

**STOCK OPTION PLAN**  
**IEMR RESOURCES INC.**  
(the "**Company**")

**1. PURPOSE**

The purpose of this Stock Option Incentive Plan is to provide an incentive to Eligible Persons to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

**2. DEFINITIONS**

In this Plan, the following words have the following meanings:

- (a) "**Board**" means the Board of Directors of the Company;
- (b) "**Common Shares**" means the common shares of the Company as constituted on the Grant Date;
- (c) "**Company**" means **IEMR RESOURCES INC.** and includes all of its subsidiaries or affiliates and successors according to law;
- (d) "**Consultant**" has the meaning set out in the policies of the TSX Venture Exchange;
- (e) "**Consultant Company**" has the meaning set out in the policies of the TSX Venture Exchange;
- (f) "**Director**" has the meaning set out in the policies of the TSX Venture Exchange;
- (g) "**Effective Date**" means the day following the date upon which the Plan has been approved by the last to approve of the shareholders of the Company, the Board, the Exchange and any other regulatory authority having jurisdiction over the Company's securities;
- (h) "**Eligible Person**" means any Director, Officer, Employee or Management Company Employee of the Company or any affiliate of the Company, or company that is wholly owned by one of them, or any Consultant or Consultant Company of the Company or any affiliate of the Company, that is eligible to receive Options or in the instance the Company is considered a "Tier 1" or "Tier 2" issuer, Security Based Compensation, as pursuant to the policies of the Exchange;
- (i) "**Exchange**" means the TSX Venture Exchange and any other stock exchange or stock quotation system on which the Common Shares trade;
- (j) "**Insider**" has the meaning set out in the policies of the TSX Venture Exchange;
- (k) "**Investor Relations Activities**" has the meaning set out in the policies of the TSX Venture Exchange;
- (l) "**Investor Relations Service Provider**" includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (m) "**Management Company Employee**" has the meaning set out in the policies of the TSX Venture Exchange;
- (n) "**Market Price**" means: as of any date, the price of the Common Shares, determined as follows:

- (i) subject to the application of additional pricing mechanisms stipulated by the Exchange in its policies or at its discretion, the last closing price of the Common Shares before the issuance of the news release disclosing the grant of Options (but if a news release is not required by the policies of the Exchange, then the last closing price of the Common Shares before the date of the grant of the applicable Options); and
- (ii) if the Common Shares are not listed on an Exchange, the market price of the Common Shares will be determined in good faith by the Board;
- (o) "**NEX Policy**" means the policy of the NEX Board of the Exchange;
- (p) "**Option**" means the option granted to an Optionee under this Plan and the Option Agreement;
- (q) "**Option Agreement**" means such option agreement or agreements as is approved from time to time by the Board and as is not inconsistent with the terms of this Plan;
- (r) "**Option Date**" means the date of grant of an Option to an Optionee;
- (s) "**Option Price**" is the price at which the Optionee is entitled pursuant to the Plan and the Option Agreement to acquire Option Shares;
- (t) "**Option Shares**" means, subject to the provisions of Section 8 of this Plan, the Common Shares which the Optionee is entitled to acquire pursuant to this Plan and the applicable Option Agreement;
- (u) "**Optionee**" means a person to whom an Option has been granted;
- (v) "**Plan**" means this Stock Option Plan, as may be amended and/or restated from time to time;
- (w) "**Security Based Compensation**" includes any Deferred Share Unit, Performance Share Unit, Restricted Share Unit, Securities for Services, Stock Appreciation Right, Stock Option, Stock Option Plan, any security purchase from treasury by a Participant which is financially assisted by the Issuer by any means whatsoever, and any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Issuer from treasury to a Participant, including securities issued under Part 6 of Policy 4.4 – *Security Based Compensation*, and for greater certainty, does not include:
  - (i) arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the Issuer;
  - (ii) arrangements under which Security Based Compensation is settled solely in cash and/or securities purchased on the secondary market; and
  - (iii) Shares for Services and Shares for Debt arrangements under Policy 4.3 – *Shares for Debt* that have been conditionally accepted by has the meaning set out in the policies of the TSX Venture Exchange; the Exchange prior to November 24, 2021,

and all capitalized terms used in the foregoing definition of "Security Based Compensation" have the meanings set out in the policies of the TSX Venture Exchange.

