NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
to be held on September 26, 2024, at 11:00 a.m. PST
at 1100-1111 Melville Street Vancouver, BC V6E 3V6

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the "Meeting") of the shareholders of Fort St James Nickel Corp. (the "Company") will be held on Thursday, September 26, 2024, at 11:00 a.m. to consider resolutions for the following purposes:

1. To receive and consider the comparative financial statements of the Company for the financial years ended April 30, 2023, and April 30, 2022, together with reports of the auditor thereon;
2. To set the number of directors at three (3);
3. To elect directors for the ensuing year;
4. To appoint WDM Chartered Accountants as auditors of the Company for the ensuing year and to authorize the directors to determine the remuneration to be paid to the auditors;
5. To approve the Stock Option Plan of the Company as more particularly described in the Information Circular and to authorize the Directors to make modifications thereto in accordance with the Stock Option Plan and the policies of the TSX Venture Exchange;
6. To pass, with or without variation, an ordinary resolution of the disinterested shareholders to ratify and approve the fixed equity incentive plan of the Company (the "**Equity Incentive Plan**"), as described in the accompanying information circular; and
7. To transact such other business as may properly be put before the meeting.

The accompanying information circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed proxy. A proxy will not be valid unless it is deposited by mail or by personal delivery at the office of Odyssey Trust Company, Proxy Department, Suite 702, 67 Yonge Street, Toronto, ON M5E 1J8, or electronically at https://vote.odysseytrust.com and pursuant to any instructions contained in the proxy not later than 48 hours (excluding Saturdays and holidays) before the time fixed for the Meeting or an adjournment thereof. Only Shareholders of record on August 22, 2024, are entitled to receive notice of and vote at the Meeting.

DATED at Vancouver, British Columbia this 27th day of August, 2024.

BY ORDER OF THE BOARD OF DIRECTORS OF

Fort St James Nickel Corp.

/s/ "***BARRY BROWN***"

President & Chief Executive Officer

WE STRONGLY ENCOURAGE ALL SHAREHOLDERS TO VOTE BY PROXY RATHER THAN ATTENDING THE MEETING IN PERSON.

FORT ST. JAMES NICKEL CORP.

MANAGEMENT INFORMATION CIRCULAR

(Containing information as of August 27, 2024, unless indicated otherwise)

This Information Circular is being mailed by the management of Fort St. James Nickel Corp. ("**Fort St. James**" or the "**Company**") to everyone who was a shareholder of record of Fort St. James on August 22, 2024, which is the date that has been fixed by the directors of Fort St. James as the record date to determine the shareholders who are entitled to receive notice of the meeting.

We are mailing this Information Circular in connection with the solicitation of proxies by and on behalf of our management for use at the annual general and special meeting of the shareholders of Fort St. James that is to be held on **Thursday, September 26, 2024, at 11:00 a.m.** Vancouver time) at 1100-1111 Melville Street Vancouver BC V6E 3V6**.** The solicitation of proxies will be primarily by mail. Certain employees, officers or directors of Fort St. James may also solicit proxies by or in person. The cost of solicitation will be borne by Fort St. James.

Under Fort St. James' Bylaws, at least two persons must be present in person or represented by proxy, each being a shareholder entitled to vote at the Meeting, before any action may validly be taken at the Meeting. If such a quorum is not present in person or by proxy, we will reschedule the meeting.

PART 1 – VOTING

HOW A VOTE IS PASSED

All of the matters that will come to a vote at the Meeting as described in the attached Notice of the meeting are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, then the resolution is approved.

See *Part 3 – The Business of the Meeting* for more details on the proposed resolutions to be put to shareholders at the Meeting.

WHO CAN VOTE?

If you are a registered shareholder of Fort St. James as of August 22, 2024, you are entitled to attend at the Meeting and cast a vote for each share registered in your name on all resolutions put before the meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer's authority should be presented at the Meeting. If you are a registered shareholder but do not wish to, or cannot, attend the meeting in person, you can appoint someone who will attend the meeting and act as your proxyholder to vote in accordance with your instructions. See *Part 1 – Voting – Voting by Proxy*. If your shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer, or other financial institution) you should refer to the section entitled "Non-registered Shareholders" set out below.

It is important that your shares be represented at the Meeting regardless of the number of shares you hold. If you will not be attending the meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

VOTING BY PROXY

If you do not come to the meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote, or you can let him or her decide for you. You can do this by completing a form of proxy. In order to be valid, you must return the completed form of proxy at least 48 hours (excluding Saturday, Sunday, and holidays) before the time of the meeting to our transfer agent, Odyssey Trust Company at https://vote.odysseytrust.com. Instructions on the form of proxy included with this Information Circular

What is a proxy?

A form of proxy is a document that authorizes someone to attend the meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointment and Revocation of Proxies

The individuals named in the accompanying form of proxy are directors and/or officers of Fort St. James. You can choose any individual to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder of Fort St. James. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON TO REPRESENT HIM/HER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE TWO PRINTED NAMES OR BY COMPLETING ANOTHER FORM OF PROXY.** To be valid, a proxy must be in writing and executed by the shareholder or its attorney authorized in writing. Completed proxies must be received by Odyssey Trust Company, Proxy Department, Suite 702, 67 Yonge Street, Toronto, ON M5E 1J8, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the time for holding the Meeting or delivered to the Chairman of the Meeting prior to the commencement of the Meeting.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the registered office of Fort St. James at 888 Dunsmuir Street, Suite 888, Vancouver, British Columbia, V6C 3K4, at any time up to and including the last business day preceding the day of the Meeting or to the Chairman of the Meeting on the day of the Meeting or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

Instructing your proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the Meeting as follows:

√ **FOR the election of the proposed nominees as directors;**

√ **FOR the appointment of WDM Chartered Professional Accountants as auditors of the Company and to fix their remuneration;**

√ **FOR the approval of continuance of the Company's 10% rolling Share Option Plan; and**

√ **FOR the approval of adoption of the Company's Fixed Equity Incentive Plan**

For more information about these matters, see *Part 3 – The Business of the Meeting*. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified in the Notice of Meeting. At the time of printing this Information Circular, management of Fort St. James is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Changing your mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which clearly indicates that you want to revoke your proxy and delivering this signed written statement to the head office of Fort St. James at 888 Dunsmuir Street, Suite 888, Vancouver, British Columbia, V6C 3K4; or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Vancouver time) on the last business day before the day of the meeting or delivered to the person presiding at the Meeting before it commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the meeting in person.

