may accept the exercise of options by optionees other than those who provide investor relations services without the optionee making any cash payment so the Company does not receive any cash from the exercise of the subject options, and instead the optionee receives only the number of Common Shares that is the equal to the quotient obtained by dividing:

- (i) the product of the number of options being exercised multiplied by the difference between the volume weighted average price (“**VWAP**”) of the Common Shares and the exercise price of the options; by
- (ii) the VWAP of the Common Shares.

In the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Option Shares actually issued by the Corporation, must be included in calculating the limits set forth in Section 5(a) and Sections 6(f)(i)-(iii) and (iv) of the Plan.

Adjustments. Any adjustment to stock options granted or issued (except in relation to a consolidation or share split) will be subject to the prior acceptance of the Exchange.

Employment, consulting and management agreements

Other than disclosed herein, the Company does not have any agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company that were performed by a director or NEO.

Effective October 1, 2018, the Company entered into an employment agreement with Paul Hansed pursuant to which the Company agreed to retain Mr. Hansed as CFO. Pursuant to the employment agreement, the Company agreed to pay Mr. Hansed \$20,000 per annum. The agreement had an initial term of three years and automatically renewed for a further one year term. Mr. Hansed may terminate the agreement at any time with three months’ written notice. The Company may terminate the agreement at any time with cause. The Company may terminate the agreement at any time without cause by giving Mr. Hansed 24 months’ written notice.

Effective October 1, 2018, the Company entered into a consulting agreement with Mr. Hansed and a private company controlled by Mr. Hansed (“**Hansed Co**”) pursuant to which the Company agreed to retain Mr. Hansed and Hansed Co to provide consulting services. Pursuant to the consulting agreement, the Company agreed to pay Hansed Co \$60,000 per annum (plus applicable taxes), payable monthly in arrears, in consideration for services provided. The agreement had an initial term of three years and automatically renewed for a further one year term. The Company may terminate the agreement at any time with cause. Otherwise, any of the parties may terminate the consulting agreement with 90 days’ written notice.

Oversight and description of director and named executive officer compensation

No cash compensation was paid to any director of the Company for their services as a director during the financial year ended March 31, 2024. The compensation of directors is reviewed annually by the compensation committee (the “**Compensation Committee**”), who then makes a recommendation to the Board. The independent members of the Board approve the annual compensation levels, if any, for the directors. Currently, the Company has no standard arrangement pursuant to which directors are compensated for their services in their capacity as directors.

The objective of the Company’s compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company’s fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers based on their skill, qualifications, experience level, level of responsibility involved in their position, the existing stage of development of the Company, the Company’s resources, industry practice and regulatory guidelines regarding executive compensation levels.

The Board has implemented three levels of compensation to align the interests of the executive officers with those of the Shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Board may award executive officers long term incentives in the form of stock options. Finally, and only in special circumstances, the Board may award cash or share bonuses for exceptional performance that results in a significant increase in Shareholder value. The Company provides medical and dental benefits but it does not provide pension or other benefits to the executive officers.

The base compensation of the executive officers is reviewed and set annually by the Compensation Committee, who then makes a recommendation to the Board. The independent members of the Board approve the annual compensation levels for the executive officers. The Compensation Committee may make recommendations to the Board from time to time regarding stock option grants to be made pursuant to the Plan. The Compensation Committee may also make recommendations regarding awarding bonuses, which are then approved by the independent members of the Board at their discretion. The Compensation Committee and Board do not have pre-existing performance criteria or objectives that they consider in setting compensation amounts.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of the end of the Company's most recently completed financial year with respect to compensation plans under which equity securities of the Company are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuances under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (stock option plan)	3,400,000	\$0.17	392,210
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total:	3,400,000	\$0.17	392,210

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, proposed nominees for election as directors and their associates, or any former executive officers, directors and employees of the Company or any of its subsidiaries, is, as at the date of this Information Circular, or has been at any time during the most recently completed financial year, indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein or above, since the commencement of the Company's most recently completed financial year, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction that has materially affected or would materially affect the Company or any of its subsidiaries.

Certain exploration, claim acquisition, claim maintenance and local administrative (Nevada office) expenditures are charged to the Company's Nevada-based subsidiary by a company owned by the Company's former VP Exploration. Such charges totaled US\$103,355 (\$139,384) in the year ended March 31, 2024 (year ended March 31, 2023: US\$46,975 (\$61,976)). All such expenditures are recharged to the Company's subsidiary without margin or discount at the actual cost incurred by the company owned by the Company's VP Exploration.

MANAGEMENT CONTRACTS

Management functions of the Company or any of its subsidiaries are not to any substantial degree performed by anyone other than by the directors or executive officers of the Company or the subsidiary. See “Employment, consulting and management agreements” above.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and charged with the day to day management of the Company. The Canadian Securities Administrators (“CSA”) have adopted National Policy 58-201 Corporate Governance Guidelines, which provides non prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”), which prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The composition of the Board currently consists of the following five members: Joel Sutherland, Dennis Moore, Michael Williams, Randall Chatwin, and Jason Libenson. It is proposed that all five individuals will be nominated for election at the Meeting.

There are three members of the Board, Michael Williams, Randall Chatwin, and Jason Libenson, who are considered to be independent for purposes of membership on the Board. For this purpose, a director is independent if he has no direct or indirect “material relationship” with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgment. Of the proposed nominees, Joel Sutherland (CEO) and Dennis Moore (President) are considered to be non-independent directors.

Other Directorships

The following table sets forth the directors of the Company who are directors of other reporting issuers as at the Record Date:

<i>Name</i>	<i>Name of other reporting issuer</i>
Michael Williams	Aftermath Silver Ltd. Full Metal Minerals Ltd. Gold Hunter Resources Inc. Silver X Mining Corp. Vendetta Mining Corp. Vortex Metals Inc.

Orientation and Continuing Education

Orientation of new members of the Board is conducted informally by Management and members of the Board. The Company has not adopted formal policies respecting continuing education for Board members.

Ethical Business Conduct

The Board has not adopted a formal code of business conduct and ethics. The Board is of the view that the fiduciary duties placed on individual directors by the Company’s governing legislation and common law together with corporate statutory restrictions on an individual director’s participation in Board decisions in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual general meeting. The Board takes into account the number of directors required to carry out the Board's duties effectively and to maintain diversity of views and experience.

The Board has not established a nominating committee and this function is currently performed by the Board as a whole.

Compensation

The Board has established a Compensation Committee whose members are Michael Williams and Randall Chatwin. The members are responsible for reviewing and determining the adequacy and form of compensation paid to the Company's executive officers and key employees. The Compensation Committee evaluates the performance of the CEO and other senior management measured against the Company's business goals and industry compensation levels.