### **3. ADMINISTRATION**

The Plan shall be administered by the Board, and subject to the policies of the Exchange from time to time and except as provided for herein, the Board shall have full authority to:

- (a) determine and designate from time to time those Eligible Persons to whom Options are to be granted and the number of Option Shares to be optioned to each such Eligible Person;

- (b) determine the time or times when, and the manner in which, each Option shall be exercisable and the duration of the exercise period;
- (c) determine from time to time the Option Price, provided such determination is not inconsistent with this Plan; and
- (d) interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management.

#### **4. OPTIONEES**

Optionees must be Eligible Persons who, by the nature of their jobs or their participation in the affairs of the Company, in the opinion of the Board, are in a position to contribute to the success of the Company.

#### **5. EFFECTIVENESS AND TERMINATION OF PLAN**

The Plan shall be effective as of the Effective Date and shall terminate on the earlier of:

- (a) the date which is ten years from the Effective Date; and
- (b) such earlier date as the Board may determine.

Any Option outstanding under the Plan at the time of termination of the Plan shall remain in effect in accordance with the terms and conditions of the Plan and the Option Agreement.

#### **6. THE OPTION SHARES**

The aggregate number of Option Shares reserved for issuance under the Plan and Common Shares reserved for issuance under any other share compensation arrangement granted or made available by the Company, provided that so long as the Company is classified as a "NEX" issuer, in any 12 month period, may not exceed in aggregate 10% of the Company's Common Shares issued and outstanding as at the date of grant or issuance of Options under this Plan pursuant to NEX Policy. Should the Company be classified as a "Tier 1" or "Tier 2" issuer by the TSX Venture Exchange, the aggregate number of Option Shares reserved for issuance under the Plan and Common Shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of the Company's Common Shares issued and outstanding as at the date of grant or issuance of Options under this Plan.

#### **7. GRANTS, TERMS AND CONDITIONS OF OPTIONS**

may be granted by the Board at any time and from time to time prior to the termination of the Plan. Options granted pursuant to the Plan shall be contained in an Option Agreement and, except as hereinafter provided, shall be subject to the following terms and conditions:

- (a) Option Price

The Option Price shall be determined by the Board, provided that such price shall not be lower than the Market Price of the Option Shares, less any discount permitted by the Exchange, on the date of grant of

the Option with a minimum Option Price of \$0.05 provided the Company is classified as a "NEX" issuer as pursuant to the NEX Policy.

(b) Duration and Exercise of Options

Except as otherwise provided elsewhere in this Plan, the Options shall be exercisable for a period, or in percentage installments over a period, to be determined in each instance by the Board, not exceeding ten years from the Option Date. A four-month hold period (commencing on the Option Date) is required for Options granted to any Insider of the Company or granted at any discount to the Market Price. The Options must be exercised in accordance with this Plan and the Option Agreement. Except as contemplated in (c) below, no Option may be exercised by an Optionee who was an Eligible Person at the time of grant of such Option unless the Optionee shall have been an Eligible Person continuously since the Option Date. Absence on leave, with the approval of the Company, shall not be considered an interruption of employment for the purposes of the Plan.

(c) Termination

All rights to exercise Options shall terminate upon the earliest of:

- (i) the expiration date of the Option;
- (ii) the 90th day after the Optionee ceases to be an Eligible Person for any reason other than death, disability or cause or such other reasonable expiration date as the Board may determine, provided that such expiration date does not exceed 12 months following the date the Optionee ceases to be an Eligible Person;
- (iii) the 30th day after the Optionee who is engaged in Investor Relations Activities for the Company ceases to be employed to provide Investor Relations Activities provided that the Company is classified as a "Tier 1" or "Tier 2" issuer by the TSX Venture Exchange;
- (iv) the date on which the Optionee ceases to be an Eligible Person by reason or termination of the Optionee as an Employee, Consultant or Management Company Employee of the Company for cause (which, in the case of a Consultant, includes any breach of an agreement between the Company and the Consultant);
- (v) the first anniversary of the date on which the Optionee ceases to be an Eligible Person by reason of termination of the Optionee on account of disability; or
- (vi) the first anniversary of the date of death of the Optionee.

