

**1844 RESOURCES INC.
Suite 602 - 224 4th Avenue South
Saskatoon, SK S7K 5M5**

INFORMATION CIRCULAR

with information as at November 2, 2022 (*unless indicated otherwise*)

This Information Circular is furnished in connection with the solicitation of proxies by the management of 1844 Resources Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on December 8, 2022 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular (the “Circular”), references to “the Company”, “we” and “our” refer to **1844 Resources Inc.** “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. All dollar amounts are reported in Canadian dollars, unless indicated otherwise. “Registered Shareholder” means the person whose name appears on the central securities register maintained by or on behalf of the Company and who holds Common Shares in his or her own name.

GENERAL PROXY INFORMATION

Solicitation of Proxies

Solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone or by email, primarily by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “Proxy”) are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons 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.**

Voting by Proxyholder

The persons named in the Proxy 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:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as proxyholder will vote the Common Shares represented by the Proxy for the approval of such matter, and if applicable, for the nominees of management for directors and auditor as identified in the Proxy.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so using one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9; or
- (b) use 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 form for the toll free number, the holder's account number and the proxy access number; or
- (c) via Computershare's internet website www.investorvote.com. Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In each of the above cases Registered Shareholders must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or the adjournment thereof.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, 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 broker or an agent of that broker (an "**intermediary**"). In Canada, the vast majority of such Common Shares are registered 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), and in the United States of America (the "**U.S.**" or the "**United States**"), under the name Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial owners – those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non-Objecting Beneficial Owners).

The Company does not intend to pay for an intermediary to deliver to OBOs, the proxy-related materials and Form 54-101F7 Request for Voting Instructions Made by Intermediary. As a result, an OBO will not receive the materials unless their intermediary assumes the cost of delivery.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your

proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

If you are a Beneficial Shareholder:

The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and the United States. Broadridge mails a Voting Instruction Form (“**VIF**”) in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank space provided in the VIF, then return the completed VIF to Broadridge either by mail, by facsimile, by phone, or via the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge’s instructions, well in advance of the Meeting in order to: (a) have your Common Shares voted, as per your instructions, at the Meeting; or (b) arrange to have an alternate representative duly appointed by you attend the Meeting and vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

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

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

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or

(b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor, and the approval of the stock option plan, as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed November 2, 2022 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company's Common Shares are listed on the TSX Venture Exchange (the "**TSXV**"), under the symbol "EFF". As of November 2, 2022, there were 69,519,258 Common Shares issued and outstanding. Each Common Share carries the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares. The Company is also authorized to issue an unlimited number of Preferred shares. There are no Preferred shares issued and outstanding as at November 2, 2022.

To the knowledge of the directors and executive officers of the Company, no one shareholder beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company, other than as follows:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
Fruchtexpress Grabher GmbH & Co KG	11,250,000	16.18%

Notes:

(1) The above information was obtained from SEDI.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

FINANCIAL STATEMENTS

The audited financial statements for the Company's financial years ended April 30, 2022 and April 30, 2021 as prepared by Davidson & Company LLP, Chartered Professional Accountants, auditor for the Company, the reports of the auditor thereon and the related management discussion and analyses will be placed before the Meeting.

The following documents filed with the securities commissions or similar regulatory authority in each of the Provinces of British Columbia and Alberta, are specifically incorporated by reference into, and form an integral part of, this information circular:

- The audited annual financial statements of the Company for the financial year ended April 30, 2021, together with the report of the auditor thereon and the related management discussion and analysis, filed under the Company’s SEDAR profile on August 27, 2021 at www.sedar.com.
- The audited annual financial statements of the Company for the financial year ended April 30, 2022, together with the report of the auditor thereon and the related management discussion and analysis, filed under the Company’s SEDAR profile on August 29, 2022 at www.sedar.com.

Copies of any documents referred to and incorporated herein by reference may be obtained via the internet on SEDAR at www.sedar.com. Copies of these documents are also available to a shareholder upon request without charge from the Corporate Secretary of the Company at telephone: (306) 653-2692 or fax: (306) 664-4483 or at the address of the Company at Suite 602, 224 – 4th Avenue, S., Saskatoon, SK S7K 5M5.

ELECTION OF DIRECTORS

Pursuant to the Articles of the Company, by resolution of the Board the number of directors to be elected at the Meeting has been set at five (5). Each director will hold office until the next annual meeting or until his successor is duly elected unless his office is vacated earlier in accordance with the Articles of the Company.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director’s office is vacated earlier in accordance with the provisions of the BCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Advance Notice Provision

The shareholders of the Company approved the alteration of the Company’s Articles on April 28, 2014, for the purpose of adopting advance notice provisions (the “**Advance Notice Provision**”). The Advance Notice Provision requires that shareholder provide advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCA or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

The Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any meeting of shareholders at which directors will be elected, and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form. Pursuant to the Advance Notice Provision all proposed director nominees must deliver to management of the Company a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person’s term in office as a director. The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision which is available under the Company’s profile on SEDAR at www.sedar.com.

The following table sets out the names of the nominees for election as director, the offices each nominee holds within the Company, their occupations (for the five preceding years for new director nominees), the length of time they have served as directors of the Company, and the number of Common Shares that each nominee beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽²⁾
Sylvain Laberge Director, President and Chief Executive Officer Québec, Canada	President of S.D.N.L. Financial Communications	April 4, 2013	3,676,933 ⁽³⁾

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled⁽²⁾
Andrew Davidson Director, Chief Financial Officer, and Corporate Secretary Saskatchewan, Canada	Chartered Accountant, Chief Financial Officer of 49 North Resources Inc.	Since December 30, 2011	1,901,500 ⁽⁴⁾
Denis Clement⁽⁸⁾ Director Ontario, Canada	Business Executive	Since December 30, 2011	600,000 ⁽⁵⁾
Tom MacNeill⁽⁸⁾ Director Saskatchewan, Canada	President and Chief Executive Officer of 49 North Resources Inc.	Since April 28, 2014	5,026,194 ⁽⁶⁾
Pierre-Yves Larose⁽⁸⁾ Director Québec, Canada	<i>Business Development Chevron Canada Limited</i>	Since November 14, 2019	360,000 ⁽⁷⁾

Notes:

- (1) Information furnished by the respective director nominees.
- (2) Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised.
- (3) 1,798,000 Common Shares are held through Mr. Laberge's company, Communications Financiers S.D.N.L. Inc. and 10,000 Common Shares are held by Mr. Laberge's spouse, Nathalie Bessette. Mr. Laberge also holds options to purchase 600,000 Common Shares.
- (4) 836,000 Common Shares are held through Mr. Davidson's company, Jaelky Holdings Inc. Mr. Davidson also holds options to purchase 1,000,000 Common Shares and warrants to purchase 300,000 Common Shares.
- (5) Mr. Clement also holds options to purchase 500,000 Common Shares and warrants to purchase 300,000 Common Shares.
- (6) 4,826,194 Common Shares are held through a company controlled by Mr. MacNeill, 49 North Resources Inc. Mr. MacNeill also holds options to purchase 600,000 Common Shares.
- (7) Mr. Larose holds options to purchase 660,000 Common Shares.
- (8) Member of the audit committee.

Cease Trade Orders and Bankruptcies

No proposed director is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company in respect of which the information circular is being prepared) that:

- (a) was subject to a cease trade or similar 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 a cease trade or similar 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.

No proposed director is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Company in respect of which the information circular is being prepared) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No proposed director has, within the past ten years, 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.

Penalties and Sanctions

No proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

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

Occupation, Business or Employment of Director Nominees

Sylvain Laberge, President and Chief Executive Officer of the Company, since January 10, 2013. After obtaining a degree in hotel management Mr. Laberge entered into a sales career specialising in hotels and hospital supplies. Following 11 years of success he became part of a new company, Renmark Financial Communication. Mr. Laberge became Vice-President specialising in Investor Relations, and gained an interest for emerging companies, especially mining exploration companies. In 2007 Mr. Laberge founded S.D.N.L. Financial Communication and has been President of S.D.N.L. Financial Communication since inception.

Andrew Davidson, CPA, CA is the Corporate Secretary and Chief Financial Officer of the Company, since December 30, 2011. Mr. Davidson is a CPA, CA with Certification in both Saskatchewan and Alberta. Mr. Davidson's extensive experience in Canadian and international financial reporting standards was gained through years of experience in public practice accounting in both the Alberta and Saskatchewan markets, focusing specifically on assurance for publicly listed enterprises. Mr. Davidson is currently the Chief Financial Officer and Secretary of 49 North Resources Inc., a TSXV listed issuer under the stock symbol FNR. He is also a director of Allstar Energy Limited, MAS Gold Corp. (TSXV:MAS), Omineca Mining and Metals Ltd. (TSXV: OMM), Westcore Energy Ltd. (TSXV: WTR), Royal Helium Ltd. (TSXV: RHC), and Vicarage Capital Ltd. Mr. Davidson is a graduate of the University of Calgary (BComm).

Denis Clement is a director of the Company since December 30, 2011. Please see Mr. Clement's biography in the section entitled "*Audit Committee and Relationship with Auditor*" below.