Board Committees

The Board has no committees other than the Audit Committee and the Compensation Committee.

Assessments

The Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors and receives reports from each committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

AUDIT COMMITTEE

Audit Committee Disclosure

Pursuant to Section 224(1) of the British Columbia Business Corporations Act and National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") the Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by: (i) reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders; (ii) reviewing the systems for internal corporate controls which have been established by the Board and management; and (iii) overseeing the Company's financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system; reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Board. The Audit Committee is also mandated to review and approve all material related party transactions.

Composition of the Audit Committee

The Audit Committee is comprised of the following members: Michael Williams, Randall Chatwin and Jason Libenson. Each member of the Audit Committee is considered to be financially literate, as defined by NI 52-110, in that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee are elected by the Board at its first meeting following the annual shareholders' meeting. Unless a chair is elected by the full Board, the members of the Audit Committee designate a chair by a majority vote of the full Audit Committee membership.

Relevant Education and Experience

All three Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements and are therefore considered "financially literate".

Michael Williams – Mr. Williams has had extensive management and board experience in both public and private companies in the minerals exploration industry. As a former officer, director and audit committee member of various public companies, Mr. Williams is financially literate and familiar with the preparation and review of financial statements and accounting principles used in reading and preparing financial statements.

Randall Chatwin – Mr. Chatwin has more than 15 years' experience in the mining industry having worked in senior positions with both B2Gold Corp. and Goldcorp Inc. and board experience in both public and private companies in the minerals exploration industry. Prior to that, Mr. Chatwin practiced corporate commercial and corporate finance law for 11 years, with a specific focus on the mining industry with the law firm of Lawson Lundell LLP. As an officer and director of various public companies, Mr. Chatwin is financially literate and familiar with the preparation and review of financial statements and accounting principles used in reading and preparing financial statements.

Jason Libenson – Mr. Libenson has served as an independent director on the boards of various public companies and is licensed by the Canadian Securities Institute. Mr. Libenson is the President and Chief Compliance Officer at Castlewood Capital Corporation, an independent investment bank in the Canadian small to mid-size capitalization market. Mr. Libenson holds a Bachelor of Commerce degree from John Molson School of Business at Concordia University, with a specialty in international business. As a director of various public companies, Mr. Libenson is financially literate and familiar with the preparation and review of financial statements and accounting principles used in reading and preparing financial statements.

The Audit Committee's Charter

The Company has adopted a Charter of the Audit Committee, a copy of which is attached hereto as Schedule "A".

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable the Audit Committee, on a case-by-case basis.

External Auditor Service Fees

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

The fees paid by the Company to its auditor in respect of each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
March 31, 2024	\$18,000	Nil	Nil	Nil
March 31, 2023	\$16,000	Nil	Nil	Nil

Exemption

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

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

Financial information is provided in the Company’s comparative annual audited financial statements and management’s discussion and analysis (“**MD&A**”) for its most recently completed financial year, and will be available online at www.sedarplus.ca. Shareholders may request additional copies by mail to Suite 1200 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T8.

DIRECTORS’ APPROVAL

The contents and the sending of the accompanying notice of Meeting and this Information Circular have been approved by the Board.

DATED at Vancouver, British Columbia, this 13th day of September, 2024.

ON BEHALF OF THE BOARD OF DIRECTORS

“*Dennis Moore*”

Dennis Moore
President

Schedule "A"

Charter of the Audit Committee of the Board of Directors of Fremont Gold Ltd. (the "Company")

1. Purpose

- 1.1 The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's role is to:
- (a) support the Board of Directors in meeting its responsibilities to shareholders;
 - (b) enhance the independence of the external auditor;
 - (c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors; and
 - (d) increase the credibility and objectivity of the Company's financial reports and public disclosure.
- 1.2 The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Audit Committee's responsibilities as described herein.
- 1.3 The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

2. Membership

- 2.1 Each member of the Audit Committee must be a director of the Company.
- 2.2 The Audit Committee will consist of at least three members, the majority of whom are neither officers nor employees of the Company or any of its affiliates.
- 2.3 The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. Authority

- 3.1 In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
- (a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities;
 - (b) communicate directly with management and any internal auditor, and with the external audit or without management involvement; and
 - (b) approve interim financial statements and interim MD&A on behalf of the Board of Directors.

4. Duties and Responsibilities

4.1 The duties and responsibilities of the Audit Committee include:

- (a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;
- (b) recommending to the Board of Directors the compensation of the external auditor;
- (c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;
- (d) overseeing the work of the external auditor;
- (e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and will enquire if there are any sanctions imposed by the CPAB on the external auditor;
- (f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;
- (g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Audit Committee and to management;
- (h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;
- (i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;
- (j) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;
- (k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to its dissemination to the public;
- (l) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;
- (m) ensuring the integrity of disclosure controls and internal controls over financial reporting;
- (n) resolving disputes between management and the external auditor regarding financial reporting;
- (o) establishing procedures for:
 - i. the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and
 - ii. the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters.
- (p) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
- (q) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor; and

- (r) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.

4.2 The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.

5. Meetings

5.1 The quorum for a meeting of the Audit Committee is a majority of the members of the Audit Committee who are not officers or employees of the Company or of an affiliate of the Company.

5.2 The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.

5.3 The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.

5.4 The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.

5.5 A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.

5.6 The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.

5.7 The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.

5.8 The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

6. Reports

6.1 The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

7. Minutes

7.1 The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.

Schedule “B”

Omnibus Equity Compensation Plan

[See attached]

FREMOND GOLD LTD.
(the “Company”)

2024 EQUITY INCENTIVE PLAN

SECTION 1
ESTABLISHMENT AND PURPOSE OF THIS PLAN

1.1 Purpose

The purpose of this equity incentive plan (the “Plan”) is to promote the long-term success of the Company and the creation of shareholder value by: (i) encouraging the attraction and retention of Eligible Persons; (ii) encouraging such Eligible Persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company.