NON-REGISTERED SHAREHOLDERS

If your shares are not registered in your own name, they will be held in the name of a "nominee," usually a bank, trust company, securities dealer, or other financial institution and, as such, your nominee will be the entity legally entitled to vote your common shares and must seek your instructions as to how to vote your shares. Accordingly, unless you have previously informed your nominee that you do not wish to receive material relating to shareholders' meetings, you will have received this Information Circular from your nominee, together with a form of proxy or a request for voting instruction form. If that is the case, **it is most important that you comply strictly with the instructions that have been given to you by your nominee on the voting instruction form**. If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your shares are not registered in your own name, Fort St. James' transfer agent will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. If you wish to vote in person at the Meeting, therefore, please insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. It is not necessary to complete the form in any other respect since you will be voting at the Meeting in person. Please register with the scrutineer, who will be a representative of our transfer agent, Odyssey Trust Company, upon arrival at the Meeting.

The Notice of Meeting and this Information Circular, together with Fort St. James' audited consolidated financial statements and related Management's Discussion and Analysis for the years ended April 30, 2023, and April 30, 2022, are being sent to both registered and nonregistered owners of our common shares. If you are a non-registered owner and we have sent these materials to you directly, your name and address and information about your holdings of common shares of Fort St. James have been obtained in accordance with applicable securities regulatory requirements from the nominee holding the securities on your behalf. By choosing to send these materials to you directly, Fort St. James (and not your nominee) 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 the request for voting instructions form, which is included with this Information Circular.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") of the Canadian Securities Administrators, Fort St. James has elected to send proxy-related materials directly to non-objecting beneficial owners of its common shares. As Fort St. James is unable to send proxy-related materials directly to the objecting beneficial owners ("**OBOs**") of its common shares (because OBOs are beneficial shareholders who have objected to the release of security ownership details to issuers), proxy related materials for the meeting to which this Information Circular relates will be sent to OBOs indirectly through the intermediaries who hold securities on behalf of the OBOs. The intermediaries/brokers (or their service companies) are responsible for forwarding the proxy related materials to their OBO clients. Management of Fort St. James does not intend to pay for intermediaries to forward to their OBO clients the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* under NI 54-101 and, as such, OBOs will not receive the proxy-related materials in connection with the meeting unless such OBO's intermediary assumes the cost of delivery.

Fort St. James has chosen to not use the notice-and-access delivery procedures provided by NI 54-101.

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Fort St. James has authorized voting capital of an unlimited number of common shares. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on August 22, 2024, the date fixed by our directors as the record date for determining who is entitled to receive notice of and to vote at the Meeting.

At the close of business on August 22, 2024, there were 26,248,262 common shares were issued and outstanding. To the knowledge of our directors and officers, the
only persons, or companies who or which beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of our common shares on that date were:

Name [1]	Number of common shares [1]	Percentage of issued shares
Gerald Mitton	8,980,338[2]	34.2%

(1) Information as to ownership of shares has been extracted from insider reports filed by the individual and available through the Internet on the System for Electronic Disclosure by Insiders (SEDI) or has been provided by the individual.
(2) 4,625,500 of these common shares are held by Gerald Mitton directly, 3,747,963 common shares held indirectly through Darroch Holdings Ltd., a private company controlled by Gerald Mitton, and 591,875 in a personal RRSP and 15,000 in a TFSA.

PART 3 - THE BUSINESS OF THE MEETING

A. FINANCIAL STATEMENTS

The audited financial statements of Fort St. James for the years ended April 30, 2023, and April 30, 2022, and the reports of the auditor on those financial statements, will be placed before you at the Meeting. A copy of Fort St. James' audited consolidated financial statements and Management's Discussion and Analysis for the years ended April 30, 2023 and April 30, 2022, have been mailed to shareholders with the Notice of Annual Meeting and this Information Circular.

No formal action will be taken at the Meeting to approve the financial statements.

B. Fix Number of Directors to be Elected at the Meeting

Shareholders of the Company will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution.

At the Meeting, it will be proposed that THREE (3) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at THREE (3)

C. ELECTION OF DIRECTORS

Directors of Fort St. James are elected for a term of one year. The term of office of each of the current directors will expire at the Meeting and the nominees for election as directors at the Meeting to which this Information Circular relates, if elected, will serve until the close of the next annual meeting unless he resigns or otherwise vacates office before that time. Under our By-Laws, Fort St. James shall have a minimum of three and a maximum of 12 directors, the number of directors to be determined from time to time by resolution of the Board of Directors. We currently have three directors and, pursuant to Fort St. James' By-Laws, the directors have set the number of directors to be elected at the Meeting at three.

Nominees for Election

The following are the nominees proposed for election as directors of Fort St. James, together with the number of common shares that are beneficially owned, directly or indirectly, or over which control or direction is exercised by each nominee as of August 22, 2024, the record date for the meeting to which this Information Circular relates. All of the nominees are currently serving as directors of Fort St. James, having been elected by shareholders as directors. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the Meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

Fort St. James has not, as yet, adopted a majority voting policy for election of directors at uncontested shareholder meetings at which directors are to be elected. See *Part 7 – Corporate Governance – Nomination and Election of Directors*.

Voting for election of directors of Fort St. James is by individual voting and not by slate voting. You can vote your shares for the election of all of these nominees as directors of Fort St. James; or you can vote for some of these nominees for election as directors and withhold your votes for others; or you can withhold all of the votes attaching to the shares you own and, thus, not vote for the election of any of these nominees as directors of Fort St. James.

Fort St. James' management recommends that shareholders vote in favour of the nominees for election as directors.

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the THREE nominees as directors of Fort St. James for the ensuing year.