Tom MacNeill is a director of the Company since April 28, 2014. Mr. MacNeill is President and Chief Executive Officer of 49 North Resources Inc. since April, 2003. Please also see Mr. MacNeill's biography in the section entitled "*Audit Committee and Relationship with Auditor*" below.

Pierre-Yves Larose is a graduate of Ecole Polytechnique in Engineering (Geology) and holds an MBA from H.E.C. Montreal. Mr. Larose has been involved previously as a mining exploration project manager with the James Bay Development Corporation, principally focused on uranium and base metals, and has been actively involved in mining exploration projects in the Gaspé Peninsula. Mr. Larose also has more than 25 years of experience in business development and management in the downstream oil business. Mr. Larose was a founding member of the Quebec Used Oil Management Organization. "*Audit Committee and Relationship with Auditor*" below.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Professional Accountants, 1200 – 609 Granville Street, Vancouver, British Columbia V7Y 1G6, will be nominated at the Meeting for appointment as auditor of the Company. Davidson & Company LLP were appointed auditor of the Company by the Board on May 29, 2014 and by the shareholders at the following annual shareholders meeting held March 2, 2015.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditors of the Company until the close of the next annual meeting of shareholders.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators (“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 in the following disclosure.

The Audit Committee’s Charter

The audit committee has a charter, a copy of which is attached as Schedule “A” to the Company’s Information Circular filed on www.sedar.com September 5, 2008.

Composition of the Audit Committee

The audit committee members are:

Denis Clement	Independent ¹	Financially literate ¹
Tom MacNeill	Non - Independent ¹	Financially literate ¹
Pierre-Yves Larose	Independent ¹	Financially literate ¹

Notes:

(1) As defined by NI 52-110.

Relevant Education and Experience of Audit Committee Members

Each member of the audit committee has:

- an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer’s financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

Denis Clement – Director

Mr. Clement is a graduate of Sir George Williams University, the University of Ottawa and the London School of Economics. Mr. Clement has over 25 years of experience in corporate finance, law and management. Mr. Clement is currently a director of Anconia Resources Corp. (a TSXV listed issuer under the stock symbol ARA), and DNI Metals Inc. (a TSXV listed issuer under the stock symbol DNI), as well as a number of private oil and gas and mining companies.

Tom MacNeill – Director

Mr. MacNeill is a graduate of the University of Saskatchewan (Economics) and is a Chartered Financial Analyst (CFA) and a Certified General Accountant (CGA). Mr. MacNeill has also completed the Canadian Securities

course (with Honors) in 1987. With over 25 years in the resource investment and corporate finance industry, Mr. MacNeill’s work history includes positions as: Investment Advisor with a major Canadian firm, management accountant within the mining industry, Chief Financial Officer of a Canadian trust corporation, as well as extensive resource portfolio management. Mr. MacNeill controls the shares of 49 North Resources Inc., the controlling shareholder of the Company and is therefore not independent under NI 52-110.

Pierre-Yves Larose – Director

Mr. Larose is a graduate of Ecole Polytechnique in Engineering (Geology) and holds an MBA from H.E.C. Montreal. Mr. Larose has been involved previously as a mining exploration project manager with the James Bay Development Corporation, principally focused on uranium and base metals, and has been actively involved in mining exploration projects in the Gaspé Peninsula. Mr. Larose also has more than 25 years of experience in business development and management in the downstream oil business. Mr. Larose was a founding member of the Quebec Used Oil Management Organization.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the audit committee has not made any recommendations to the Board to nominate or compensate an external auditor that has not been adopted by the Board.

Reliance on Certain Exemptions

The Company’s auditor, Davidson & Company LLP, has not provided any material non-audit services, therefore the Company has not relied on any exemption in s.2.4 of NI 52-110.

Pre-Approval Policies and Procedures

See audit committee charter for specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

To ensure auditor independence, no non-audited services were requested to be provided to the Company by Davidson & Company LLP, Chartered Professional Accountants, during the last completed fiscal year. Fees incurred with Davidson & Company LLP, Chartered Accountants for audit and non-audit services in the last two fiscal years are outlined in the following table

Nature of Services	Fees Paid to Davidson & Company LLP in Fiscal Year Ended April 30, 2022	Fees Paid to Davidson & Company LLP in Fiscal Year Ended April 30, 2021
Audit Fees ⁽¹⁾	\$25,000	\$ 20,000
Audit-Related Fees ⁽²⁾	\$305	\$ 275
Tax Fees ⁽³⁾	\$6,500	\$6,500
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$31,805	\$26,775

Notes:

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

Exemption

The Company is a “venture issuer” as defined in NI 52-110 and relies on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices; as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of a company’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management of the Company through frequent meetings of the Board. As at November 2, 2022, the Board is comprised of five directors. The independent members of the Board are Denis Clement and Pierre-Yves Larose. The non-independent directors are Sylvain Laberge (President and Chief Executive Officer), Andrew Davidson (Corporate Secretary and Chief Financial Officer) and Tom MacNeill (President and Chief Executive Officer of 49 North Resources Inc., controlling shareholder of the Company).

Directorships

The directors are currently serving on boards of the following other reporting companies (or equivalent) as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Sylvain Laberge	Omnioca Mining and Metals Ltd.	TSXV
	Royal Helium Ltd.	TSXV
Andrew Davidson	49 North Resources Inc.	TSXV
	Royal Helium Ltd.	TSXV
	Omineca Mining and Metals Ltd.	TSXV
	Westcore Energy Ltd.	TSXV
	Southern Empire Resources Corp.	TSXV
Tom MacNeill	49 North Resources Inc.	TSXV
	Eros Resources Corp.	TSXV
	Omineca Mining and Metals Ltd.	TSXV
	Westcore Energy Ltd.	TSXV

Orientation and Continuing Education

At present, each new director is given an outline of the nature of the Company’s business, its corporate strategy, and current issues with the Company. New directors are also required to meet with management of the Company to discuss and better understand the Company’s business and will be advised by counsel to the Company of their legal obligations as directors of the Company.

The introduction and education process will be reviewed on an annual basis and will be revised accordingly. There is a technical presentation of Board meetings, focusing on either a particular property or a summary of various properties. The question and answer portions of these presentations are a valuable learning resource for the non-technical directors.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual directors’ participation in decisions of the Board in which the director has an interest, have been

sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to be elected at the annual general meeting, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The Board, as a whole, decides the compensation for the Company's officers, based on industry standards and the Company's financial situation. The directors currently do not receive any remuneration for acting in such capacity.

Other Board Committees

The Board has no committees other than the audit committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purposes of this Information Circular:

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

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

Director and Named Executive Officer Compensation

The following compensation table, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and members of the Board for the most recently completed financial years ended April 30, 2022 and April 30, 2021. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities” below.

During the financial years ended April 30, 2022 and April 30, 2021, based on the definition above, the NEOs of the Company were: Sylvain Laberge (President, CEO and director) and Andrew Davidson (CFO, Corporate Secretary and director). The directors of the Company who were not also NEOs were Denis Clement, Tom MacNeill and Pierre Larose.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Sylvain Laberge ⁽¹⁾ CEO and Director	2022	82,500	Nil	Nil	Nil	18,600	101,100
	2021	40,000	Nil	Nil	Nil	23,400	63,400
Andrew Davidson ⁽²⁾ CFO and Director	2022	60,000	Nil	Nil	Nil	18,600	78,600
	2021	22,500	Nil	Nil	Nil	23,400	45,900
Denis Clement Director	2022	Nil	Nil	Nil	Nil	18,600	18,600
	2021	Nil	Nil	Nil	Nil	15,600	15,600
Tom MacNeill Director	2022	Nil	Nil	Nil	Nil	18,600	18,600
	2021	Nil	Nil	Nil	Nil	23,400	23,400
Pierre Larose Director	2022	Nil	Nil	Nil	Nil	18,600	18,600
	2021	Nil	Nil	Nil	Nil	15,600	15,600

Notes:

1. Sylvain Laberge was appointed President and Chief Executive Officer on January 10, 2013. Mr. Laberge provides consulting services to the Company through S.D.N.L. Financial Communications (“SDNL”), a company controlled by Mr. Laberge.
2. Andrew Davidson provides management services to the Company through Jaelky Holdings Ltd. (“JHL”), a company controlled by Mr. Davidson.

Stock Options and Other Compensation Securities

Omnibus Equity Incentive Compensation Plan

On October 5, 2022 the Board adopted an Omnibus Equity Incentive Compensation Plan (the “**Omnibus Plan**”) to replace the Company’s Stock Option Plan dated for reference February 25, 2013 (the “**Option Plan**”), subject to and effective upon the approval of the Company’s shareholders at the Meeting. The Omnibus Plan provides flexibility to the Company to grant equity-based incentive awards (“**Awards**”) in the form of stock options (“**Options**”) and deferred share units, performance share units and restricted share units (collectively “**Share Units**”), described in detail below. All future grants of equity-based Awards will be made pursuant to, or as otherwise permitted by, the Omnibus Plan, and no further equity-based awards will be made pursuant to the Company’s prior Option Plan. The Omnibus Plan supersedes and replaces the Company’s Option Plan, dated as originally adopted by the Board of Directors on February 25, 2013 and ratified by the shareholders of the Company at the Company’s annual meeting held on April 4, 2013.