SECTION 2
DEFINITIONS

2.1 Definitions

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

- (a) “**Award**” means any award of Options, RSUs, PSUs or DSUs granted under this Plan;
- (b) “**Award Agreement**” means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;
- (c) “**Blackout Period**” means a period of time during which the Company prohibits Participants from exercising, redeeming or settling an Award due to the existence of undisclosed material information and pursuant to a formal notice provided by the Company under a trading policy, which Blackout Period must expire promptly following general disclosure of the undisclosed material information;
- (d) “**Board**” means the board of directors of the Company;
- (e) “**Cashless Exercise Right**” has the meaning ascribed thereto in Section 5.1(m);
- (f) “**CEO**” means the Chief Executive Officer of the Company;
- (g) “**CFO**” means the Chief Financial Officer of the Company;
- (h) “**Change of Control**” means the acquisition by any person or by any person and a joint actor, whether directly or indirectly, of voting securities (as such terms are interpreted in the *Securities Act*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a person “acting jointly or in concert” with another person, as that phrase is interpreted in National Instrument 62-103, totals for the first time not less than fifty (50%) percent of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board;
- (i) “**Company**” means Fremont Gold Ltd., a company incorporated under the *Business Corporations Act* (British Columbia), and any of its successors or assigns;

- (j) **“Consultant”** means a Person (other than a Director, Officer or Employee) that:
- (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or any Subsidiary of the Company, other than services provided in relation to a distribution (as defined in the *Securities Act*);
 - (ii) provides the services under a written contract between the Company or any of its Subsidiaries and the Person, as the case may be; and
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time on the affairs and business of the Company or any of its Subsidiaries;
- and includes:
- (iv) for a Person that is an individual, a corporation of which such individual is the sole shareholder;
- (k) **“Deferred Share Unit”** or **“DSU”** means a right granted to a Participant, as compensation for employment or consulting services or services as a Director or Officer, to receive, for no additional cash consideration, securities of the Company on a deferred basis upon specified vesting criteria being satisfied, all as provided in Section 5.4 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement, and which may be paid in cash and/or Shares;
- (l) **“Determination Date”** means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;
- (m) **“Director”** means a member of the Company’s Board, or a member of the Board of any of the Company’s Subsidiaries;
- (n) **“Disability”** means any medical condition which qualifies a Participant for benefits under a long-term disability plan of the Company or Subsidiary;
- (o) **“Discounted Market Price”** means the Market Price less the discount set forth below, subject to a minimum price of \$0.05:
- | <u>Closing Price</u> | <u>Discount</u> |
|----------------------|-----------------|
| up to \$0.50 | 25% |
| \$0.51 to \$2.00 | 20% |
| above \$2.00 | 15% |
- (p) **“Effective Date”** has the meaning ascribed thereto in Section 8;
- (q) **“Election Form”** means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in DSUs under this Plan;
- (r) **“Eligible Person”**, when used in connection with Options, means Officers, Directors, Employees, Management Company Employees and Consultants of the Company or any of its Subsidiaries but, when used in connection with PSUs, RSUs or DSUs, means only Officers,

Directors, Employees, Management Company Employees and Consultants of the Company or any of its Subsidiaries that do not perform Investor Relations Activities;

- (s) **“Employee”** means:
- (i) an individual who is considered an employee of the Company or any of its Subsidiaries under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source, or, with respect to U.S. Participants, an individual considered an employee of the Company or any of its Subsidiaries under 26 CFR §31.3401(c)-1, or equivalent legislation in the jurisdiction where the employee works, and for whom income tax, employment insurance, and similar deductions must be made at source;
 - (ii) an individual who works full-time for the Company or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Company or any of its Subsidiaries over the details and methods of work as an employee of the Company or any of its Subsidiaries, as the case may be, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or any of its Subsidiaries on a continuing and regular basis for a minimum amount of time per week acceptable to the Exchange, who provides services normally provided by an employee and is subject to the same control and direction by the Company or its Subsidiary over the details and methods of work as an employee of the Company or any of its Subsidiaries, as the case may be, but for whom income tax deductions are not made at source;
- (t) **“Exchange”** means the TSX Venture Exchange, or such other exchange upon which the Shares of the Company may become listed for trading;
- (u) **“Fees”** means the annual Board retainer, chair fees, meeting attendance fees or any other fees payable to a Director;
- (v) **“Grant Date”** means, for any Award, the date specified by the Board as the grant date at the time it grants the Award or, if no such date is specified, the date upon which the Award was actually granted;
- (w) **“Insider”** has the meaning assigned to it in TSX Venture Exchange Policy 1.1 – *Interpretation*;
- (x) **“Investor Relations Activities”** means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - (A) to promote the sale of products or services of the Company; or
 - (B) to raise public awareness of the Company,
 that cannot reasonably be considered to promote the purchase or sale of securities of the Company;

- (ii) activities or communications necessary to comply with the requirements of:
 - (A) applicable securities laws; or
 - (B) Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
- (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (A) the communication is only through the newspaper, magazine or publication; and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (iv) activities or communications that may be otherwise specified by the Exchange;
- (y) **“Investor Relations Service Provider”** includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities
- (z) **“ISO”** means an Option that is granted to a U.S. Participant intended to constitute an incentive stock option within the meaning of Section 422 of the U.S. Tax Code, as described in Section 5.1(n);
- (aa) **“Management Company Employee”** means an individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the Company’s business enterprise;
- (bb) **“Market Price”** means, subject to the exceptions prescribed by the Exchange from time to time, the last closing price of the Company’s shares before the issuance of the required news release disclosing the grant of Awards (but, if the policies of the Exchange do not require such news release, then the last closing price of the Company’s shares before the Grant Date);
- (cc) **“Market Unit Price”** means the value of a Share determined by reference to the five-day volume-weighted average closing price of a Share for the five Trading Day period immediately preceding the relevant date;
- (dd) **“Net Exercise”** means an arrangement whereby (i) Options, excluding Options held by any Investor Relations Service Provider, are exercised without the Participant making any cash payment to the Company, and (ii) the Company then issues to the Participant that number of Shares that is the equal to the quotient obtained by dividing:
 - (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the Shares and the exercise price of the Option; by
 - (ii) the VWAP of the Shares;
- (ee) **“Officer”** means an officer (as defined in the Securities Act or, where the Securities Act does not apply, by other applicable securities laws) of the Company or any of its Subsidiaries;

- (ff) “**Option**” means incentive share purchase options entitling the holder thereof to purchase Shares at a specified price for a specified period of time, and includes an ISO;
- (gg) “**Participant**” means any Eligible Person to whom Awards under this Plan are granted;
- (hh) “**Participant’s Account**” means a notional account maintained for each Participant’s participation in this Plan which will show any RSUs, PSUs and/or DSUs credited to a Participant from time to time;
- (ii) “**Performance-Based Award**” means, collectively or as applicable, Performance Share Units, Restricted Share Units and Deferred Share Units;
- (jj) “**Performance Criteria**” means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of Performance Share Units;
- (kk) “**Performance Cycle**” means the applicable performance cycle of the Performance Share Units as may be specified by the Board in the applicable Award Agreement;
- (ll) “**Performance Share Unit**” or “**PSU**” means a right awarded to a Participant, as compensation for employment or consulting services or services as a Director or Officer, to receive, for no additional cash consideration, securities of the Company upon specified vesting criteria being satisfied, all as provided in Section 5.3 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement, and which may be paid in cash and/or Shares;
- (mm) “**Person**” means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (nn) “**Restricted Share Unit**” or “**RSU**” means a right awarded to a Participant, as compensation for employment or consulting services or services as a Director or Officer, to receive for no additional cash consideration, securities of the Company upon specified vesting criteria being satisfied, all as provided in Section 5.2 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement, and which may be paid in cash and/or Shares;
- (oo) “**Restriction Period**” means the time period between the Grant Date and the Vesting Date of an Award of Restricted Share Units specified by the Board in the applicable Award Agreement, which period shall be no less than 12 months;
- (pp) “**Retirement**” means retirement from active employment with the Company or a Subsidiary with the consent of an officer of the Company or the Subsidiary, and more particularly, for U.S. Participants, means Separation from Service, other than due to death or by action of the Company for Cause (including if the Company determines after the date of the Separation from Service that it could have terminated the U.S. Participant for Cause), after the U.S. Participant has attained either age 65 or age 55 with at least 10 years of service with the Company;
- (qq) “**Section 409A**” has the meaning ascribed thereto in Section 7.15(a);
- (rr) “**Securities Act**” means the *Securities Act* (British Columbia), as amended, from time to time;