Name, Position, Province/State and Country of Residence (1)(2)	Principal Occupation or Employment (1)	Director Since	No. of Shares (1)
Barry Brown (3) President, CEO & Director *British Columbia, Canada*	Mr. Brown is the President of Barry Developments Ltd., a wholly owned private company involved in the organization, reorganization, and management of private and public companies.	December 22, 2015	1,425,000 shares (3) 5.42% undiluted 1,425,000 Warrants 10.30% fully diluted
Scott Kent (3) Director and Corporate Secretary *British Columbia, Canada*	Mr. Kent is a Firefighter with the Surrey Fire Department since August 2003 and is an Independent Businessman.	July 11, 2006	NIL
Quinn Field-Dyte (3) Director *British Columbia, Canada*	Mr. Field-Dyte sits on the board of multiple publicly traded companies.	March 31, 2017	NIL

(1) The information as to province/state and country of residence, principal occupation and shares beneficially owned is not within the knowledge of the management of the Company and has been furnished by the respective nominees.

(2) None of the proposed nominees for election as a director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the company acting solely in such capacity

(3) Member of the Audit Committee (see Part 6 – Audit Committee). This is the only committee of the Board of Directors.

CEASE TRADE ORDERS AND BANKRUPTCY

Except as described below, as at the date of this Information Circular, no proposed nominee for election as a director of Fort St. James is, or has been, within 10 years before the date of this Information Circular:

1. a director, chief executive officer or chief financial officer of any company (including Fort St. James and any personal holding company of the proposed director) that, while that person was acting in that capacity:

   (a) was subject to:

(i) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order); or

(ii) an order similar to a cease trade order; or

(iii) an order that denied the relevant company access to any exemption under securities legislation;

that was in effect for a period of more than 30 consecutive days (an "**Order**"); or

(b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

2. a director or executive officer of any company (including Fort St. James and any personal holding company of the proposed director) 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.

PENALTIES AND SANCTIONS

As at the date of this Information Circular, no proposed nominee for election as a director of Fort St. James has been subject to:

(a) 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 security's regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

PERSONAL BANKRUPTCY

No proposed nominee for election as a director of Fort St. James has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

D. APPOINTMENT OF THE AUDITOR

At the Meeting, shareholders will be asked to pass an ordinary resolution to appoint WDM Chartered Professional Accountants as auditor of Fort St. James to hold office until the next annual meeting of the shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board of Directors to fix the remuneration to be paid to the auditor. WDM Chartered Professional Accountants, of Suite 420, 1501 West Broadway, Vancouver, British Columbia, have served as Fort St. James' auditor since June 19, 2017.

Management recommends that shareholders vote in favour of the appointment of WDM Chartered Professional Accountants, as Fort St. James' auditor for the ensuing year and in favour of granting the Board of Directors the authority to determine the remuneration to be paid to the auditor.

E. APPROVAL OF STOCK OPTION PLAN

At the Meeting, Shareholders will be asked to approve the adoption of a new 10% rolling incentive stock option plan (the "**2024 Option Plan**"). The 2024 Option Plan was approved by the Board on May 1, 2024, has been conditionally accepted by the TSX Venture Exchange (the "**Exchange**"). The 2024 Option Plan shall become effective upon the receipt of approval of the Shareholders and the final acceptance of the Exchange (the "**Effective Date**") and will replace the Company's current Stock Option Plan (the "**Option Plan**"). There are NIL stock options (the "**Outstanding Options**") currently outstanding under the Option Plan; however, following the Effective Date, no additional grants shall be made pursuant to the Option Plan, and the Option Plan will terminate on the date upon which no Outstanding Options remain outstanding.

The purpose of the 2024 Option Plan is to, among other things: (i) provide the Company with a mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and its subsidiaries; (ii) reward directors, officers, employees and consultants that have been granted stock options (each, an "**Option**") under the 2024 Option Plan for their contributions toward the long-term goals and success of the Company; and (iii) enable and encourage such directors, officers, employees and consultants to acquire Shares of the Company as long-term investments and proprietary interests in the Company. The approval of the 2024 Option Plan by the Board is subject to approval by the Shareholders and to the final acceptance of the Exchange.

A summary of certain provisions of the 2024 Option Plan is set out below, and a full copy of the 2024 Option Plan is attached hereto as Schedule "B". This summary is qualified in its entirety to the full copy of the 2024 Option Plan.

SUMMARY OF THE 2024 OPTION PLAN

ELIGIBILITY

The 2024 Option Plan allows the Company to grant Options to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and its subsidiaries (collectively, the "**Option Plan Participants**").

NUMBER OF SHARES ISSUABLE

The aggregate number of Shares that may be issued to Option Plan Participants under the 2024 Option Plan will be that number of Shares equal to 10% of the issued and outstanding Shares on the particular date of grant of the Option.

LIMITS ON PARTICIPATION

The 2024 Option Plan provides for the following limits on grants, for so long as the Company is subject to the requirements of the Exchange, unless disinterested Shareholder approval is obtained or unless permitted otherwise pursuant to the policies of the Exchange:

(i) the maximum number of Shares that may be issued to any one Option Plan Participant (and where permitted pursuant to the policies of the Exchange, any company that is wholly owned by the Option Plan Participant) under the 2024 Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 5% of the issued Shares calculated on the date of grant;

(ii) the maximum number of Shares that may be issued to insiders collectively under the 2024 Option Plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 10% of the issued Shares calculated on the date of grant; and

(iii) (iii) the maximum number of Shares that may be issued to insiders collectively under the 2024 Option Plan, together with any other security-based compensation arrangements, may not exceed 10% of the issued Shares at any time.

For so long as such limitation is required by the Exchange, the maximum number of Options which may be granted within any twelve (12) month period to Option Plan Participants who perform investor relations activities must not exceed 2% of the issued and outstanding Shares, and such Options must vest in stages over twelve (12) months with no more than 25% vesting in any three (3) month period. In addition, the maximum number of Shares that may be granted to any one consultant under the 2024 Option Plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 2% of the issued Shares calculated on the date of grant.

ADMINISTRATION

The plan administrator of the 2024 Option Plan (the "**Option Plan Administrator**") will be the Board or a committee of the Board, if delegated. The Option Plan Administrator will, among other things, determine which directors, officers, employees or consultants are eligible to receive Options under the 2024 Option Plan; determine conditions under which Options may be granted, vested or exercised, including the expiry date, exercise price and vesting schedule of the Options; establish the form of option certificate ("**Option Certificate**"); interpret the 2024 Option Plan; and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the 2024

Option Plan.