(d) Re-issuance of Options

Options which are settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised, and pursuant to which no Common Shares have been issued prior to exercise may be re-issued under the Plan.

(e) Transferability of Security Based Compensation

All Securities Based Compensation is non-transferable and non-assignable.

(f) Vesting of Securities Based Compensation

No Security Based Compensation granted pursuant to this Plan, other than Options and securities issued pursuant to a Stock Purchase Plan (within the meaning of the policies of the Exchange), may vest before the date that is one year following the date of grant of the Securities Based Compensation, provided

however that vesting may to be accelerated for an Eligible who dies or who ceases to be an Eligible Person under the Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction.

Subject to the foregoing and Section 7(g)(vi) hereof, the Board may determine and impose terms upon which Securities Based Compensation shall become vested, with the exception that provided the Company is classified as a "Tier 1" or "Tier 2" issuer by the TSX Venture Exchange, vesting provisions on Options granted to Investor Relations Service Providers shall not be accelerated without prior Exchange acceptance.

(g) Other Terms and Conditions

The Option Agreement may contain such other provisions as the Board deems appropriate, provided such provisions are not inconsistent with the Plan and the requirements of the Exchange.

In addition, for as long as the Common Shares of the Company are listed on the Exchange and the Company is classified as either a "NEX", "Tier 1", or "Tier 2" issuer by the Exchange, any grant or issuance by the Company of Security Based Compensation to acquire Common Shares of the Company shall be subject to the following restrictions:

- (i) the maximum number of Common Shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued to Insiders (as a group) must not exceed 10% of the Common Shares of the Company at any point in time, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the Exchange;
- (ii) the maximum number of Common Shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to Insiders (as a group) must not exceed 10% of the Common Shares of the Company, calculated as at the date any Securities Based Compensation is granted or issued to any Insider, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the Exchange;
- (iii) the maximum number of Common Shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to any one Eligible Person must not exceed 5% of the Common Shares of the Company, calculated as at the date any Securities Based Compensation is granted or issued to the Eligible Person, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the Exchange;
- (iv) the maximum number of Common Shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to any one Consultant must not exceed 2% of the Common Shares of the Company, calculated as at the date any Securities Based Compensation is granted or issued to the Consultant, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the Exchange;
- (v) provided that the Company be classified as a "Tier 1" or "Tier 2" issuer by the TSX Venture Exchange, the maximum number of Common Shares of the Company that are issuable pursuant to all Options granted or issued in any 12 month period to all Investor Relations Service Providers in aggregate must not exceed 2% of the Common Shares of the Company, calculated as at the date any Option is granted or issued to any such Investor Relations Service Provider;
- (vi) provided that the Company be classified as a "Tier 1" or "Tier 2" issuer by the TSX Venture Exchange, Options issued to any Investor Relations Service Provider must vest in stages over no less than 12 months with no more than one-quarter of the Options vesting in any three month period, and both the Company and the Optionee represent that the Optionee is a *bona fide* Employee, Consultant or Management Company Employee, as the case may be;

- (vii) the approval of the disinterested shareholders of the Company shall be obtained for any amendment to or reduction in the exercise price of the Option or extension of the term of the Option if the Optionee is an Insider of the Company at the time of the proposed amendment;
- (viii) for Security Based Compensation granted to the Employees, Consultants or Management Company Employees of the Company, both the Company and the Optionee represents that the Optionee is a *bona fide* Employee, Consultant or Management Company Employee, as the case may be; and
- (ix) an automatic extension to the expiry date, redemption date or settlement date of Security Based Compensation shall apply if such expiry/redemption/settlement date falls within a period (a "**Blackout Period**") during which the Company prohibits Optionees from exercising, redeeming or settling their Securities Based Compensation, provided that the following requirements have been satisfied:
  - a. the Blackout Period has been formally imposed by the Company pursuant to its internal trading policies as a result of the *bona fide* existence of undisclosed Material Information (as defined by Securities Law and the policies of the Exchange). In the absence of the Company formally imposing a Blackout Period, the expiry date, redemption date or settlement date, as applicable, of any Security Based Compensation will not be automatically extended;
  - b. the Blackout Period shall expire following the general disclosure of the undisclosed Material Information. The expiry date, redemption date or settlement date, as applicable, of the affected Security Based Compensation can be extended to no later than ten business days after the expiry of the Blackout Period;
  - c. the automatic extension of an Eligible Person's Security Based Compensation will not be permitted where the Eligible Person or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company's securities; and
  - d. the automatic extension shall be available to all Eligible Persons under the Plan under the same terms and conditions.