- (ss) **“Security-Based Compensation Arrangement”** shall have the meaning ascribed thereto in the rules and policies of the Exchange, or in the event that such term is not defined in the rules and policies of the Exchange, shall mean a stock option plan, including this Plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, officers, Insiders, service providers or Consultants of the Company or a Subsidiary;
- (tt) **“Separation from Service”** has, with respect to a U.S. Participant, the meaning set forth in Section 409A of the U.S. Tax Code;
- (uu) **“Shares”** means the common shares of the Company;
- (vv) **“Subsidiary”** means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;
- (ww) **“Termination Date”** means, as applicable:
 - (i) in the event of a Participant’s Retirement, voluntary termination, voluntary resignation or termination of employment as a result of a Disability, the date on which such Participant ceases to be an employee of the Company or a Subsidiary; and
 - (ii) in the event of termination of the Participant’s employment by the Company or a Subsidiary, the date on which such Participant is advised by the Company or a Subsidiary, in writing or verbally, that his or her services are no longer required;
- (xx) **“Trading Day”** means any day on which the Exchange is open for trading;
- (yy) **“U.S. Participant”** means any Participant who, at any time during the period from the date an Award is granted to the date such award is exercised, redeemed, or otherwise paid to the Participant, is subject to income taxation in the United States on the income received for services provided to the Company or a Subsidiary and who is not otherwise exempt from United States income taxation under the relevant provisions of the United States Internal Revenue Code of 1986, as amended, or the Canada-U.S. Income Tax Convention, as amended;
- (zz) **“U.S. Tax Code”** means the United States Internal Revenue Code of 1986, as amended;
- (aaa) **“Vesting Date”** means in respect of any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement; and
- (bbb) **“VWAP”** means the volume weighted average trading price of the Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five Trading Days immediately preceding the exercise of the subject Option.

SECTION 3 ADMINISTRATION

3.1 Board to Administer Plan

Except as otherwise provided herein, this Plan shall be administered by the Board of the Company (and, for clarity, not by the Board of any subsidiary of the Company) and the Board of the Company shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board of the Company may deem necessary in order to comply with the requirements of this Plan.

3.2 Delegation to Committee

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

3.3 Interpretation

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

3.4 No Liability

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

SECTION 4 SHARES AVAILABLE FOR AWARDS

4.1 Limitations on Shares Available for Issuance

- (a) The aggregate number of Shares issuable under this Plan (and all of the Company's other Security-Based Compensation Arrangements) in respect of Options shall not exceed 10% of the Company's then total issued and outstanding Shares calculated as at the date of any grant and in accordance with the Policies of the Exchange.
- (b) The aggregate number of Shares issuable under this Plan (and all of the Company's other Security-Based Compensation Arrangements) in respect of Performance-Based Awards shall not exceed 5,818,809. Notwithstanding anything to the contrary, the maximum number of Shares issuable pursuant to ISOs under this Plan shall be the lesser of the 10%, as set out in Section 4.1(a), or 5,818,809, subject to adjustment pursuant to Section 4.3.
- (c) So long as it may be required by the rules and policies of the Exchange:
 - (i) unless the Company has obtained disinterested shareholder approval of this Plan, the maximum aggregate number of Shares issuable to any Participant under this Plan, within any 12 month period, together with Shares reserved for issuance to such Participant (and to Companies wholly-owned by that Participant) under all of the Company's other Security-Based Compensation Arrangements, shall not exceed five percent (5%) of the issued and outstanding Shares (calculated as at the date of any grant);
 - (ii) unless the Company has obtained disinterested shareholder approval of this Plan, the maximum aggregate number of Shares issuable to Insiders under this Plan, within any 12 month period, together with Shares reserved for issuance to Insiders under all of the Company's other Security-Based Compensation Arrangements, shall not exceed ten percent (10%) of the issued and outstanding Shares (calculated as at the date of any grant);

- (iii) unless the Company has obtained disinterested shareholder approval of this Plan, the maximum aggregate number of Shares issuable to Insiders under this Plan, at any point in time, together with Shares reserved for issuance to Insiders under all of the Company's other Security-Based Compensation Arrangements, shall not exceed ten percent (10%) of the issued and outstanding Shares;
- (iv) the maximum aggregate number of Shares issuable to any one Consultant, within any 12 month period, together with Shares issuable to such Consultant under all of the Company's other Security-Based Compensation Arrangements, shall not exceed two percent (2%) of the issued and outstanding Shares (calculated as at the date of any grant); and
- (v) the maximum aggregate number of Shares issuable pursuant to grants of Options to all Investor Relation Service Providers performing Investor Relations Activities, within any 12 month period, shall not in aggregate exceed two percent (2%) of the issued and outstanding Shares (calculated as at the date of any grant). For the avoidance of doubt, Persons performing Investor Relations Activities are only eligible to receive Options under this Plan; they are not eligible to receive any Performance-Based Award or other type of securities based compensation under this Plan.

4.2 Accounting for Awards

For purposes of this Section 4:

- (a) if an Award is denominated in Shares, the number of Shares covered by such Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting Awards under this Plan; and
- (b) notwithstanding anything herein to the contrary, any Shares related to Awards which terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of such Shares, shall be available again for granting Awards under this Plan.

4.3 Anti-Dilution

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

SECTION 5 AWARDS

5.1 Options

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Options to Eligible Persons. Options granted to an Eligible Person shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each Option shall, contingent upon the lapse of any restrictions, represent the right to purchase

one (1) Share. The number of Options granted pursuant to an Award shall be specified in the applicable Award Agreement.