The purpose of the Omnibus Plan is to promote the interests of the Company and its stockholders by aiding the Company in attracting and retaining employees, officers, consultants, advisors and non-employee directors capable of assuring the future success of the Company, to offer such persons incentives to put forth maximum efforts for the success of the Company’s business and to compensate such persons through various stock and cash-based arrangements and provide them with opportunities for stock ownership in the Company, thereby aligning the interests of such persons with the Company’s stockholders.

The following is a summary of certain provisions of the Omnibus Plan. This summary is intended as a summary only and is qualified in its entirety by reference to the Omnibus Plan, which is attached as Schedule “B” to this Information Circular.

Summary of Material Terms

The Omnibus Plan, in respect of options to purchase Common Shares, serves as the successor to the Company's Option Plan adopted on February 25, 2013 (the "**Original Stock Option Plan**"), and no further options to purchase Common Shares have been or will be granted under the Original Stock Option Plan from and after the effective date of the Omnibus Plan.

The purposes of the Omnibus Plan is to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants; (ii) align the interests of eligible participants in the Omnibus Plan ("**Participants**") with that of other Shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Common Shares as long-term investments.

The Omnibus Plan is administered by the Board and provides that the Board may, from time to time, in its discretion, and in accordance with TSXV requirements or any other stock exchange on which the Common Shares are listed (the "**Exchange**"), grant to eligible Participants, non-transferable awards (the "**Awards**"). Such Awards include stock options ("**Options**"), restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**").

Under the Omnibus Plan, the maximum number of Shares issuable at any time pursuant to outstanding Awards will be equal to 10% of the Outstanding Issue, as measured as at the date of any Award grant.

No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the above noted total number of Shares reserved for issuance pursuant to the settlement of Awards

The Omnibus Plan is an "evergreen" plan, as Common Shares covered by Awards which have been exercised or settled, as applicable, and Awards which expire or are forfeited, cancelled or otherwise terminated or lapse for any reason without having been exercised, will be available for subsequent grant under the Omnibus Plan.

The maximum number of Common Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Common Shares, unless the Company obtains disinterested shareholder approval as required by the policies of the Exchange. The aggregate number of Common Shares for which Awards may be issued to any one consultant within any 12-month period shall not exceed 2% of the outstanding Common Shares, calculated on the date an Award is granted to the consultant. The aggregate number of Common Shares for which Options may be issued to any persons retained to provide Investor Relations Activities (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Option is granted to such persons.

Further, unless disinterested shareholder approval as required by the policies of the Exchange is obtained: (i) the maximum number of Common Shares for which Awards may be issued to insiders of the Company (as a group) at any point in time shall not exceed 10% of the outstanding Common Shares; and (ii) the aggregate number of Awards granted to insiders of the Company (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares, calculated at the date an Award is granted to any insider.

The Omnibus Plan provides for customary adjustments or substitutions, as applicable, in the number of Common Shares that may be issued under the Omnibus Plan in the event of a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction.

In the event of an actual or potential Change of Control (as is defined in the Omnibus Plan) of the Company, the Board shall have discretion as to the treatment of Awards, including whether to (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the

Awards not exercised prior to the successful completion of such Change of Control. If there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, if the Participant is an employee, officer or a director and their employment, or officer or director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.

Neither the Awards nor the securities which may be acquired pursuant to the exercise of the Awards have been registered under the United States Securities Act of 1933 (the “**U.S. Securities Act**”) or under any securities law of any state of the United States of America and are considered “restricted securities” (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act) and any Common Shares will be affixed with an applicable restrictive legend as set forth in the Award Agreement. Provisions of the Omnibus Plan relating to U.S. Taxpayers can be found in Article 17 of the Omnibus Plan, which is attached as Schedule “B” to this Information Circular

Options

Subject to the terms and conditions of the Omnibus Plan, the Board may grant Options to Participants in such amounts and upon such terms (including the exercise price, duration of the Options, the number of Common Shares to which the Option pertains, and the conditions, if any, upon which an Option shall become vested and exercisable) as the Board shall determine.

The exercise price of the Options will be determined by the Board at the time any Option is granted. In no event will such exercise price be lower than the last closing price of the Common Shares on the Exchange less any discount permitted by the rules or policies of the Exchange at the time the Option is granted. Such price upon exercise of any Option shall be payable to the Company in full in cash, by certified cheque or by wire transfer, by a cashless exercise or a net exercise.

In connection with a cashless exercise, the Participant shall elect, on a notice of exercise, to receive a loan from a brokerage firm, which the Company has an arrangement with, to purchase the underlying Common Shares. Upon the sale by the brokerage firm of an equivalent number of Common Shares received from the exercise of the Options to repay the loan made to the Participant, the Participant shall elect to receive either the balance of the Common Shares following the sale or the cash proceeds from the balance of the Common Shares.

In connection with a net exercise, the Participant shall elect on a notice of exercise to receive an amount equal to the number of underlying Common Shares listed on the Exchange that is the equal to the quotient obtained by dividing: (a) the product of the number of Options being exercised multiplied by the difference between the five-day volume weighted average price of the underlying Common Shares so listed and the exercise price of the subject Options; by (b) the five-day volume weighted average price of the underlying Common Shares so listed; provided, however, that persons retained to provide investor relations activities shall not be permitted to exercise an Option using the net exercise method.

Unless otherwise specified in an Award agreement granting Options, Options shall vest subject to Exchange policies, and the Board may in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

Subject to any requirements of the Exchange, the Board may determine the expiry date of each Option. Subject to a limited extension if an Option expires during a black out period, Options may be exercised for a period of up to ten years after the grant date, provided that: (i) upon a Participant’s termination for cause, all Options, whether vested or not, as at the date on which a Participant ceases to be eligible to participate under the Omnibus Plan (the “**Termination Date**”) as a result of termination of employment, will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable for a period of 12 months after the Termination Date; (iii) in the case of the disability of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall

automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such Options, to determine whether to accelerate the vesting of such Options, cancel such Options with or without payment and determine how long, if at all, such Options may remain outstanding following the Termination Date, provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date; and; (v) in all other cases where a Participant ceases to be eligible under the Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable for a period of 90 days after the Termination Date.

RSUs

Subject to the terms and conditions of the Omnibus Plan, the Board may grant RSUs to Participants in such amounts and upon such terms (including time-based restrictions on vesting, restrictions under applicable laws or under the requirements of the Exchange) as the Board shall determine.

No RSU may vest before one year following the date it is granted or issued. The vesting of RSUs may be accelerated in limited circumstances, in the case of the death of Participant or upon a Participant ceasing to be an eligible participant under the Omnibus Plan in connection with a change of control, take-over bid, Reverse Take-Over or other similar transaction.

Unless otherwise specified in an Award agreement granting RSUs, RSUs shall vest at the discretion of the Board, subject to the policies of the Exchange, provided that, and subject to the Board's discretion: (i) upon a Participant's termination for cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested RSUs as at the Termination Date shall automatically and immediately vest and be paid out; (iii) in the case of the disability of a Participant, all RSUs shall remain and continue to vest in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not been vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such RSUs, to determine whether cancel such RSUs with or without payment and determine how long, if at all, such RSUs may remain outstanding following the Termination Date, provided, however, that in no event shall such RSUs be exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested RSUs shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested RSUs will be paid out in accordance with the Omnibus Plan.

When and if RSUs become payable, the Participant issued such RSUs shall be entitled to receive payment from the Company in settlement of such RSU: (i) in a number of Common Shares (issued from treasury) equal to the number of RSUs being settled, or (ii) in any other form, all as determined by the Board at its sole discretion. The Board's determination regarding the form of payout shall be set forth or reserved for later determination in the Award agreement for the grant of the RSUs.

Participants holding RSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

DSUs

Subject to the terms and conditions of the Omnibus Plan, the Board may grant DSUs to Participants in such amounts and upon such terms (including the requirement that Participants pay a stipulated purchase price for each DSU, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding or sale restrictions placed on the Common Shares by the Company upon vesting of such DSUs) as the Board shall determine.

When and if DSUs become payable, the Participant issued such DSUs shall be entitled to receive payment from the Company in settlement of such DSU: (i) in a number of Common Shares (issued from treasury) equal to the

number of DSUs being settled, or (ii) in any other form, all as determined by the Board at its sole discretion. The Board's determination regarding the form of payout shall be set forth or reserved for later determination in the Award agreement for the grant of the DSUs. Participants holding DSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

The extent to which a Participant shall have the right to retain DSUs following termination of the Participant's employment or other relationship with the Company, shall be set out in each DSU award agreement and determined in the sole discretion of the Board, and need not be uniform among all DSUs issued pursuant to the Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

No DSU may vest before one year following the date it is granted or issued. The vesting of DSUs may be accelerated in limited circumstances, in the case of the death of Participant or upon a Participant ceasing to be an eligible participant under the Omnibus Plan in connection with a change of control, take-over bid, Reverse Take-Over or other similar transaction, provided, however, that in the event that a Participant ceases to be an eligible Participant under the Omnibus Plan, no DSU granted to that Participant shall remain outstanding for a period of more than 12 months following the Termination Date, provided that any DSUs that have not been settled within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.