## **8. ADJUSTMENT OF AND CHANGES IN THE OPTION SHARES**

- (a) If the Common Shares are at any time to be listed or quoted on any stock exchange or stock quotation system other than the Exchange, to the extent that there are any Options which are outstanding and unexercised at the time of such application for listing, the Option Price, the aggregate number of Option Shares, the exercise period, and any other relevant terms of such Options, and the Option Agreements in relation thereto, shall be amended in accordance with the requirements of any applicable securities regulation or law or any applicable governmental or regulatory body (including the Exchange). Subject to the requirements of the Exchange, any such amendment shall be effective upon receipt of Board approval of it, subject to approval of disinterested shareholders of the Company, and approval of any of the Optionees is not required to give effect to such amendment.
- (b) If the Common Shares, as presently constituted, are changed into or exchanged for a different number or kind of shares or other securities of the Company or of another Company (whether by reason of merger, consolidation, amalgamation, recapitalization, reclassification, split, reverse split, combination of shares, or otherwise), then there shall be substituted for or added to each Option Share subject to or which may become subject to an Option under this Plan, the number and kind of shares or other securities into which each outstanding Option Share is so changed, or for which each such Option Share is exchanged, or to which each such Option Share is entitled, as the case may be. Outstanding Options under the Option Agreements shall also be appropriately amended as to price and other terms as may

be necessary to reflect the foregoing events. In the event that there is any other change in the number or kind of the outstanding Common Shares or of any shares or other securities into which such Option Shares are changed, or for which they have been exchanged, then, if the Board shall, in its sole discretion, determine that such change equitably requires an adjustment in any Option theretofore granted or which may be granted under the Plan, such adjustment shall be made in accordance with such determination. If the Company does not have sufficient number of Common Shares available under the Plan the Board shall, in its sole discretion, determine the amount to be paid by the Company in cash to satisfy its obligations in respect of such foregoing event. Notwithstanding the foregoing, any adjustment or amendment to an Option Agreement outstanding Options under this Plan other than as a consequence of a consolidation or split of Common Shares shall be subject to prior acceptance of the Exchange.

- (c) Fractional shares resulting from any adjustment in Options pursuant to this Section 8 will be cancelled. Notice of any adjustment shall be given by the Company to each holder of an Option which has been so adjusted and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes of the Plan.

## **9. PAYMENT**

Subject as hereinafter provided, the full purchase price for each of the Option Shares shall be paid by certified cheque or bank draft in favour of the Company upon exercise thereof. An Optionee shall have none of the rights of a shareholder in respect of the Option Shares until the Common Shares are issued to such Optionee.

## **10. SECURITIES LAW REQUIREMENTS**

No Option shall be exercisable in whole or in part, nor shall the Company be obligated to issue any Option Shares pursuant to the exercise of any such Option, if such exercise and issuance would, in the opinion of counsel for the Company, constitute a breach of any applicable laws from time to time, or the rules from time to time of the Exchange. Each Option shall be subject to the further requirement that if at any time the Board determines that the listing or qualification of the Option Shares under any securities legislation or other applicable law, or the consent or approval of any governmental or other regulatory body (including the Exchange), is necessary as a condition of, or in connection with, the issue of the Option Shares hereunder, such Option may not be exercised in whole or in part unless such listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Board.

## **11. AMENDMENT OF THE PLAN**

The Board may amend, suspend or terminate the Plan or any portion thereof at any time, but an amendment may not be made without the approval of the shareholders of the Company unless such amendment is a correction of a typographical error or clarifies existing provisions of this Plan that do not have the effect of altering the scope, nature and intent of such provisions.

## **12. POWER TO TERMINATE OR AMEND PLAN**

Subject to the approval of any stock exchange on which the Company's securities are listed, the Board may terminate, suspend or amend the terms of the Plan; provided, that any such amendment is subject to shareholder approval or disinterested shareholder approval of the Company, as the case may be, pursuant to the policies of the Exchange.