- (b) Exercise Price - The exercise price of an Option granted under this Plan shall not be less than the Discounted Market Price, provided that if an Option is proposed to be granted by the Company which has just been recalled for trading following a suspension or halt, the Company must wait at least ten Trading Days since the day on which trading in the Company's securities resumes before setting the exercise price for and granting the Option.
- (c) Expiry Date - Each Option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed 10 years from the Grant Date.
- (d) Different Exercise Periods, Prices and Number - The Board may, in its absolute discretion, upon granting Options under this Plan, specify different time periods following the dates of granting the Options during which the Participant may exercise their Options to purchase Shares and may designate different exercise prices and numbers of Shares in respect of which each Participant may exercise his option during each respective time period.
- (e) Vesting - Subject to the discretion of the Board, the Options granted to a Participant under this Plan shall vest as determined by the Board on the Grant Date of such Options. If the Board does not specify a vesting schedule at the Grant Date, then Options granted to persons other than those conducting Investor Relations Activities shall vest fully on the Grant Date, and in any event in accordance with the policies of the Exchange. Options issued to Persons conducting Investor Relations Activities must vest (and shall not otherwise be exercisable) in stages over a minimum of 12 months such that:
 - (i) no more than 1/4 of the Options vest no sooner than three months after the Grant Date;
 - (ii) no more than another 1/4 of the Options vest no sooner than six months after the Grant Date;
 - (iii) no more than another 1/4 of the Options vest no sooner than nine months after the Grant Date; and
 - (iv) the remainder of the Options vest no sooner than 12 months after the Grant Date.
- (f) Change of Control – If the Award Agreement so provides, in the event of a Change of Control, all Options granted to a Participant who ceases to be an Eligible Person shall become fully vested in such Participant and shall become exercisable by the Participant in accordance with the terms of the Award Agreement and Section 5.1(1) hereof. If the Participant provides Investor Relations Activities, no acceleration of the vesting of any Options shall be permitted without prior Exchange review and acceptance.
- (g) Death – In the event of the death of an Optionee, the Optionee's Option must be exercised only by the person or persons to whom the Optionee's rights under the Option will pass by the Optionee's will or the laws of descent and distribution. In the event of the death or disability of an Optionee, the Optionee's Option may be exercised to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death or disability. The period in which the Optionee's Option may be exercised must not exceed one year from the date of the Optionee's death.
- (h) Termination of Participant's Relationship with the Company

- (i) Where a Participant's relationship with the Company is terminated by the Company or a Subsidiary for cause, all Options granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - (ii) Where a Participant's relationship with the Company terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination, voluntary resignation or due to Retirement by the Participant, such that the Participant no longer qualifies as an Eligible Person, all Options granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date; *provided, however*, that any Options granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(l) hereof and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to be an Eligible Person, or such longer period as may be provided for in the Award Agreement or as may be determined by the Board provided such period does not exceed 12 months after the Termination Date.
 - (iii) Upon termination of a Participant's relationship with the Company or a Subsidiary such that the Participant no longer qualifies as an Eligible Person, the Participant's eligibility to receive further grants of Awards of Options under this Plan shall cease as of the Termination Date.
- (i) Disability - Where a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options; *provided, however*, that no Options may be exercised during a leave of absence. Where a Participant's relationship is terminated due to Disability such that the Participant ceases to be an Eligible Person, all Options granted to the Participant under this Plan that have not vested will immediately vest and will accrue to the Participant in accordance with Section 5.1(l) hereof and shall be exercisable by such Participant for a period of 90 days following the Termination Date, or such longer period as may be provided for in the Award Agreement or as may be determined by the Board.
 - (j) Hold Period - In addition to any resale restrictions under securities laws, and any other circumstance for which the Exchange hold period may apply, where Options are granted to Directors or Officers or Consultants or promoters, or where the Option exercise price includes a discount as permitted by the Exchange, or where the Options are granted to or the exercise of Options results in a Person owning more than 10% of the voting rights of the Company's securities and who has the right to elect or appoint one or more Directors or Officers of the Company, the Options and any Shares issued on the exercise of such Options must be legended with a four (4) month Exchange hold period commencing on the Grant Date:

“Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date].”
 - (k) Notice - Options shall be exercised only in accordance with the terms and conditions of the Award Agreements under which they are respectively granted and shall be exercisable only by notice in writing to the CEO and CFO of the Company.

- (l) Payment of Award - Subject to any vesting or other limitations described in each individual Award Agreement, Options may be exercised in whole or in part at any time prior to their lapse or termination, by the Participant, or if Section 5.1(g) applies, by the Participant's estate within one year of the death of the Participant, into such number of Shares equal to the number of Options credited to the Participant's Account that become exercisable on the Vesting Date. The exercise price of all Options must be paid in cash. Shares purchased by a Participant on exercise of an Option shall be paid for in full at the time of their purchase (i.e. concurrently with the giving of the requisite notice).
- (m) Cashless Exercise Right - Subject to the rules and policies of the Exchange, the Board may, in its discretion and at any time, determine to grant a Participant the alternative, when entitled to exercise an Option, to deal with such Option on a "cashless exercise" basis, on such terms as the Board may determine in its discretion (the "**Cashless Exercise Right**"). Without limitation, the Company may make an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Shares underlying the Options. The brokerage firm then sells a sufficient number of Shares to cover the exercise price of the Options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Shares from the exercise of the Options and the Participant then receives the balance of the Shares or the cash proceeds from the balance of such Shares.

In the event the Company permits a Participant to exercise a Cashless Exercise Right, the Company shall make an election pursuant to subsection 110(1.1) of the *Income Tax Act* (Canada), as amended from time to time.

- (n) ISOs. ISOs are available only for Participants who are employees of the Company, or a "parent corporation" or "subsidiary corporation" (as such terms are defined in Section 424(e) and (f) of the U.S. Tax Code), on the date the Option is granted, and, notwithstanding this Section 5.1(n), may only be granted in accordance with applicable Securities Laws and regulations and policies of the Exchange. In addition, a Participant who holds an ISO must continue as an employee, except that upon termination of employment the Option will continue to be treated as an ISO for up to three months, after which the Option will no longer qualify as an ISO, except as provided in this Section 5.1(n). A Participant's employment will be deemed to continue during period of sick leave, military leave or other bona fide leave of absence, provided the leave of absence does not exceed three months, or the Participant's return to employment is guaranteed by statute or contract. If a termination of employment is due to permanent disability, an Option may continue its ISO status for up to one year, and if the termination is due to death, the ISO status may continue for the balance of the Option's term. Nothing in this Section 5.1(n) will be deemed to extend the original expiry date of an Option. A Participant who owns, or is deemed to own, pursuant to Section 424(e) of the U.S. Tax Code, Shares accounting for more than ten percent (10%) of the total combined voting power of all classes of stock of the Company may not be granted an ISO unless (i) the Option Price is at least one hundred and ten percent (110%) of the Market Value of the Shares, as of the Grant Date, and (ii) the Option is not exercisable after the expiration of five (5) years from the date of grant. To the extent the aggregate Market Value (determined as of the date of grant) of Shares with respect to which ISOs are exercisable for the first time by a Participant during any calendar year (under all plans of the Company and any affiliates) exceeds One Hundred Thousand United States Dollars (US\$100,000), the Options or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Options other than ISOs, notwithstanding any contrary provision in the applicable Award Agreement.