Performance Awards

Subject to the terms and conditions of the Omnibus Plan, the Board may grant PSUs to Participants in such amounts and upon such terms (including the performance criteria applicable to such PSUs) as the Board shall determine. Each PSU shall have an initial value equal to the fair market value of a Common Share on the date of grant. After the applicable performance period has ended, the holder of a PSU shall be entitled to receive payout on the value and number of PSUs, determined as a function of the extent to which the corresponding performance criteria have been achieved.

Subject to the terms of the Omnibus Plan, the Board, in its sole discretion, may pay earned PSUs in the form of a number of Common Shares issued from treasury equal to the number of earned PSUs at the end of the applicable performance period. Any Common Shares may be granted subject to any restrictions deemed appropriate by the Board.

Participants holding PSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

The extent to which a Participant shall have the right to retain PSUs following termination of the Participant's employment or other relationship with the Company, shall be set out in each PSU award agreement and determined in the sole discretion of the Board, and need not be uniform among all PSUs issued pursuant to the Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

No PSU may vest before one year following the date it is granted or issued. The vesting of PSUs may be accelerated in limited circumstances, in the case of the death of Participant or upon a Participant ceasing to be an eligible participant under the Omnibus Plan in connection with a change of control, take-over bid, Reverse Take-Over or other similar transaction, provided, however, that in the event that a Participant ceases to be an eligible Participant under the Omnibus Plan, no PSU granted to that Participant shall remain outstanding for a period of more than 12 months following the Termination Date, provided that any PSUs that have not been settled within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.

Participants who are investor relations service providers cannot receive any security-based compensation other than Options.

Stock Options and Other Compensation Securities

The following table sets forth incentive stock options pursuant to the Company's Original Stock Option Plan that were outstanding to NEOs and directors of the Company who were not NEOs during the financial years ended April 30, 2022 and April 30, 2021.

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 (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Denis Clement Director	Options	200,000 [10]%	July 27, 2020	0.08	0.08	0.055	July 27, 2025
		300,000 [10]%	July 26, 2021	0.10	0.065	0.085	July 26, 2026
Andrew Davidson Director	Options	300,000 [15]%	July 27, 2020	0.08	0.08	0.055	July 27, 2025
		300,000 [10]%	July 26, 2021	0.10	0.065	0.085	July 26, 2026
Sylvain Laberge CEO, President and Director	Options	300,000 [15]%	July 27, 2020	0.08	0.08	0.055	July 27, 2025
		300,000 [10]%	July 26, 2021	0.10	0.065	0.085	July 26, 2026
Pierre Larose Director	Options	200,000 [10]%	July 27, 2020	0.08	0.08	0.055	July 27, 2025
		300,000 [10]%	July 26, 2021	0.10	0.065	0.085	July 26, 2026
Tom MacNeill Director	Options	300,000 [15]%	July 27, 2020	0.08	0.08	0.055	July 27, 2025
		300,000 [10]%	July 26, 2021	0.10	0.065	0.085	July 26, 2026

Exercise of Compensation Securities by NEOs and Directors

There were no exercise of options by directors or NEOs in the most recently completed financial years ended April 30, 2022 and April 30, 2021.

Employment, Consulting and Management Agreements

Other as set out herein, the Company has no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO.

Communication Financiers S.D.N.L., a company controlled by Sylvain Laberge, a director and officer of the Company provides consulting services to the Company.

Jaelky Holdings Inc., a company controlled by Andrew Davidson, a director and officer of the Company provides consulting services to the Company.

Oversight and Description of Director and NEO Compensation

The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. The Board determines the type and amount of compensation for the President and CEO. The Board also reviews the compensation of the Company's senior executives.

Elements of the Compensation Program for the Fiscal Year 2021 and 2022

The significant elements of compensation awarded during the financial years ended April 30, 2022 and April 30, 2021 to the NEOs was paid in cash. The Company does not presently have a long-term incentive plan for its NEOs. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board reviews periodically the total compensation package of each of the Company's executive officers on an individual basis, and makes recommendations for the individual components of its compensation.

Compensation Discussion & Analysis

As the Company does not have a compensation committee, the Board deals with executive compensation matters. The Company has not yet formalized its compensation policies and practices but annually takes into consideration the implications of the risks associated with the Company's compensation program and how it might mitigate those risks. The Company does not currently believe there are any risks arising from compensation policies and practices that are reasonable likely to have an adverse effect on the Company. The Company did not retain any compensation consultants during the financial year ended April 30, 2022 and April 30, 2021.

The Company's compensation programs are designed to recognize and reward executive performance consistent with the success of the Company's business. These policies and programs are intended to attract and retain capable and experienced people. The Board's philosophy is to ensure that the Company's compensation goals and objectives, as applied to the actual compensation paid to the Company's CEO and other executive officers, are aligned with the Company's overall business objectives and with shareholder interests.

The Board considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-range interests of the Company and its shareholders, overall financial and operating performance of the Company and the Board's assessment of each executive's individual performance and contribution toward meeting corporate objectives.

Philosophy and Objectives

The compensation program for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company employs a combination of salary and equity participation through its share option plan.

Base Salary or Consulting Fees

As a general rule, the Company seeks to offer its NEOs a compensation package that is in line with that offered by other companies in our industry, and as an immediate means of rewarding each NEO for efforts expended on behalf of the Company.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

During the year ended April 30, 2022, \$142,500 (2021 - \$92,500) was recorded for consulting services provided by companies controlled by directors and officers of the Company. As at April 30, 2022 the Company owed \$18,014 (April 30, 2021 - \$44,693) related to such services.

During the year ended April 30, 2021, \$92,500 (2020 - \$80,000) was recorded for consulting services provided by companies controlled by directors and officers of the Company. As at April 30, 2021 the Company owed \$44,693 (April 30, 2020 - \$106,586) related to such services.

Perquisites and Other Personal Benefits:

The Company's NEOs are not generally entitled to significant perquisites or other personal benefits not offered other employees to the Company.

Director Compensation

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, except for the granting from time to time of incentive stock options in accordance with the policies of the TSXV. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders. There were no option-based awards or share-based awards granted to any of the directors of the Company during either of the financial years ended April 30, 2022 and April 30, 2021.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's share option plan. Options to purchase Common Shares are granted to senior executives taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. Options are generally granted to senior executives and vest on terms established by the Board.

Pension Plan Benefits

The Company does not have any pension or retirement plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets out equity compensation plan information as at the April 30, 2022 financial year-end.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders	5,000,000	\$0.09	1,451,926
Equity compensation plan not approved by shareholders	N/A	N/A	N/A
Total	5,000,000	\$0.09	1,451,926

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, 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 which has materially affected or would materially affect the Company or any of its subsidiaries during the financial years ended April 30, 2021 and April 30, 2022, or has any interest in any material transaction during fiscal 2021 and 2022 other than as disclosed in Item 6 – Related Party Transactions in the annual financial statements for the financial year ended April 30, 2021 and as disclosed in Item 7 – Related Party Transactions in the annual financial statements for the financial year ended April 30, 2022.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Presentation to the Shareholders of the audited financial statements of the Company for the fiscal years ended April 30, 2022 and April 30, 2021;
2. Election of Directors – see “*Election of Directors*” above;
3. Appointment of Auditor – see “*Appointment of Auditor*” above; and
4. Approval of Omnibus Equity Incentive Compensation Plan – below.

Approval of Omnibus Equity Incentive Compensation Plan

At the Meeting, the Board will seek Shareholder approval of the Omnibus Plan adopted by the Board of Directors on October 5, 2022. The Omnibus Plan replaces the Company’s Original Stock Option Plan, approved by Shareholders at the Company’s annual general meeting held on April 4, 2013.

The summary of the key terms of the Omnibus Plan set out above is not complete and is qualified in its entirety by reference to the Omnibus Plan, a copy of which is attached as Schedule “A” to this Information Circular and filed under the Company’s SEDAR profile at www.sedar.com. The Omnibus Plan will also be available for inspection at the Meeting.

Resolution for Stockholder Approval of Omnibus Plan

Accordingly, the Company is asking our stockholders to indicate their support for the ratification and approval of the Omnibus Plan as described in this Proxy Statement by voting “FOR” the following resolution at the Meeting:

“**RESOLVED** that the Company’s Omnibus Plan, dated for reference October 5, 2022 and substantially in the form attached as Schedule “A” to the Company’s Information Circular dated November 8, 2022, be and is hereby ratified and approved, subject to the approval of the TSX Venture Exchange, until the next annual general meeting of shareholders.”

In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the above ordinary resolution.

A copy of the Omnibus Plan will be available for inspection at the Meeting.

ADDITIONAL INFORMATION

Financial information is provided in the audited financial statements of the Company for the financial years ended April 30, 2022 and April 30, 2021 and in the related management discussion and analysis, copies of which are filed under the Company’s SEDAR profile at www.sedar.com. Additional information relating to the Company is also filed under the Company’s SEDAR profile at www.sedar.com and copies are available upon

request from the Company's Secretary by telephone: (306) 653-2692 or fax: (306) 664-4483. Copies of documents will be provided free of charge to security holders of the Company. The Company may require payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

DATED at Montréal, Québec, the 8th day of November, 2022.