Subject to any required regulatory or shareholder approvals, the Option Plan Administrator may also, from time to time, without notice to or without approval of the Shareholders or the Option Plan Participants, amend, modify, change, suspend or terminate the Options granted pursuant thereto as it, in its discretion, determines appropriate, provided that no such amendment, modification, change, suspension or termination of the 2024 Option Plan or any Option granted pursuant thereto may materially impair any rights of an Option Plan Participant or materially increase any obligations of an Option Plan Participant under the 2024 Option Plan without the consent of such Option Plan Participant, unless the Option Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements or as otherwise permitted pursuant to the 2024 Option Plan.

All of the Options are subject to the conditions, limitations, restrictions, vesting, exercise and forfeiture provisions determined by the Option Plan Administrator, in its sole discretion, subject to such limitations provided in the 2024 Option Plan and will be evidenced by an Option Certificate. In addition, subject to the limitations provided in the 2024 Option Plan and in accordance with applicable law, the Option Plan Administrator may accelerate the vesting of Options, cancel or modify outstanding Options and waive any condition imposed with respect to Options or Shares issued pursuant to Options.

EXERCISE OF OPTIONS

Options shall be exercisable as determined by the Option Plan Administrator at the time of grant, provided that no Option shall have a term exceeding ten (10) years so long as the Shares are listed on the Exchange.

Subject to all applicable regulatory rules, the vesting schedule for an Option, if any, shall be determined by the Option Plan Administrator. The Option Plan Administrator may elect, at any time, to accelerate the vesting schedule of an Option, and such acceleration will not be considered an amendment to such Option and will not require the consent of the Option Plan Participant in question. However, no acceleration to the vesting schedule of an Option granted to an Option Plan Participant performing investor relations services may be made without prior acceptance of the Exchange.

The exercise price of an Option shall be determined by the Option Plan Administrator and cannot be lower than the greater of: (i) the minimum price required by the Exchange; and (ii) the market value of the Shares on the applicable grant date.

An Option Plan Participant may exercise the Options in whole or in part through any one of the following forms of consideration, subject to applicable laws, prior to the expiry date of such Options, as determined by the Option Plan Administrator:

- the Option Plan Participant may send a wire transfer, certified cheque or bank draft payable to the Company in an amount equal to the aggregate exercise price of the Shares being purchased pursuant to the exercise of the Option;
- subject to approval from the Option Plan Administrator and the Shares being traded on the Exchange, a brokerage firm may be engaged to loan money to the Option Plan Participant in order for the Option Plan Participant to exercise the Options to acquire the Shares, subsequent to which the brokerage firm shall sell a sufficient number of Shares to cover the exercise price 10 of such Options to satisfy the loan. The brokerage firm shall receive an equivalent number of Shares from the exercise of the Options, and the Option Plan Participant shall receive the balance of the Shares or cash proceeds from the balance of such Shares; and
- subject to approval from the Option Plan Administrator and the Shares being traded on the Exchange, consideration may be paid by reducing the number of Shares otherwise issuable under the Options, in lieu of a cash payment to the Company, an Option Plan Participant, excluding those providing investor relations services, only receives the number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied by the difference between the volume-weighted average trading price of the Shares and the exercise price of the Options, by (ii) the volume-weighted average trading price of the Shares.

If an exercise date for an Option occurs during a trading black-out period imposed by the Company to restrict trades in its securities, then, notwithstanding any other provision of the 2024 Option Plan, the Option shall be exercised no more than ten business days after the trading black-out period is lifted by the Company, subject to certain exceptions.

Any Options granted to an Option Plan Participant under the 2024 Option Plan shall terminate at a date no later than twelve (12) months from the date such Option Plan Participant ceases to be an Option Plan Participant.

TERMINATION OF EMPLOYMENT OR SERVICES AND CHANGE IN CONTROL

The following describes the impact of certain events that may, unless otherwise determined by the Option Plan Administrator or as set forth in an Option Certificate, lead to the early expiry of Options granted under the 2024 Option Plan.

Termination by the Company for cause:	Forfeiture of all unvested Options. The Option Plan Administrator may determine that all vested Options shall be forfeited, failing which all vested Options shall be exercised in accordance with the 2024 Option Plan.
Voluntary resignation of an Option Plan Participant:	Forfeiture of all unvested Options. Exercise of vested Options in accordance with the 2024 Option Plan.
Termination by the Company other than for cause:	Acceleration of vesting of a portion of unvested Options in accordance with a prescribed formula as set out in the 2024 Option Plan. Forfeiture of the remaining unvested Options. Exercise of vested Options in accordance with the 2024 Option Plan.
Death or disability of an Option Plan Participant:	Acceleration of vesting of all unvested Options. Exercise of vested Options in accordance with the 2024 Option Plan.
Termination or voluntary resignation for good reason within twelve (12) months of change of control:	Acceleration of vesting of all unvested Options. Exercise of vested Options in accordance with the change in 2024 Option Plan.

F. APPROVAL OF FIXED EQUITY INCENTIVE PLAN

At the Meeting, Shareholders will be asked to approve a resolution approving the Company's equity incentive plan (the "**Equity Incentive Plan**"). The Equity Incentive Plan was approved by the Board on May 1, 2024, has been conditionally accepted by the Exchange. Currently, the sole security-based compensation plan of the Company is its existing stock option plan, pursuant to which the Board may grant stock options to directors, officers, employees of and consultants to the Company and its subsidiaries. The Board has determined that it is in the best interests of the Company to adopt a security-based compensation plan which would provide the Company with the ability and flexibility to make broader and different forms of equity rewards as part of its need to retain a competitive compensation structure for its directors, officers, employees and consultants. The purpose of the Equity Incentive Plan is to, among other things: (i) provide the Company with a mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and its subsidiaries; (ii) reward directors, officers, employees and consultants that have been granted Awards (as defined below) under the Equity Incentive Plan for their contributions toward the long-term goals and success of the Company; and (iii) enable and encourage such directors, officers, employees and consultants to acquire Shares of the Company as long-term investments and proprietary interests in the Company. The approval of the Equity Incentive Plan by the Board is subject to approval of the Shareholders and to the acceptance of the Exchange.