## **13. SHAREHOLDER APPROVAL**

For greater certainty, without limitation, amendments to any of the following provisions of this Plan are subject to approval of the shareholders of the Company:

- (a) persons eligible to be granted or issued Security Based Compensation under this Plan;
- (b) the maximum percentage of Common Shares that are issuable under this Plan;

- (c) the limits under this Plan on the amount of Security Based Compensation that may be granted or issued to any one person or any category of persons;
- (d) the method for determining the exercise price of Options;
- (e) the maximum term of Security Based Compensation;
- (f) the expiry and termination provisions applicable to Security Based Compensation, including the addition of a Blackout Period;
- (g) the addition of a Net Exercise (as defined under the policies of the Exchange); and
- (h) any method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to an Optionee.

Notwithstanding the foregoing, the following amendments to this Plan will not be subject to approval of the shareholders of the Company: (i) amendments to fix typographical errors; and (ii) amendment to clarify existing provisions of this Plan that do not have the effect of altering the scope, nature and intent of such provisions.

Subject to the policies of the Exchange, without limitation, the following will require approval of disinterested shareholders of the Company:

- (a) any amendments to this Plan that could result in exceeding any of the limits set forth in Section 7(g) of this Plan;
- (b) any amendment to an Option held by an Insider of the Company that would have the effect of decreasing the exercise price of the Option;
- (c) any grant of Security Based Compensation prior to shareholder approval of this Plan; and
- (d) any amendment to the Plan or an Option that results in a benefit to an Insider of the Company, which includes the cancellation of an Option and grant of a new Option to the same person within one year.

**IEMR RESOURCES INC.**  
**STOCK OPTION PLAN**  
**OPTION AGREEMENT**

This Option Agreement is entered into between **IEMR RESOURCES INC.** (the "**Corporation**") and the Optionholder named below pursuant to the Corporation's Option Plan (the "**Plan**"), a copy of which is attached hereto, and confirms that:

1. On \_\_\_\_\_ (the "**Grant Date**");
2. \_\_\_\_\_ (the "**Optionholder**");
3. Was granted a non-assignable option to purchase \_\_\_\_\_ Common Shares (the "**Optioned Shares**") of the Corporation;
4. At a price (the "**Exercise Price**") of \$\_\_\_\_\_ per Optioned Shares; and
5. For a term expiring at 5:00 p.m., Vancouver time, on \_\_\_\_\_ (the "**Expiry Date**").

All on the terms and subject to the conditions set out in the Plan. By signing this agreement, the Optionholder acknowledges that the Optionholder has read and understands the Plan.

**UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE \_\_\_\_\_.**

**Without prior written approval of the TSX Venture Exchange and in compliance with all applicable securities legislation, the Option Shares represented by this Option Agreement may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until \_\_\_\_\_.**

IN WITNESS WHEREOF the Corporation and the Optionholder have executed this Option Agreement as of \_\_\_\_\_, 20\_\_\_\_\_.

**IEMR RESOURCES INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
**Name of Optionholder**

\_\_\_\_\_  
**Signature of Optionholder**

**IEMR RESOURCES INC.**

**STOCK OPTION PLAN**

**NOTICE OF EXERCISE**

IEMR RESOURCES INC.  
c/o Suite 700, 595 Burrard Street  
Vancouver, British Columbia, V7X 1S8

Attention: Corporate Secretary

Reference is made to the Option Agreement made as of \_\_\_\_\_, 20\_\_\_\_, between IEMR Resources Inc. (the "**Corporation**") and the Optionholder. The Optionholder hereby exercises the Option to purchase Common Shares (the "**Optioned Shares**") of the Corporation as follows:

Number of Optioned Shares for which Option being exercised: \_\_\_\_\_

Exercise Price per Optioned Share: \$ \_\_\_\_\_

Total Exercise Price (in the form of a certified cheque or bank draft tendered with this Notice of Exercise): \$ \_\_\_\_\_

Name of Optionholder as it is to appear on share certificate: \_\_\_\_\_

Address of Optionholder as it is to appear on the register of Common Shares of the Corporation and to which a certificate representing the Common Shares being purchased is to be delivered: \_\_\_\_\_

Date \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
**Print Name of Optionholder**

\_\_\_\_\_  
**Signature of Optionholder**