BY ORDER OF THE BOARD

"Sylvain Laberge"

Sylvain Laberge
President and Chief Executive Officer

SCHEDULE “A”

1844 RESOURCES INC.

OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN

ARTICLE 1 ESTABLISHMENT, PURPOSE AND DURATION

- 1.1 **Establishment of the Plan.** The following is the omnibus equity incentive compensation plan of 1844 Resources Inc. (the “**Company**”) pursuant to which share based compensation Awards (as defined below) may be granted to eligible Participants (as defined below). The name of the plan is the 1844 Resources Inc. Omnibus Equity Incentive Compensation Plan (the “**Plan**”).

The Plan permits the grant of Options, Restricted Share Units, Deferred Share Units and Performance Share Units (as such terms are defined below). The Plan was approved by the Board (as defined below) on October 5, 2022 and is being put forth before the shareholders of the Company for approval on December 8, 2022 and will be effective upon receipt of shareholder and Exchange approvals (the “**Effective Date**”) until the date it is terminated by the Board in accordance with the Plan.

- 1.2 **Purposes of the Plan.** The purposes of the Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants; (ii) align the interests of Participants with that of other shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Shares (as defined below) as long-term investments.
- 1.3 **Successor Plans.** The Plan shall in respect of Options (as defined below) serve as the successor to the Company’s stock option plan dated effective February 25, 2013 (the “**Predecessor Option Plan**”) and no further Options shall be granted under the Predecessor Option Plan from and after the Effective Date of the Plan.

ARTICLE 2 DEFINITIONS

- 2.1 Whenever used in the Plan, the following terms shall have the respective meanings set forth below, unless the context clearly requires otherwise, and when such meaning is intended, such term shall be capitalized.
- (a) “**Affiliate**” means any corporation, partnership or other entity (i) in which the Company, directly or indirectly, has majority ownership interest or (ii) which the Company controls. For the purposes of this definition, the Company is deemed to “control” such corporation, partnership or other entity if the Company possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, partnership or other entity, whether through the ownership of voting securities, by contract or otherwise, and includes a corporation which is considered to be a subsidiary for purposes of consolidation under International Financial Reporting Standards.
- (b) “**Award**” means, individually or collectively, a grant under the Plan of Options, Deferred Share Units, Restricted Share Units or Performance Share Units, in each case subject to the terms of the Plan.
- (c) “**Award Agreement**” means either (i) a written agreement entered into by the Company or an Affiliate of the Company and a Participant setting forth the terms and provisions applicable to Awards granted under the Plan; or (ii) a written statement issued by the Company or an Affiliate of the Company to a Participant describing the terms and provisions of such Award. All Award Agreements shall be deemed to incorporate the provisions of the Plan, subject to such modifications or additions as the Committee may, in its sole discretion, determine appropriate.

An Award Agreement need not be identical to other Award Agreements either in form or substance.

- (d) **“Blackout Period”** means a period of time during which the Participant cannot sell Shares, due to applicable law or policies of the Company in respect of insider trading.
- (e) **“Board”** or **“Board of Directors”** means the Board of Directors of the Company as may be constituted from time to time.
- (f) **“Cause”** means (i) if the Participant has a written agreement pursuant to which he or she offers his or her services to the Company and the term “cause” is defined in such agreement, “cause” as defined in such agreement; or otherwise (ii) (a) the inability of the Participant to perform his or her duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (b) the failure of the Participant to follow the Company’s reasonable instructions with respect to the performance of his or her duties; (c) any material breach by the Participant of his or her obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (d) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (e) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee.
- (g) **“Change of Control”** means the occurrence of any one or more of the following events:
 - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company as a result of which the holders of Shares prior to the completion of the transaction hold or beneficially own, directly or indirectly, less than 50% of the outstanding Voting Securities of the successor corporation after completion of the transaction;
 - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Company and/or any of its subsidiaries to any other person or entity, other than a disposition to a wholly-owned subsidiary in the course of a reorganization of the assets of the Company and its subsidiaries;
 - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
 - (iv) an acquisition by any person, entity or group of persons or entities acting jointly or in concert of beneficial ownership of more than 50% of the Voting Securities, or securities convertible into, exercisable for or carrying the right to purchase more than 50% of the Voting Securities on a post-conversion basis, assuming only the conversion or exercise of securities beneficially owned by the acquirer; or
 - (v) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.
- (h) **“Committee”** means the Board of Directors or if so delegated in whole or in part by the Board, any duly authorized committee of the Board appointed by the Board to administer the Plan.
- (i) **“Company”** means 1844 Resources Inc.
- (j) **“Consultant”** has the meaning set out in Policy 4.4 of the Exchange or such replacement definition for so long as the Shares are listed on the Exchange, and if the Shares are not so listed, shall have the meaning, if any, that applies to a listing of the Shares on such other exchange as the Shares are then listed on.
- (k) **“Date of Grant”** means, for any Award, the date specified by the Committee at the time it grants the Award or, if no such date is specified, the date upon which the Award was granted.

- (l) “**Deferred Share Unit**” means an Award denominated in units that provides the holder thereof with a right to receive Shares upon settlement of the Award, granted under and subject to the terms of the Plan.
- (m) “**Director**” means any individual who is a member of the Board of Directors of the Company.
- (n) “**Disability**” means the disability of the Participant which would entitle the Participant to receive disability benefits pursuant to the long-term disability plan of the Company (if one exists) then covering the Participant, provided that the Board may, in its sole discretion, determine that, notwithstanding the provisions of any such long-term disability plan, the Participant is permanently disabled for the purposes of the Plan.
- (o) “**Dividend Equivalent**” means a right with respect to an Award to receive cash, Shares or other property equal in value and form to dividends declared by the Board and paid with respect to outstanding Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement, and if specifically provided for in the Award Agreement shall be subject to such terms and conditions set forth in the Award Agreement as the Committee shall determine.
- (p) “**Employee**” means any employee or officer of the Company or an Affiliate of the Company. Directors who are not otherwise employed by the Company or an Affiliate of the Company shall not be considered Employees under the Plan.
- (q) “**Exchange**” means the TSX Venture Exchange, or any other stock exchange on which the Shares of the Company are listed.
- (r) “**Exchange Policies**” mean the policies of the Exchange, including those set forth in the Corporate Finance Manual of the Exchange.
- (s) “**FMV**” means, unless otherwise required by any applicable provision of any regulations thereunder or by any applicable accounting standard for the Company’s desired accounting for Awards or by the rules of the Exchange, a price that is determined by the Committee, provided that such price cannot be less than the last closing price of the Shares on the Exchange less any discount permitted by the rules or policies of the Exchange.
- (t) “**Insider**” shall have the meaning ascribed thereto in Exchange Policies.
- (u) “**ITA**” means the *Income Tax Act* (Canada).
- (v) “**Non-Employee Director**” means a Director who is not an Employee.
- (w) “**Notice Period**” means any period of contractual notice or reasonable notice that the Company or an Affiliate of the Company may be required at law, by contract or otherwise agrees to provide to a Participant upon termination of employment, whether or not the Company or Affiliate elects to pay severance in lieu of providing notice to the Participant, provided that where a Participant’s employment contract provides for an increased severance or termination payment in the event of termination following a Change of Control, the Notice Period for the purposes of the Plan shall be the Notice Period under such contract applicable to a termination which does not follow a Change of Control.
- (x) “**Option**” means the conditional right to purchase Shares at a stated Option Price for a specified period of time subject to the terms of the Plan.
- (y) “**Option Price**” means the price at which a Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.
- (z) “**Outstanding Issue**” means the number of Shares that are issued and outstanding, on a non-diluted basis.

- (aa) **“Participant”** means an Employee, Non-Employee Director or Consultant who has been selected to receive an Award, or who has an outstanding Award granted under the Plan or the Predecessor Option Plan.
- (bb) **“Performance Period”** means the period of time during which the assigned performance criteria must be met in order to determine the degree of payout and/or vesting with respect to an Award.
- (cc) **“Performance Share Unit”** means an Award granted under Article 9 herein and subject to the terms of the Plan, denominated in units, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved.
- (dd) **“Period of Restriction”** means the period when an Award of Restricted Share Units is subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events as determined by the Committee, in its discretion.
- (ee) **“Person”** shall have the meaning ascribed to such term in Exchange Policies.
- (ff) **“Reserve”** shall have the meaning ascribed to such term under Article 4.1 herein.
- (gg) **“Restricted Share Unit”** means an Award denominated in units subject to a Period of Restriction, with a right to receive Shares upon settlement of the Award, granted under Article 7 herein and subject to the terms of the Plan.
- (hh) **“Retirement”** or **“Retire”** means a Participant’s permanent withdrawal from employment or office with the Company or an Affiliate of the Company on terms and conditions accepted and determined by the Board.
- (ii) **“Shares”** means common shares of the Company.
- (jj) **“Share Units”** means Deferred Share Units, Performance Share Units and Restricted Share Units, including any Dividend Equivalent granted with respect to a Deferred Share Unit, Performance Share Unit and/or Restricted Share Unit.
- (kk) **“Termination Date”** means the date on which a Participant ceases to be eligible to participate under the Plan as a result of a termination of employment, officer position, board service or consulting arrangement with the Company or any Affiliate of the Company for any reason, including death, Retirement, resignation or termination with or without Cause. For the purposes of the Plan, a Participant’s employment, officer position, board service or consulting arrangement with the Company or an Affiliate of the Company shall be considered to have terminated effective on the last day of the Participant’s actual and active employment, officer position or board or consulting service with the Company or the Affiliate whether such day is selected by agreement with the individual, unilaterally by the Company or the Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice or pay in lieu of notice that is given or that ought to have been given under applicable law in respect of such termination of employment that follows or is in respect of a period after the Participant’s last day of actual and active employment shall be considered as extending the Participant’s period of employment for the purposes of determining his or her entitlement under the Plan.
- (ll) **“VWAP”** means the volume weighted average trading price of the Shares listed 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 Stock Option. Where appropriate, the Exchange may exclude internal crosses and certain other special terms trades from the calculation.