A summary of certain provisions of the Equity Incentive Plan is set out below, and a full copy of the Equity Incentive Plan is attached hereto as Schedule "C". This summary is qualified in its entirety to the full copy of the Equity Incentive Plan.

SUMMARY OF EQUITY INCENTIVE PLAN

ELIGIBILITY

The Equity Incentive Plan provides flexibility to the company to grant equity-based incentive awards in the form of restricted share units ("**RSUS**"), performance share units ("**PSUS**") and deferred share units ("**DSUS**") (collectively, the "**awards**") to attract, retain and motivate qualified directors, officers, employees and consultants of the company and its subsidiaries, excluding any persons who perform investor relations activities on behalf of the company or any of its subsidiaries (collectively, the "equity incentive plan participants").

NUMBER OF SHARES ISSUABLE

The aggregate number of common shares in the capital of the company (each, a "**share**") that may be issued to equity incentive plan participants under the equity incentive plan may not exceed 2,624,826, subject to adjustment as provided for in the equity incentive plan and approved by disinterested shareholders at a duly called meeting.

LIMITS ON PARTICIPATION

The Equity Incentive Plan provides for the following limits on grants, for so long as the company is subject to the requirements of the exchange, unless disinterested shareholder approval is obtained or unless permitted otherwise pursuant to the policies of the exchange:

(i) the maximum number of shares that may be issued to any one equity incentive plan participant (and where permitted pursuant to the policies of the exchange, any company that is wholly owned by the equity incentive plan participant) under the equity incentive plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 5% of the issued shares calculated on the date of grant;

(ii) the maximum number of shares that may be issued to insiders collectively under the equity incentive plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 10% of the issued shares calculated on the date of grant; and

(iii) the maximum number of shares that may be issued to insiders collectively under the equity incentive plan, together with any other security-based compensation arrangements, may not exceed 10% of the issued shares at any time.

For so long as such limitation is required by the Exchange, the maximum number of Shares that may be granted to any one consultant under the Equity Incentive Plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 2% of the issued Shares calculated on the date of grant.

ADMINISTRATION

The plan administrator of the Equity Incentive Plan (the "**Equity Incentive Plan Administrator**") will be the Board or a committee of the Board, if delegated. The Equity Incentive Plan Administrator will, among other things, determine which directors, officers, employees or consultants are eligible to receive Awards under the Equity Incentive Plan; determine any vesting provisions or other restrictions on Awards; determine conditions under which Awards may be granted, vested or settled, including establishing performance goals; establish the form of Award agreement ("**Award Agreement**"); interpret the Equity Incentive Plan; and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Equity Incentive Plan.

Subject to any required regulatory or shareholder approvals, the Equity Incentive Plan Administrator may also, from time to time, without notice to or without approval of the Shareholders or the Equity Incentive Plan Participants, amend, modify, change, suspend or terminate the Awards granted pursuant thereto as it, in its discretion, determines appropriate, provided that no such amendment, modification, change, suspension or termination of the Equity Incentive Plan or any Award granted pursuant thereto may materially impair any rights of an Equity Incentive Plan Participant or materially increase any obligations of an Equity Incentive Plan Participant under the Equity Incentive Plan without the consent of such Equity Incentive Plan Participant, unless the Equity Incentive Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements or as otherwise permitted pursuant to the Equity Incentive Plan.

All of the Awards are subject to the conditions, limitations, restrictions, vesting, settlement and forfeiture provisions determined by the Equity Incentive Plan Administrator, in its sole discretion, subject to such limitations provided in the Equity Incentive Plan and will be evidenced by an Award Agreement. In addition, subject to the limitations provided in the Equity Incentive Plan and in accordance with applicable law, the Equity Incentive Plan Administrator may accelerate the vesting or payment of Awards, cancel or modify outstanding Awards and waive any condition imposed with respect to Awards or Shares issued pursuant to Awards.

Subject to the terms and conditions of the Equity Incentive Plan, the Plan Administrator, may, in its discretion, credit outstanding Share Units and DSUs with dividend equivalents in the form of additional Share Units and DSUs, respectively,

as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Dividend equivalents credited to an Equity Incentive Plan Participant's accounts shall vest in proportion to the Share Units and DSUs to which they relate, and shall be settled in accordance with terms of the Plan. Where the issuance of Shares pursuant to the settlement of dividend equivalents will result in the Company having insufficient Shares available for issuance or would result in the Company breaching its limits on grants of Awards, as set out above, the Company shall settle such dividend equivalents in cash.

SETTLEMENT OF VESTED SHARE UNITS

The Equity Incentive Plan provides for the grant of restricted share units (each, a "**RSU**"). A RSU is a unit equivalent in value to a Share which entitles the holder to receive one Share, or cash, or a combination thereof for each vested RSU. RSUs shall, unless otherwise determined by the Equity Incentive Plan Administrator, and as specifically set out in the Award Agreement, vest, if at all, following a period of continuous employment of the Equity Incentive Plan Participant with the Company or a subsidiary of the Company.

The Equity Incentive Plan also provides for the grant of performance share units (each, a "**PSU**", together with **RSUs**, the "**Share Units**"), which entitles the holder to receive one Share, or cash, or a combination thereof, for each vested PSU. PSUs shall, unless otherwise determined by the Equity Incentive Plan Administrator, and as specifically set out in the Award Agreement, vest, if at all, subject to the attainment of certain performance goals and satisfaction of such other conditions to vesting, if any, as many be determined by the Equity Incentive Plan Administrator.

Except where an Equity Incentive Plan Participant dies or ceases to be an Equity Incentive Plan Participant due to a change in control of the Company, no Share Unit shall vest prior to the first anniversary of its date of grant. Upon settlement of the Share Units, which shall be within sixty (60) days of the date that the applicable vesting criteria are met, deemed to have been met or waived, and in any event no later than three years following the end of the year in respect of which the Share Units are granted, holders of the Share Units will receive any, or a combination of, the following (as determined solely at the discretion of the Equity Incentive Plan Administrator):

(i) one fully paid and non-assessable Share issued from treasury in respect of each vested Share Unit; or

(ii) a cash payment, which shall be determined by multiplying the number of Share Units redeemed for cash by the market value of a Share (calculated with reference to the five (5) day volume weighted average trading price, and subject to a minimum price as set out in the Equity Incentive Plan) (the "**Market Price**") on the date of settlement.