5.2 Restricted Share Units

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of

Restricted Share Units to Eligible Persons that do not perform Investor Relations Activities. Restricted Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Restricted Share Units to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each Restricted Share Unit shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of Restricted Share Units granted pursuant to an Award and the Restriction Period in respect of such Restricted Share Units shall be specified in the applicable Award Agreement.

- (b) Restrictions - Restricted Share Units shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.
- (c) Vesting - All Restricted Share Units will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement. No Restricted Share Units may vest before the date that is one year following the Grant Date of the Award.
- (d) Deferral - Subject to the terms and conditions of the applicable Award Agreement, if a Participant wishes to defer settling an Award of Restricted Share Units, the Participant must provide written notice ("**RSU Deferral Notice**") to the CEO and CFO of the Company within three business days of the Vesting Date (the "**RSU Deferral Period**").
- (e) Change of Control – If the Award Agreement so provides, in the event of a Change of Control and the Participant ceases to be an Eligible Person, all restrictions upon any Restricted Share Units shall lapse immediately and all such Restricted Share Units shall become fully vested in the Participant and will accrue to the Participant in accordance with Section 5.2(i) hereof.
- (f) Death - Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any Restricted Share Units granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Restricted Share Units granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Section 5.2(i) hereof.
- (g) Termination of a Participant's Relationship with the Company
 - (i) Where a Participant's relationship with the Company is terminated by the Company or a Subsidiary for cause, all Restricted Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - (ii) Where a Participant's relationship with the Company terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination, voluntary resignation or due to Retirement by the Participant, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date and the Participant shall have no right, title or interest therein whatsoever; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination without

cause, voluntary termination, voluntary resignation or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.2(i) hereof.

- (iii) Upon termination of a Participant's relationship with the Company or a Subsidiary such that the Participant no longer qualifies as an Eligible Person, the Participant's eligibility to receive further grants of Awards of Restricted Share Units under this Plan shall cease as of the Termination Date.
- (h) Disability - Where a Participant becomes afflicted by a Disability, all Restricted Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Restricted Share Units; *provided, however*, that no Restricted Share Units may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to Disability such that the Participant ceases to be an Eligible Person, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date and the Participant shall have no right, title or interest therein whatsoever; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination due to Disability, had vested pursuant to terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.2(i) hereof.
- (i) Payment of Award - Unless the Company has received an RSU Deferral Notice from the Participant, as soon as practicable after each RSU Deferral Period of an Award of Restricted Share Units, the Company shall, at the sole discretion of the Board, either:
 - (i) issue to the Participant, or if Section 5.2(f) applies, to the Participant's estate, from treasury the number of Shares equal to the number of Restricted Share Units credited to the Participant's Account that have vested and become payable on the next Trading Day after the RSU Deferral Period; or
 - (ii) make a cash payment in an amount equal to the Market Unit Price on the next Trading Day after the RSU Deferral Period of the Restricted Share Units credited to a Participant's Account that have vested and become payable, net of applicable withholdings.

As of the end of the RSU Deferral Period the Restricted Share Units in respect of which such Shares are issued or cash payment made shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Restricted Share Units.

5.3 Performance Share Units

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Performance Share Units to Eligible Persons that do not perform Investor Relations Activities. Performance Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Performance Share Units to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each Performance Share Unit shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share. The number of Performance Share Units granted pursuant to an Award, the Performance Criteria which must be satisfied in order for the Performance Share Units to vest and the Performance Cycle in respect of such Performance Share Units shall be specified in the applicable Award Agreement.

- (b) Performance Criteria - The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the Performance Share Units, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the Performance Criteria unfair unless a revision is made. Notices will be provided by the Company to applicable regulatory authorities or stock exchanges as may be required with respect to the foregoing.
- (c) Vesting - All Performance Share Units will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied in the Performance Cycle, the determination of which satisfaction shall be made by the Board on the Determination Date. No Performance Share Units may vest before the date that is one year following the Grant Date of the Award.
- (d) Deferment - Subject to the terms and conditions of the applicable Award Agreement, if a Participant wishes to defer settling an Award of Performance Share Units, the Participant must provide written notice (“**PSU Deferral Notice**”) to the CEO and CFO of the Company within three business days of the Determination Date (the “**PSU Deferral Period**”).
- (e) Change of Control – If the Award Agreement so provides, in the event of a Change of Control and the Participant ceases to be an Eligible Person, all Performance Share Units granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and shall become payable to the Participant in accordance with Section 5.3(i) hereof.
- (f) Death - Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all Performance Share Units granted to the Participant which, prior to the Participant’s death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever; *provided, however*, the Board may determine, in its sole discretion, the number of the Participant’s Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(i) hereof.
- (g) Termination of a Participant’s Relationship with the Company
 - (i) Where a Participant’s relationship with the Company is terminated by the Company or a Subsidiary for cause, all Performance Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - (ii) Where a Participant’s relationship with the Company terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination, voluntary resignation or due to Retirement by the Participant, all Performance Share Units granted to the Participant which have not vested will, unless the Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date, and the Participant shall have no right, title or interest therein whatsoever; *provided, however*, the Board may determine, in its sole

discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(i) hereof.

- (iii) Upon termination of a Participant's relationship with the Company or a Subsidiary such that the Participant no longer qualifies as an Eligible Person, the Participant's eligibility to receive further grants of Awards of Performance Share Units under this Plan shall cease as of the Termination Date.
- (h) Disability - Where a Participant becomes afflicted by a Disability, all Performance Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Performance Share Units; *provided, however*, that no Performance Share Units may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to Disability such that the Participant ceases to be an Eligible Person, all Performance Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date, and the Participant shall have no right, title or interest therein whatsoever; *provided, however*, that the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(i) hereof.
- (i) Payment of Award – Unless the Company has received a PSU Deferral Notice from the Participant, payment to Participants in respect of vested Performance Share Units shall be made after the Determination Date and PSU Deferral Period for the applicable Award and in any case within ninety-five (95) days after the last day of the Performance Cycle to which such Award relates. The Company shall, at the sole discretion of the Board, either:
 - (i) issue to the Participant or if Section 5.3(f) applies, to the Participant's estate, the number of Shares equal to the number of Performance Share Units credited to the Participant's Account that have vested on the Determination Date; or
 - (ii) make a cash payment in an amount equal to the Market Unit Price on the next Trading Day after the PSU Deferral Period of the Performance Share Units credited to a Participant's Account that have vested, net of applicable withholdings.