- (mm) “**Voting Securities**” shall mean any securities of the Company ordinarily carrying the right to vote at elections of directors and any securities immediately convertible into or exchangeable for such securities.

ARTICLE 3 ADMINISTRATION

- 3.1 **General.** The Committee shall be responsible for administering the Plan. The Committee may employ legal counsel, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Company, and its officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee shall be final, conclusive and binding upon the Participants, the Company, and all other interested parties. No member of the Committee will be liable for any action or determination taken or made in good faith with respect to the Plan or Awards granted hereunder. Each member of the Committee shall be entitled to indemnification by the Company with respect to any such determination or action in the manner provided for by the Company and its subsidiaries.
- 3.2 **Authority of the Committee.** The Committee shall have full and exclusive discretionary power to determine the terms and provisions of Award Agreements, to interpret the terms and the intent of the Plan and any Award Agreement or other agreement ancillary to or in connection with the Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Plan as the Committee may deem necessary or proper. Such authority shall include, but not be limited to, selecting Award recipients, establishing all Award terms and conditions, including grant, exercise price, issue price and vesting terms, determining any performance goals applicable to Awards and whether such performance goals have been achieved, and, subject to Article 13, adopting modifications and amendments to the Plan or any Award Agreement, including, without limitation, any that are necessary or appropriate to comply with the laws or compensation practices of the jurisdictions in which the Company and its Affiliates operate.
- 3.3 **Delegation.** The Committee may delegate to one or more of its members any of the Committee’s administrative duties or powers as it may deem advisable; provided, however, that any such delegation must be permitted under applicable corporate law.

ARTICLE 4 SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

- 4.1 **Maximum Number of Shares Subject to the Plan.** Subject to adjustment pursuant to provisions of Section 4.5 hereof, the maximum number of Shares issuable at any time pursuant to outstanding Awards under this Plan shall be equal to 10% of the Outstanding Issue, as measured as at the date of any Award grant.
- No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the above noted total numbers of Shares reserved for issuance pursuant to the settlement of Awards.
- 4.2 **Evergreen Plan.** The Plan is an “evergreen” plan, as Shares of the Company covered by Awards which have been exercised or settled, as applicable, and Awards which expire or are forfeited, surrendered, cancelled or otherwise terminated or lapse for any reason without having been exercised, will be available for subsequent grant under the Plan.
- 4.3 **Award Grants to Individuals.** The aggregate number of Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the Outstanding Issue, calculated on the date an Award is granted to the Participant, unless the Company obtains disinterested shareholder approval as required by the policies of the Exchange. The aggregate number of Shares for which Awards may be issued to any one Consultant (as defined by the Exchange) within any 12-month period shall not exceed 2% of the Outstanding Issue, calculated on the date an Award is granted to the Consultant. The aggregate number of Shares for which Options may be issued to all Persons retained to

provide Investor Relations Activities (as defined by the Exchange) within any 12-month period shall not exceed 2% of the Outstanding Issue, calculated on the date an Option is granted to such Persons.

- 4.4 **Award Grants to Insiders.** Unless disinterested shareholder approval as required by the policies of the Exchange is obtained: (i) the maximum number of Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the Outstanding Issue; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the Outstanding Issue, calculated at the date an Award is granted to any Insider.
- 4.5 **Adjustments in Authorized Shares.** In the event of any corporate event or transaction (collectively, a “**Corporate Reorganization**”) (including, but not limited to, a change in the Shares of the Company or the capitalization of the Company) such as a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price, grant price or exercise price applicable to outstanding Awards, the limit on issuing Awards other than Options granted with an Option Price equal to at least the FMV of a Share on the date of grant and any other value determinations applicable to outstanding Awards or to the Plan, as are equitably necessary to prevent dilution or enlargement of Participants’ rights under the Plan that otherwise would result from such corporate event or transaction. In connection with a Corporate Reorganization, the Committee shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan and the applicable Award Agreement) and the holder will then accept on the exercise of such Option, in lieu of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares. Any adjustment, other than in connection with a security consolidation or security split, to an Award granted or issued under the Plan is subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

Options issued in lieu of dividends will be factored into the limits on grants to Participants as set out in Section 4.1 herein. In the event, that the issuance of Options in lieu of stock dividends results in a breach on the limit on grants contained in the Plan, the Company may settle the issuance of Options in cash where it does not have sufficient Shares available to satisfy the obligation in Shares, or where the issuance of Shares would result in a breach on the limit on grants contained in the Plan.

The Committee shall also make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of performance criteria and changes in the length of Performance Periods. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments must comply with all regulatory requirements.

Subject to the provisions of Article 11 and any applicable law or regulatory requirement, without affecting the number of Shares reserved or available hereunder, the Committee may authorize the issuance, assumption, substitution or conversion of Awards under the Plan in connection with any Corporate Reorganization, upon such terms and conditions as it may deem appropriate. Additionally, the Committee may amend the Plan, or adopt supplements to the Plan, in such manner as it deems

appropriate to provide for such issuance, assumption, substitution or conversion as provided in the previous sentence.

ARTICLE 5 ELIGIBILITY AND PARTICIPATION

- 5.1 **Eligibility.** Awards under the Plan shall be granted only to bona fide Employees, Non-Employee Directors and Consultants, as per the policies of the Exchange. The Company and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.
- 5.2 **Actual Participation.** Subject to the provisions of the Plan, the Committee may, from time to time, in its sole discretion select from among eligible Employees, Non-Employee Directors and Consultants, those to whom Awards shall be granted under the Plan, and shall determine in its discretion the nature, terms, conditions and amount of each Award.

ARTICLE 6 STOCK OPTIONS

- 6.1 **Grant of Options.** Subject to the terms and provisions of the Plan, Options may be granted to Participants and Persons retained to provide Investor Relations Activities in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion provided that only Options and not Share Units may be granted to Persons retained to Provide Investor Relations Activities.
- 6.2 **Award Agreement.** Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions, if any, upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine. The Award Agreement for the grant of Options shall be in such form or forms as the Committee may from time to time approve.
- 6.3 **Option Price.** The Option Price for each grant of an Option under the Plan shall be determined by the Committee and shall be specified in the Award Agreement. The Option Price for an Option shall be not less than the FMV of the Shares on the date of grant.
- 6.4 **Vesting of Options.** Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest subject to Exchange Policies, and the Committee may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist, provided that Options issued to any Persons retained to provide Investor Relations Activities shall vest solely subject to Exchange Policies as follows:
- (a) no more than 1/4 of the Stock Options vest no sooner than three months after the Stock Options were granted;
 - (b) no more than another 1/4 of the Stock Options vest no sooner than six months after the Stock Options were granted;
 - (c) no more than another 1/4 of the Stock Options vest no sooner than nine months after the Stock Options were granted; and
 - (d) the remainder of the Stock Options vest no sooner than 12 months after the Stock Options were granted.
- 6.5 **Duration of Options.** Each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant, provided however that, subject to section 6.6, no Option shall be exercisable later than the tenth (10) anniversary date of its grant.

- 6.6 **Blackout Periods.** If the date on which an Option is scheduled to expire occurs during a Blackout Period applicable to such Participant, then the expiry date of such Option shall be automatically extended to the 10th business day following the end of the Blackout Period.
- 6.7 **Exercise of Options.** Options granted under this Article 6 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant.
- 6.8 **Payment.** Options granted under this Article 6 shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment of the Option Price.