The Company reserves the right to change its allocation of Shares and/or cash payment in respect of a Share Unit settlement at any time up until payment is actually made. If a settlement date for a Share Unit occurs during a trading black-out period imposed by the Company to restrict trades in its securities, then, notwithstanding any other provision of the Equity Incentive Plan, the Share Unit shall be settled no more than ten (10) business days after the trading black-out period is lifted by the Company, subject to certain exceptions.

SETTLEMENT OF VESTED DSUS

The Equity Incentive Plan also provides for the grant of deferred share units (each, a "**DSU**"). A DSU is a unit equivalent in value to a Share which entitles the holder to receive one Share, or cash, or a combination thereof, for each vested DSU on a future date following the Equity Incentive Plan Participant's separation of services from the Company or its subsidiaries.

Except where an Equity Incentive Plan Participant dies or ceases to be an Equity Incentive Plan Participant due to a change in control of the Company and as set out below, no DSU shall vest prior to the first anniversary of its date of grant. Upon settlement of the DSUs, which shall be no earlier than the date of the Equity Incentive Plan Participant's termination of services to the Company or its subsidiaries and no later than one (1) year after such date, holders of DSUs will receive any or a combination of the following (as determined solely at the discretion of the Equity Incentive Plan Administrator):

(i) one (1) fully paid and non-assessable Share issued from treasury in respect of each vested DSU; or

(ii) (ii) a cash payment, determined by multiplying the number of DSUs redeemed for cash by the Market Price of a Share on the date of settlement.

In addition to grants made by the Equity Incentive Plan Administrator to all Equity Incentive Plan Participants, directors of the Company may elect, subject to acceptance by the Company, in whole or in part, of such election, to receive any portion of their director's fees to be payable in DSUs. The Company reserves the right to change its allocation of Shares and/or cash payment in respect of a DSU settlement at any time up until payment is actually made. If a settlement date for a DSU occurs during a trading black-out period imposed by the Company to restrict trades in its securities, then, notwithstanding any other provision of the Equity Incentive Plan, the DSU shall be settled no more than ten (10) business days after the trading black-out period is lifted by the Company, subject to certain exceptions.

TERMINATION OF EMPLOYMENT OR SERVICES AND CHANGE IN CONTROL

The following describes the impact of certain events that may, unless otherwise determined by the Equity Incentive Plan Administrator or as set forth in an Award Agreement, lead to the early expiry of Awards granted under the Equity Incentive Plan.

Termination by the Company for cause:	Forfeiture of all unvested Awards. The Plan Administrator may determine that all vested Awards shall be forfeited, failing which all vested Awards shall be settled in accordance with the Equity Incentive Plan.
Voluntary resignation of an Equity Incentive Plan Participant:	Forfeiture of all unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.
Termination by the Company other than for cause:	Acceleration of vesting of a portion of unvested Awards in accordance with a prescribed formula as set out in the Equity Incentive Plan. Forfeiture of the remaining unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.
Death or disability of an Equity Incentive Plan Participant:	Acceleration of vesting of all unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.
Termination or voluntary resignation for good reason within twelve (12) months of a change in control:	Acceleration of vesting of all unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.

Any Awards granted to an Equity Incentive Plan Participant under the Equity Incentive Plan shall terminate at a date no later than twelve (12) months from the date such Equity Incentive Plan Participant ceases to be an Equity Incentive Plan Participant.

In the event of a triggering event, which includes a change in control, dissolution or winding-up of the Company, a material alteration of the capital structure of the Company and a disposition of substantially all of the Company's assets, the Plan Administrator may, without the consent of the Equity Incentive Plan Participant, cause all or a portion of the Awards granted to terminate upon the occurrence of such event, subject to any necessary approvals.

AMENDMENT OR TERMINATION OF THE EQUITY INCENTIVE PLAN

Subject to the approval of the Exchange, where required, the Equity Plan Administrator may from time to time, without notice to or approval of the Equity Incentive Plan Participants or Shareholders, terminate the Equity Incentive Plan. Amendments made to the Equity Incentive Plan shall require regulatory and Shareholder approval, except for amendments to: (i) fix typographical errors; and (ii) clarify existing provisions of the Equity Incentive Plan and which do not have the effect of altering the scope, nature and intent of such provisions.

COMPANY EQUITY INCENTIVE PLAN RESOLUTION

At the Meeting, the Shareholders of the Company will be asked to consider and approve an ordinary resolution, in substantially the following form, in order to approve the Equity Incentive Plan, which resolution requires approval of greater than 50% of the votes cast by the disinterested Shareholders who, being entitled to do so, vote, in person or by proxy, on the ordinary resolution at the Meeting:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

a) subject to final acceptance of the TSXV, the Company's Equity Incentive Plan (the "**Equity Incentive Plan**"), substantially in the form attached as Schedule "C" to the management information circular of the Company dated August 23, 2024, is hereby approved;

b) the directors of the Company or any committee of the board of directors of the Company are hereby authorized to grant restricted share units ("**RSUs**"), performance share units ("**PSUs**") and deferred share units ("**DSUs**") pursuant to the Equity Incentive Plan to those eligible to receive RSUs, PSUs and DSUs thereunder;

c) any one (1) director or officer of the Company is hereby authorized to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in such director's opinion may be necessary to give effect to the matters contemplated by these resolutions; and

d) notwithstanding that this resolution be passed by the shareholders of the Company, the adoption of the proposed Equity Incentive Plan is conditional upon receipt of final approval of the TSXV, and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable to the directors."