As of the end of the PSU Deferral Period, the Performance Share Units in respect of which such Shares are issued or cash payment made shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Performance Share Units.

5.4 Deferred Share Units

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Deferred Share Units to Directors that do not perform Investor Relations Activities in lieu of Fees or to other Eligible Persons that do not perform Investor Relations Activities as compensation for employment or consulting services. Deferred Share Units granted to a Participant in accordance with Section 5.4 hereof shall be credited, as of the Grant Date, to the Participant's Account. The number of Deferred Share Units to be credited to each Participant

shall be determined by the Board in its sole discretion in accordance with this Plan. The number of Deferred Share Units shall be specified in the applicable Award Agreement.

- (b) Election - Each Director may elect to receive any or all of his or her Fees in Deferred Share Units under this Plan. Elections by Directors regarding the amount of their Fees that they wish to receive in Deferred Share Units shall be made no later than 90 days after this Plan is adopted by the Board, and thereafter no later than December 31 of any given year with respect to Fees for the following year. Any Director who becomes a Director during a calendar year and wishes to receive an amount of his or her Fees for the remainder of that year in Deferred Share Units must make his or her election within 60 days of becoming a Director.
- (c) Calculation of Deferred Share Units Granted in Lieu of Fees - The number of Deferred Share Units to be credited to a Participant's Account where the Participant is a Director who has elected to receive Deferred Share Units in lieu of Fees shall be calculated by dividing the amount of Fees selected by a Director in the applicable Election Form by the Market Price or Discounted Market Price on the Grant Date (or such other price as required under Exchange policies) which shall be the 10th business day following each financial quarter end. If, as a result of the foregoing calculation, a Participant that is a Director shall become entitled to a fractional Deferred Share Unit, the Participant shall only be credited with a full number of Deferred Share Units (rounded down) and no payment or other adjustment will be made with respect to the fractional Deferred Share Unit.
- (d) Vesting - No Deferred Share Units may vest before the date that is one year following the Grant Date of the Award.
- (e) Payment of Award - Each Participant shall be entitled to receive, after the effective date that the Participant ceases to be an Eligible Person for any reason, other than for Termination for Cause, as defined herein, on a day designated by the Participant and communicated to the Company by the Participant in writing at least 15 days prior to the designated day (or such earlier date after the Participant ceases to be an Eligible Person as the Participant and the Company may agree, which date shall be no later than one year after the date upon which the Participant ceases to be an Eligible Person) and if no such notice is given, then on the first anniversary of the effective date that the Participant ceases to be an Eligible Person, at the sole discretion of the Board, either:
 - (i) that number of Shares equal to the number of vested Deferred Share Units credited to the Participant's Account, such Shares to be issued from treasury of the Company (provided that such issuance will not result in the number specified in Section 4.1(b) being exceeded); or
 - (ii) a cash payment in an amount equal to the Market Unit Price on the next Trading Day after the Participant ceases to be an Eligible Person of the vested Deferred Share Units credited to a Participant's Account, net of applicable withholdings.
- (f) Exception - In the event that the value of a Deferred Share Unit would be determined with reference to a period commencing at a fiscal quarter-end of the Company and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the Deferred Share Units will be made to the Participant with reference to the five (5) Trading Days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).
- (g) Change of Control - If the Award Agreement so provides, in the event of a Change of Control and the Participant ceases to be an Eligible Person, all Deferred Share Units granted to a

Participant shall become fully vested in such Participant and shall become payable to the Participant in accordance with Section 5.4(e) hereof.

- (h) Death - Upon death of a Participant holding Deferred Share Units that have vested, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, a cash payment or Shares that would have otherwise been payable in accordance with Section 5.4(e) hereof to the Participant upon such Participant ceasing to be an Eligible Person. Any Deferred Share Units granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever.
- (i) Termination for Cause - Upon a Participant ceasing to be an Eligible Person by reason of Termination for Cause, the Participant's participation in this Plan shall be terminated immediately, all Deferred Share Units credited to such Participant's Account that have not vested shall be forfeited and cancelled, and the Participant's rights to Shares or cash equivalent or a combination thereof that relate to such Participant's unvested Deferred Share Units shall be forfeited and cancelled on the Termination Date. The Participant shall not receive any payment in lieu of cancelled Deferred Share Units that have not vested. "**Termination for Cause**" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Company's codes of conduct and any other reason determined by the Company to be cause for termination. For the purposes of this Plan, the determination by the Company that the Participant was Terminated for Cause shall be binding on the Participant.

5.5 General Terms Applicable to Awards

- (a) Forfeiture Events - The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of a relationship for cause, violation of material Company policies, fraud, breach of non-competition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.
- (b) Awards May be Granted Separately or Together - Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award or any award granted under any other Security-Based Compensation Arrangement of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other Security-Based Compensation Arrangement of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
- (c) Non-Transferability of Awards - No Award and no right under any such Award shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution and only then if permitted by the policies of the Exchange. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.
- (d) Conditions and Restrictions Upon Securities Subject to Awards - The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or

provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation:

- (i) restrictions under an insider trading policy or pursuant to applicable law;
 - (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and holders of other Security-Based Compensation Arrangements; and
 - (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers.
- (e) Blackout Periods – In the event that the date provided for expiration, redemption or settlement of an Award falls within a Blackout Period imposed by the Company pursuant to a trading policy as the result of the bona fide existence of undisclosed Material Information, the expiry date, redemption date or settlement date, as applicable, of the Award shall automatically be extended to the date that is ten (10) business days following the date of expiry of the Blackout Period. Notwithstanding the foregoing, there will be no extension of any Award if the Company (or the Participant) is subject to a cease trade order (or similar order under applicable law). Notwithstanding anything to the contrary herein contained, in no event, including as a result of the any Blackout Period, shall the expiration of any Option issued to a U.S. Participant be extended beyond the original Expiry Date if the Option has an exercise price that is less than the Market Price on the date of the proposed extension.
- (f) Share Certificates - All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (g) Conformity to Plan - In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted to become, in all respects, in conformity with this Plan.
- (h) Deductions - Whenever cash is to be paid in respect of Deferred Share Units, Restricted Share Units or Performance Share Units, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered in respect of Deferred Share Units, Restricted Share Units or Performance Share Units, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by, all in accordance with the policies of the Exchange, delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.
- (i) Evergreen Plan - The Shares underlying any Award under this Plan that has been settled in cash, or that has been converted, cancelled, terminated, surrendered, forfeited or has expired without

being exercised, and pursuant to which no securities have been issued, may continue to be issuable under this Plan.