The Option Price and any Applicable Withholding Taxes upon exercise of any Option or part thereof shall be payable to the Company, to the extent permitted by Applicable Laws and subject to the Committee's discretion, as follows:

- (a) in cash or by certified cheque, wire transfer, bank draft or money order or by such other means as may be specified from time to time by the Committee;
- (b) pursuant to a broker-assisted cashless exercise, whereby the Participant shall elect, on a notice of exercise, to receive a loan from a brokerage firm, which the Company has an arrangement with, to purchase the underlying Shares. Upon the sale by the brokerage firm of an equivalent number of Shares received from the exercise of the Options to repay the loan made to the Participant, the Participant shall elect to receive either the balance of the Shares following the sale or the cash proceeds from the balance of the Shares; or
- (c) pursuant to a net exercise, whereby the Participant shall elect on a notice of exercise to receive an amount equal to the number of underlying Shares listed on the Exchange 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 underlying Shares so listed and the exercise price of the subject Options; by
 - (ii) the VWAP of the underlying Shares so listed;

provided, however, that Persons retained to provide Investor Relations Activities shall not be permitted to exercise an Option using the net exercise method described in this Section 6.8(c).

As soon as practicable after receipt of a notification of exercise and full payment of the Option Price, the Shares in respect of which the Option has been exercised shall be issued as fully-paid and non-assessable common shares of the Company. As of the business day the Company receives such notice and such payment, the Participant (or the person claiming through a Participant, as the case may be) shall be entitled to be entered on the share register of the Company as the holder of the number of Shares in respect of which the Option was exercised and to receive as promptly as possible thereafter, but in any event, on or before the 15th day of the third month of the year following the year in which the Option was exercised, a certificate or evidence of book entry representing the said number of Shares. The Company shall cause to be delivered to or to the direction of the Participant Share certificates or evidence of book entry Shares in an appropriate amount based upon the number of Shares purchased under the Option(s).

Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with all relevant provisions of applicable Canadian and U.S. securities law, including, without limitation, the 1933 Act, the United States Securities and Exchange Act of 1934, as amended, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Shares are quoted at any given time. As a condition to the

exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by law.

6.9 **Death, Disability, Retirement and Termination or Resignation of Employment.** If the Award Agreement does not specify the effect of a termination, cessation or resignation of employment then the following default rules will apply:

- (a) **Death:** If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate of the Company:
 - (i) all unvested Options as at the Termination Date shall automatically and immediately vest; and
 - (ii) all vested Options (including those that vested pursuant to (i) above) shall continue to be subject to the Plan and exercisable for a period of 12 months after the Termination Date, provided that any Options that have not been exercised within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (b) **Disability:** If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability then all Options remain and continue to vest (and are exercisable) in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (c) **Retirement:** If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Options, to determine: (i) whether to accelerate vesting of any or all of such Options, whether any of such Options shall be cancelled, with or without payment, and (iii) how long, if at all, such Options may remain outstanding following the Termination Date; provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date.
- (d) **Termination for Cause:** If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Options, whether vested or not, as at the Termination Date shall automatically and immediately expire and be forfeited.
- (e) **Termination without Cause or Voluntary Resignation:** If a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in 6.9(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
 - (i) all unvested Options shall automatically and immediately expire and be forfeited, and
 - (ii) all vested Options shall continue to be subject to the Plan and exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

6.10 **Nontransferability of Options.** An Option granted under this Article 6 may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by bequeath or by the laws of descent and distribution, subject to the requirements of the Exchange or as otherwise allowed by the Exchange.

ARTICLE 7 RESTRICTED SHARE UNITS

7.1 **Grant of Restricted Share Units.** Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Restricted Share Units to Participants in such amounts and

upon such terms as the Committee shall determine. For clarity, any Restricted Share Units granted pursuant to the Plan shall be included in calculating the limits set forth in Section 4 herein.

- 7.2 **Restricted Share Unit Agreement.** Each Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, and the settlement date for Restricted Share Units, and any such other provisions as the Committee shall determine, provided that unless otherwise determined by the Committee or as set out in any Award Agreement, no Restricted Share Unit shall vest later than allowed by the policies of the Exchange. The Committee shall impose, in the Award Agreement at the time of grant, such other conditions and/or restrictions on any Restricted Share Units granted pursuant to the Plan as it may deem advisable, including, without limitation, restrictions based upon the time-based restrictions on vesting and, restrictions under applicable laws or under the requirements of the Exchange.
- 7.3 **Vesting of Restricted Share Units.** Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Restricted Share Units, Restricted Share Units shall vest at the discretion of the Committee, and subject to the policies of the Exchange. If required by the policies of the Exchange and subject to early vesting in connection with the death of a Participant or a Change of Control, no Restricted Share Units may vest before the date that is one year following the date of grant or issue.
- 7.4 **Blackout Periods.** If the date on which a Restricted Share Unit is scheduled to expire occurs during a Blackout Period applicable to such Participant, then the expiry date of such Restricted Share Unit shall be automatically extended to the 10th business day following the end of the Blackout Period.
- 7.5 **Nontransferability of Restricted Share Units.** The Restricted Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated until the date of settlement through delivery or other payment, or upon earlier satisfaction of any other conditions, as specified by the Committee in its sole discretion and set forth in the Award Agreement at the time of grant or thereafter by the Committee. All rights with respect to the Restricted Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.
- 7.6 **Dividends and Other Distributions.** During the Period of Restriction, Participants holding Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Restricted Share Units.
- 7.7 **Death, Disability, Retirement and Termination or Resignation of Employment.** If the Award Agreement does not specify the effect of a termination or resignation of employment then the following default rules will apply:
- (a) **Death:** If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate:
 - (i) all unvested Restricted Share Units as at the Termination Date shall automatically and immediately vest; and
 - (ii) all vested Restricted Share Units (including those that vested pursuant to (i) above) shall be paid to the Participant's estate in accordance with the terms of the Plan and the Award Agreement.
 - (b) **Disability:** If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability, then all Restricted Share Units remain and continue to vest in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any

Restricted Share Units that have not vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.

- (c) **Retirement:** If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Restricted Share Units, to determine: (i) whether to accelerate vesting of any or all of such Restricted Share Units, (ii) whether any of such Restricted Share Units shall be cancelled, with or without payment, and (iii) how long, if at all, such Restricted Share Units may remain outstanding following the Termination Date; provided, however, that in no event shall such Restricted Share Units remain outstanding for more than 12 months after the Termination Date. Notwithstanding the above, for U.S. Participants, the treatment of Restricted Share Units upon retirement shall be provided for in the Award Agreement.
- (d) **Termination for Cause:** If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Restricted Share Units, whether vested or not, as at the Termination Date shall automatically and immediately be forfeited.
- (e) **Termination without Cause or Voluntary Resignation:** If a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in Sections 7.7(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
 - (i) all unvested Restricted Share Units shall automatically and immediately be forfeited, and
 - (ii) all vested Restricted Share Units shall be paid to the Participants in accordance with the terms of the Plan and the Award Agreement.

7.8 **Payment in Settlement of Restricted Share Units.** When and if Restricted Share Units become payable, the Participant issued such Restricted Share Units shall be entitled to receive payment from the Company in settlement of such Restricted Share Units: (i) in a number of Shares (issued from treasury) equal to the number of Restricted Share Units being settled, or (ii) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Restricted Share Units. In the event that the Company does not have a sufficient number of Shares available to settle Restricted Share Units in Shares or where the issuance of Shares would result in breaching a limit on grants or issuances set out in the Plan, such Restricted Share Units may be settled in cash.

ARTICLE 8 DEFERRED SHARES UNITS

- 8.1 **Grant of Deferred Share Units.** Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall determine. For clarity, any Deferred Share Units granted pursuant to the Plan shall be included in calculating the limits set forth in Section 4 herein.
- 8.2 **Deferred Share Unit Agreement.** Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to, a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Deferred Share Units. If required by the policies of the Exchange and subject to early vesting in connection with the death of a Participant or a Change of Control, no Deferred Share Units may vest before the date that is one year following the date of grant or issue.
- 8.3 **Nontransferability of Deferred Share Units.** The Deferred Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated. All rights with respect to the

Deferred Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.

- 8.4 **Blackout Periods.** If the date on which a Deferred Share Unit is scheduled to expire occurs during a Blackout Period applicable to such Participant, then the expiry date of such Deferred Share Unit shall be automatically extended to the 10th business day following the end of the Blackout Period.
- 8.5 **Dividends and Other Distributions.** Participants holding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Deferred Share Units.
- 8.6 **Termination of Employment, Consultancy or Directorship.** Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that provisions shall comply with applicable rules of the Exchange. However, in the event that a Participant ceases to be an eligible Participant under the Plan, no Deferred Share Units issued to such Participant may be retained for a period of more than 12 months after the Termination Date, provided that any Deferred Share Units that have not been settled within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- 8.7 **Payment in Settlement of Deferred Share Units.** When and if Deferred Share Units become payable, the Participant issued such Deferred Share Units shall be entitled to receive payment from the Company in settlement of such Deferred Share Units: (i) in a number of Shares (issued from treasury) equal to the number of Deferred Share Units being settled, or (ii) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Deferred Share Units. In the event that the Company does not have a sufficient number of Shares available to settle Deferred Share Units in Shares or where the issuance of Shares would result in breaching a limit on grants or issuances set out in the Plan, such Deferred Share Units may be settled in cash.