RECOMMENDATION OF THE BOARD

The Board has determined that the Equity Incentive Plan is in the best interests of the Company and the Shareholders and unanimously recommends that the Shareholders vote in favour of approving the Equity Incentive Plan. **In the absence of any contrary directions, it is the intention of management to vote proxies in the accompanying form FOR the foregoing resolution.**

The Board reserves the right to amend any terms of the Equity Incentive Plan or not to proceed with the Equity Incentive Plan at any time prior to the Meeting if the Board determines that it would be in the best interests of the Company and the Shareholders and to do so in light of any subsequent event or development occurring after the date of the Information Circular.

6. OTHER BUSINESS

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

PART 4 – EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

The purpose of this Compensation Discussion and Analysis is to provide information about Fort St. James' executive compensation objectives and processes and to discuss compensation decisions relating to its named executive officers ("**Named Executive Officers**") listed in the Summary Compensation Table that follows. During our fiscal year ended April 30, 2023, the following individuals were Named Executive Officers (as determined by applicable securities legislation) of Fort St. James:

- Barry Brown, President and Chief Executive Officer (from March 9, 2016, to Present); and
- Nicolette Keith, Chief Financial Officer (from April 11, 2018, to Present).

Fort St. James is a junior mineral exploration company engaged in the acquisition, exploration, and evaluation of mineral properties. Fort St. James Nickel Corp. has signed an option agreement with Great Atlantic Resources Corp., a company listed on the TSX Venture Exchange, under which Fort St. James may acquire 100 per cent of Great Atlantic's Porcupine property located in New Brunswick. In May 2021, the Company announced it has entered into a letter of intent agreement

with a private company to acquire 100% interest in the Nepisiguit Base Metal – Precious Metal Property located within the Bathurst Mining Camp of northern New Brunswick. The term of the original letter of intent has been extended and will expire on December 30, 2024. Fort St. James is also conducting exploration on its Kilometre 26 Property in the Omineca Mining Division, British Columbia, and we continue to evaluate other mineral exploration property acquisition opportunities. Fort St. James has no significant revenues from operations, and we often operate with limited financial resources to ensure that funds are available to complete scheduled exploration programs. As a result, the Board of Directors has to consider not only the financial situation of Fort St. James at the time of determination of executive compensation, but also the estimated financial situation of Fort St. James in the mid- and long-term. An important element of executive compensation is that of stock options, which do not require cash disbursement by Fort St. James. Additional information about Fort St. James and its operations is available in its audited financial statements and Management's Discussion & Analysis for the years ended April 30, 2023, and April 30, 2022, copies of which have been electronically filed with regulators and are available for viewing through the Internet at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedarplus.ca.

Compensation Objectives and Principles

The primary goal of Fort St. James' executive compensation process is to attract and retain the key directors and executives necessary for Fort St. James' long term success, to encourage executives to further the development of Fort St. James and its operations, and to motivate qualified and experienced executives. The key elements of compensation awarded by Fort St. James are: (i) base salary; (ii) potential annual incentive awards; and (iii) incentive stock options. The directors are of the view that all such elements should be considered when determining compensation, rather than any single element.

Compensation Process

Fort St. James relies solely on its Board of Directors, through discussion without any formal objectives, criteria, or analysis, in determining the compensation of its executive officers. The Board of Directors is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to the Named Executive Officers of Fort St. James, and to its directors, and for reviewing the recommendations respecting compensation for any other officers of Fort St. James from time to time, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of Fort St. James' executive officers, the Board of Directors considers: (i) recruiting and retaining executives critical to the success of Fort St. James and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and Fort St. James' shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

Base Salary and/or Consulting Fees

As an exploratory stage mining company, Fort St. James does not anticipate generating revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Board of Directors to be appropriate in the evaluation of corporate or Named Executive Officer performance. The compensation of our executive officers is based, in substantial part, on industry compensation practices, trends in the mining industry, as well as achievement of Fort St. James' business plans and objectives.

Fort St. James provides the Named Executive Officers with base salaries and/or consulting fees, which represent their minimum compensation for services rendered during the fiscal year. Named Executive Officers' base salaries or consulting fees depend on the scope of their experience, responsibilities, leadership skills and performance. Base salaries and/or consulting fees are reviewed annually by the Board of Directors. In addition to the above factors, decisions regarding salary or consulting fee amounts are impacted by each Named Executive Officer's current salary or fee, general industry trends and practices competitiveness, and Fort St. James' existing financial resources.

Share-Based and Option-Based Awards

Options to purchase common shares of Fort St. James are intended to align the interests of Fort St. James' directors and executive officers with those of its shareholders, to provide a long-term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation Fort St. James would otherwise have to pay. Fort St. James' Stock Option Incentive Plan is administered by the Board of Directors. In establishing the number of the incentive stock options to be granted to the Named Executive Officers, the Board of Directors considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of options, and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in

determining the level of incentive stock option compensation. See "*Incentive Plan Awards – Outstanding Option-Based Awards*" below, "*Part 3 – The Business of the Meeting – Annual Approval of Stock Option Plan"*, as well as "*Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans*".

Benefits and Perquisites

Fort St. James does not, as of the date of this Information Circular, offer any benefits or perquisites to its Named Executive Officers other than entitlement to incentive stock options as otherwise disclosed and discussed herein.

Risks Associated with Compensation Practises

At the time of preparation of this Information Circular, the directors of Fort St. James had not considered the implications of any risks to Fort St. James associated with decisions regarding compensation of its executive officers.

Hedging by Named Executive Officers or Directors

Fort St. James has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Information Circular, entitlement to grants of incentive stock options under the Fort St. James Stock Option Incentive Plan is the only equity security element awarded by Fort St. James to its executive officers and directors (see Part 3 – The Business of the Meeting – Annual Approval of Stock Option Plan and Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans).

SUMMARY COMPENSATION TABLES

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or its subsidiary, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiary.

Table of Compensation excluding compensation securities							
Name and position	**Year Ended April 30**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of all perquisites ($)**	**Value of all other compensation ($)**	**Total Compensation ($)**
Barry Brown *President, CEO, Director*	2023 2022 2021	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
Nicollette Keith *CFO*	2023 2022 2021	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
Scott Kent *Director*	2023 2022 2021	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
Quinn Field-Dyte *Director*	2023 2022 2021	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL

Incentive Plan Awards - Outstanding Option-Based Awards

No option-based, share-based, or non-equity incentive plan compensation was granted to the Board of Directors or Named Executive Officers by Fort St. James during the financial year ended April 30, 2023. The following table sets out option-based awards held to the Named Executive Officers that were outstanding at the fiscal year ended April 30, 2023.