5.6 General Terms Applicable to Performance-Based Awards

- (a) Performance Evaluation; Adjustment of Goals - At the time that a Performance-Based Award is first issued, the Board, in the Award Agreement or in another written document, shall specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be:
- (i) judgments entered or settlements reached in litigation;
 - (ii) the write-down of assets;
 - (iii) the impact of any reorganization or restructuring;
 - (iv) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results;
 - (v) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year;
 - (vi) the impact of any mergers, acquisitions, spin-offs or other divestitures; and
 - (vii) foreign exchange gains and losses.
- (b) Adjustment of Performance-Based Awards - The Board shall have the sole discretion to adjust the determinations of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant Performance-Based Award. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any Performance-Based Award that will increase the amount payable under any such Award. The Board shall retain the sole discretion to adjust Performance-Based Awards downward or to otherwise reduce the amount payable with respect to any Performance-Based Award.

SECTION 6 AMENDMENT AND TERMINATION

6.1 Amendments and Termination of this Plan

The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, unless such shareholder approval is required by the rules of the Exchange or applicable law, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to:

- (a) any required disinterested shareholder approval to (i) reduce the exercise price of an Award issued to an Insider or (ii) to extend the term of an Option granted to an Insider, in either event in accordance with the policies of the Exchange while the Shares are listed on the Exchange;
- (b) any required approval of any applicable regulatory authority or the Exchange; and

- (c) any approval of shareholders of the Company as required by the rules of the Exchange or applicable law, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
- (i) fix typographical errors or clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions;
 - (ii) subject to prior Exchange approval and Exchange confirmation that such amendment or modification can be made without shareholder approval:
 - (A) be necessary to ensure compliance with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or the Exchange; or
 - (B) be necessary for the Option to qualify for favourable treatment under applicable tax laws.

The Board may terminate the Plan at any time provided that the Company adopts a new security-based compensation plan. Upon termination of the Plan, previously granted Awards will remain outstanding and in effect in accordance with their applicable terms and conditions and will be governed by the provisions of the new security-based compensation plan adopted by the Company from time to time.

Notwithstanding the foregoing, any amendment of this Plan shall be such that the Plan continuously meets the requirements of the *Income Tax Act* (Canada) or any successor to such provision, and any amendment having bearing on the U.S. Tax Code.

6.2 Amendments to Awards

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

- (a) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of Policy of the Exchange or any accounting standard; or
- (b) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7 GENERAL PROVISIONS

7.1 No Rights to Awards

No Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award. There is no obligation for uniformity of treatment of Eligible Persons or Participants or beneficiaries of Awards under this Plan. The terms and conditions of Awards need not be the same with respect to each Participant. The Company and each Eligible Person qualifying for an Award are and shall be responsible for ensuring and confirming that each recipient of an Award is a bona fide Eligible Person that qualifies to receive the applicable Award.

7.2 No Limit on Other Security-Based Compensation Arrangements

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

7.3 No Right to Employment

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

7.4 No Right as Shareholder

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

7.5 Governing Law

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

7.6 Severability

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

7.7 No Trust or Fund Created

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

7.8 No Fractional Shares

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

7.9 Headings

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

7.10 No Representation or Warranty

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

7.11 No Representations or Covenant with Respect to Tax Qualification

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

7.12 Conflict with Award Agreement

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

7.13 Compliance with Laws

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

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

In addition to any resale restrictions under securities laws, and any other circumstance for which the Exchange hold period may apply, where Awards are granted to Consultants, or insiders or promoters of the Company or where the exercise price includes a discount as permitted by the Exchange, the Award and any Shares issued on the exercise of such Award must be legended with a four (4) month Exchange hold period commencing on the date of grant.

No Awards shall be granted in the United States and no Shares shall be issued in the United States pursuant to any such Awards unless such Shares are registered under applicable U.S. securities laws and any applicable state securities laws or an exemption from such registration is available. Any Awards granted in the United States, and any Shares issued pursuant thereto, will be “restricted securities” (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act).

Any certificate or instrument representing Awards granted in the United States or Shares issued in the United States pursuant to such Awards pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws shall bear substantially the following legend restricting transfer under applicable United States federal and state securities laws:

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

No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of this Plan or of the Shares under the securities laws of any jurisdiction or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void. The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company’s counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

7.14 U.S. Tax Compliance

- (a) DSU Awards granted to U.S. Participants are intended to comply with, and Option, PSU, and RSU Awards granted to U.S. Participants are intended to be exempt from, all aspects of Section 409A of the U.S. Tax Code and related regulations (“**Section 409A**”). Notwithstanding any provision to the contrary, all taxes associated with participation in the Plan, including any liability imposed by Section 409A, shall be borne by the U.S. Participant.
- (b) For purposes of interpreting and applying the provisions of any DSU or other Award to subject to Section 409A, the term “termination of employment” or similar phrase will be interpreted to mean a Separation from Service as defined under Section 409A, provided, however, that with respect to an Award subject to the Tax Act, if the Tax Act requires a complete termination of the employment relationship to receive the intended tax treatment, then “termination of employment” will be interpreted to only include a complete termination of the employment relationship.
- (c) If payment under any DSU or other Award subject to Section 409A is in connection with the U.S. Participant’s Separation from Service, and at the time of the Separation from Service the

Participant is subject to the U.S. Tax Code and is considered a “specified employee” (within the meaning of Section 409A), then any payment that would otherwise be payable during the six-month period following the separation from service will be delayed until after the expiration of the six-month period, to the extent necessary to avoid taxes and penalties under Section 409A, provided that any amounts that would have been paid during the six-month period may be paid in a single lump sum on the first day of the seventh month following the separation from service.

- (d) Notwithstanding any provision of the Plan to the contrary, all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the U.S. Tax Code. If any provision of the Plan contravenes Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Section 409A, the Board may, in its sole discretion and without the U.S. Participant’s consent, modify such provision to: (i) comply with, or avoid being subject to, Section 409A, or to avoid incurring taxes, interest and penalties under Section 409A; and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant of the applicable provision without materially increasing the cost to the Company or contravening Section 409A. However, the Company shall have no obligation to modify the Plan or any PSU, RSU or DSU and does not guarantee that they will not be subject to taxes, interest and penalties under Section 409A. Each U.S. Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Participant in connection with the Plan or any other plan maintained by the Company (including any taxes and penalties under Section 409A), and neither the Company nor any Subsidiary of the Company shall have any obligation to indemnify or otherwise hold such U.S. Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

SECTION 8 EFFECTIVE DATE OF THIS PLAN

8.1 Effective Date

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