ARTICLE 9 PERFORMANCE SHARE UNITS

- 9.1 **Grant of Performance Share Units.** Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Performance Share Units to Participants in such amounts and upon such terms as the Committee shall determine. For clarity, any Performance Share Units granted pursuant to the Plan shall be included in calculating the limits set forth in Section 4 herein.
- 9.2 **Value of Performance Share Units.** Each Performance Share Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the value and/or number of each Performance Share Unit that will be paid to the Participant.
- 9.3 **Earning of Performance Share Units.** Subject to the terms of the Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Share Units shall be entitled to receive payout on the value and number of Performance Share Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Company shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time. If required by the policies of the Exchange and subject to early vesting in connection with the death of a Participant or a Change of

Control, no Performance Share Units may vest before the date that is one year following the date of grant or issue.

- 9.4 **Form and Timing of Payment of Performance Share Units.** Payment of earned Performance Share Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Plan, the Committee, in its sole discretion, may pay earned Performance Share Units in the form of a number of Shares issued from treasury equal to the number of earned Performance Share Units at the end of the applicable Performance Period. Any Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Shares be made later than the earlier of: (i) 3 months after the close of the year in which such conditions or restrictions were satisfied or lapsed, and (ii) December 31 of the third year following the year of the grant date. In the event that the Company does not have a sufficient number of Shares available to settle Performance Share Units in Shares or where the issuance of Shares would result in breaching a limit on grants or issuances set out in the Plan, such Performance Share Units may be settled in cash.
- 9.5 **Dividends and Other Distributions.** Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Performance Share Units.
- 9.6 **Termination of Employment, Consultancy or Directorship.** Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Performance Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with applicable rules of the Exchange. However, in the event that a Participant ceases to be an eligible Participant under the Plan, no Performance Share Units issued to such Participant may be retained for a period of more than 12 months after the Termination Date, provided that any Performance Share Units that have not been settled within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- 9.7 **Non-transferability of Performance Share Units.** Performance Share Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, a Participant's rights under the Plan shall inure during such Participant's lifetime only to such Participant.

ARTICLE 10 BENEFICIARY DESIGNATION

- 10.1 **Beneficiary.** A Participant's "beneficiary" is the person or persons entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of the Participant's death. A Participant may designate a beneficiary or change a previous beneficiary designation at such times as prescribed by the Committee and by using such forms and following such procedures approved or accepted by the Committee for that purpose. If no beneficiary designated by the Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at the Participant's death, the beneficiary shall be the Participant's estate.
- 10.2 **Discretion of the Committee.** Notwithstanding the provisions above, the Committee may, in its discretion, after notifying the affected Participants, modify the foregoing requirements, institute additional requirements for beneficiary designations, or suspend the existing beneficiary designations of

living Participants or the process of determining beneficiaries under this Article 10, or both, in favor of another method of determining beneficiaries.

ARTICLE 11 RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

- 11.1 **Employment.** Nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Company or an Affiliate of the Company to terminate any Participant's employment, consulting or other service relationship with the Company or the Affiliate at any time, nor confer upon any Participant any right to continue in the capacity in which he or she is employed or otherwise serves the Company or the Affiliate.

Neither an Award nor any benefits arising under the Plan shall constitute part of an employment or service contract with the Company or an Affiliate of the Company, and, accordingly, subject to the terms of the Plan, the Plan may be terminated or modified at any time in the sole and exclusive discretion of the Committee or the Board without giving rise to liability on the part of the Company or its Affiliates for severance payments or otherwise, except as provided in the Plan.

For purposes of the Plan, unless otherwise provided by the Committee, a transfer of employment of a Participant between the Company and an Affiliate or among Affiliates of the Company, shall not be deemed a termination of employment. The Committee may provide, in a Participant's Award Agreement or otherwise, the conditions under which a transfer of employment to an entity that is spun off from the Company or an Affiliate of the Company shall not be deemed a termination of employment for purposes of an Award.

- 11.2 **Participation.** No Employee or other Person eligible to participate in the Plan shall have the right to be selected to receive an Award. No person selected to receive an Award shall have the right to be selected to receive a future Award, or, if selected to receive a future Award, the right to receive such future Award on terms and conditions identical or in proportion in any way to any prior Award.
- 11.3 **Rights as a Shareholder.** A Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the holder of such Shares.

ARTICLE 12 CHANGE OF CONTROL

- 12.1 **Change of Control and Termination of Employment.** Subject to section 12.2 and the terms and provisions of any Award Agreement, if there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their employment, or officer or Director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.
- 12.2 **Discretion to Board.** Notwithstanding any other provision of the Plan, in the event of an actual or potential Change of Control, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit (including, but not limited to those set out in (iii) and (iv) below), the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or potential Change of Control, or (2) providing that any Awards exercised or exercisable shall be exercised or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Company will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control.

- 12.3 **Non-Occurrence of Change of Control.** In the event that any Awards are conditionally exercised pursuant to section 12.2 above and the Change of Control does not occur, the Board may, in its sole discretion, determine that any (i) Awards so exercised shall be reinstated as the type of Award prior to such exercise, and (ii) Shares issued be cancelled and any exercise or similar price received by the Company shall be returned to the Participant.
- 12.4 **Agreement with Purchaser in a Change of Control.** In connection with a Change of Control, the Board may be permitted to condition any acceleration of vesting on the Participant entering into an employment, confidentiality or other agreement with the purchaser as the Board deems appropriate.

ARTICLE 13 AMENDMENT AND TERMINATION

- 13.1 **Amendment and Termination.** Subject to prior Exchange acceptance and shareholder approval, where applicable, the Board may, at any time, suspend or terminate the Plan. Subject to prior Exchange acceptance and shareholder approval, where applicable, as well as compliance with any applicable law, including the rules of the Exchange, the Board may also, at any time, amend or revise the terms of the Plan and any Award Agreement. No such amendment of the Plan or Award Agreement may be made if such amendment would materially and adversely impair any rights arising from any Awards previously granted to a Participant under the Plan without the consent of the Participant or the representatives of his or her estate, as applicable.
- 13.2 **Reduction of Option Price or Grant Price and Extension of Options.** Disinterested shareholder approval as required by the policies of the Exchange shall be obtained for: (i) any reduction in the Option Price; and (ii) the extension of the term of an Option; in either case if the Participant is an Insider of the Company at the time of the proposed amendment.

ARTICLE 14 WITHHOLDING

- 14.1 **Withholding.** Subject to compliance with any applicable law, including the rules of the Exchange, the Company or any of its Affiliates shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company or the Affiliate, an amount sufficient to satisfy federal, provincial and local taxes or domestic or foreign taxes required by law or regulation to be withheld with respect to any taxable event arising from or as a result of the Plan or any Award hereunder. The Committee may provide for Participants to satisfy withholding requirements by having the Company withhold and sell Shares or the Participant making such other arrangements, including the sale of Shares, in either case on such conditions as the Committee specifies.
- 14.2 **Acknowledgement.** Participant acknowledges and agrees that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company. Participant further acknowledges that the Company: (a) makes no representations or undertakings regarding the treatment of any taxes in connection with any aspect of the Plan; and (b) does not commit to and is under no obligation to structure the terms of the Plan to reduce or eliminate Participant's liability for taxes or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction, Participant acknowledges that the Company may be required to withhold or account for taxes in more than one jurisdiction.

ARTICLE 15 SUCCESSORS

- 15.1 Any obligations of the Company or its Affiliates under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or its Affiliates, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Company or the Affiliate, as applicable.

**ARTICLE 16
GENERAL PROVISIONS**

- 16.1 **Delivery of Title.** The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the 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 law or ruling of any governmental body that the Company determines to be necessary or advisable.
- 16.2 **Investment Representations.** The Committee may require each Participant receiving Shares pursuant to an Award under the Plan to represent and warrant in writing that the Participant is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.
- 16.3 **Uncertificated Shares.** To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a non-certificated basis to the extent not prohibited by applicable law or the rules of the Exchange.
- 16.4 **No Fractional Shares.** No fractional Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Shares and any rights thereto shall be forfeited or otherwise eliminated.
- 16.5 **Other Compensation and Benefit Plans.** Nothing in the Plan shall be construed to limit the right of the Company or an Affiliate of the Company to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.
- 16.6 **No Constraint on Corporate Action.** Nothing in the Plan shall be construed (i) to limit, impair or otherwise affect the Company's or its Affiliates' right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or its Affiliates to take any action which such entity deems to be necessary or appropriate.
- 16.7 **Compliance with Canadian Securities Laws.** All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable.
- 16.8 **Compliance with U.S. Securities Laws.** All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to the registration requirements of the U.S. Securities Act of 1933, as amended or an exemption from such registration requirements. If the Awards or Shares are not so registered and no such registration exemption is available, the Company shall not be required to issue any Shares otherwise issuable hereunder.

**ARTICLE 17
LEGAL CONSTRUCTION**

- 17.1 **Gender and Number.** Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.
- 17.2 **Severability.** In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.
- 17.3 **Requirements of Law.** The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental

agencies or securities exchanges as may be required. The Company or an Affiliate of the Company shall receive the consideration required by law for the issuance of Awards under the Plan.

The inability of the Company or an Affiliate of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company or the Affiliate to be necessary for the lawful issuance and sale of any Shares hereunder, shall relieve the Company or the Affiliate 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.

- 17.4 **Governing Law.** The Plan and each Award Agreement shall be governed by the laws of the Province of British Columbia and the laws of Canada applicable therein excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.