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**
Barry Brown *President, CEO, Director*	Stock Options	100,000 50,000	Oct 5, 2016 Apr 5, 2018	0.15 0.50	0.395 0.14	0.15	Oct 5, 2021 Apr 5, 2023
Nicollette Keith *CFO*	Stock Options	50,000	Oct 5, 2016 Apr 5, 2018	0.15 0.50	0.14	0.15	Apr 5, 2023
Scott Kent *Director*	Stock Options	100,000 50,000	Oct 5, 2016 Apr 5, 2018	0.15 0.50	0.395 0.14	0.15	Oct 5, 2021 Apr 5, 2023
Quinn Field-Dyte *Director*	Stock Options	50,000	Oct 5, 2016 Apr 5, 2018	0.15 0.50	0.14	0.15	Apr 5, 2023

(1) The value of unexercised "in-the-money options" at the financial year-end is the difference between the market value of the underlying common shares on the TSX Venture Exchange on April 30, 2023, and the option exercise price. The closing price of the common shares on the year ended April 30, 2023, was $0.15

TERMINATION AND CHANGE OF CONTROL BENEFITS

Other than as disclosed below, Fort St. James is not a party to any contract, agreement, plan, or arrangement with its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary, or constructive), resignation or retirement, or as a result of a change in control of Fort St. James or a change in a Named Executive Officer's responsibility.

DIRECTOR COMPENSATION

Fort St. James does not pay its directors a fee for acting as such. They are, however, entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors. Fort St. James may, from time to time, grant options to purchase common shares to the directors.

The following disclosure of director compensation for the most recently completed financial year ended April 30, 2023, excludes compensation of Barry Brown whose compensation in his capacity as President and Chief Executive Officer of Fort St. James is disclosed above at Part 4 – Executive Compensation – Summary Compensation Table.

Incentive Plan Awards - Outstanding Option-Based Awards

No incentive stock options were granted to the directors of Fort St. James, by Fort St. James during the fiscal year ended April 30, 2023. The following table sets out option-based awards granted to the directors that were outstanding at the fiscal year ended April 30, 2023. The following disclosure of director compensation for Fort St. James' most recently completed financial year ended April 30, 2023, excludes options granted to Barry Brown whose compensation in his capacity as President and Chief Executive Officer of Fort St. James is disclosed above at Part 4 – Executive Compensation – Summary Compensation Table

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has an incentive stock option plan under which stock options are granted. Stock options have been determined by the Company's directors and are only granted in compliance with applicable laws and regulatory policy. The policies of the TSX Venture Exchange limit the granting of stock options to employees, officers, directors, and consultants of the Company and provide limits on the length of term, number, and exercise price of such options. The TSX Venture Exchange also requires annual approval of rolling stock option plans by shareholders.

The following table sets out equity compensation plan information as at the end of the financial year ended April 30, 2023.

Plan category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (Excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by shareholders	NIL	N/A	2,424,826
Equity compensation plans not approved by shareholders	NIL	NIL	NIL
Total	**NIL**	**-**	**2,424,826**

(1) This figure is based on the total number of shares authorized for issuance under the Company's Stock Option Plan, less the number of stock options outstanding as at the Company's year ended April 30, 2023.

PART 6 – AUDIT COMMITTEE

AUDIT COMMITTEE CHARTER

The Charter of the Audit Committee of Fort St. James' Board of Directors is attached as Schedule "A" to this Information Circular.

AUDIT COMMITTEE MEMBERS

The Audit Committee is currently comprised of Barry Brown, Scott Kent, and Quinn Field-Dyte. Scott Kent and Quinn Field-Dyte are considered to be "independent" applying the guidelines included in and as required by securities legislation for determining independence. See *Part 7 – Corporate Governance – Composition of the Board of Directors* for an analysis of the determination of the independence of the directors of Fort St. James.

All three of the Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Fort St. James' financial statements.

RELEVANT EDUCATION AND EXPERIENCE

All of the Audit Committee members are businessmen with experience in financial matters; each understands accounting principles used to prepare financial statements and experience as to general application of such accounting principles,

as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor.

The following biographies set out the education and experience of the members of the Audit Committee:

Scott Kent

Mr. Kent obtained his firefighter's ticket from Justice Institute of British Columbia in 2002. He also attended the University of British Columbia and Langara College, where his studies related to education. Mr. Kent is currently a firefighter with the Surrey Fire Department, prior to which he was a regional sales representative with Barcode Systems Inc. He currently sits on the board of multiple publicly traded companies.

Barry Brown

Mr. Brown has been President of Barry Developments Ltd., a wholly owned private company involved in the organization, reorganization, and management of private and public companies. He has over 36 years of experience as a director and/or officer of a number of public companies. He received a Bachelor of Commerce degree in finance from the University of British Columbia in 1976. In addition to serving as a director of Fort St. James, Mr. Brown is currently a director of other publicly traded natural resource issuers including Newnote Financial Corp., Goldbank Mining Corporation, and GGX Gold Corp.

Quinn Field-Dyte

Mr. Field-Dyte was an Investment Advisor, he has over 8 years' experience in the financial services industry, having served from 1996 to 2004. He was a consultant to Raytec Development Corp. from 2004 to 2010 and was involved in the interactive entertainment industry working at Electronic Arts Inc. (EA Games) and co-founding Embassy Interactive Games before returning to the financial industry in 2010. Currently, he sits on the board of multiple publicly traded companies.

PRE-APPROVED POLICIES AND PROCEDURES FOR NON-AUDIT SERVICES

Fort St. James' Audit Committee Charter provides that management seek approval from the Audit Committee for all non-audit services to be provided to Fort St. James, or any of its subsidiaries, by Fort St. James' external auditor, prior to engaging the external auditor to perform those non-audit services.

AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of our most recently completed financial year, was a recommendation of the Audit Committee to nominate or compensate our external auditor not adopted by our Board of Directors.

EXTERNAL AUDITOR SERVICE FEES

Aggregate audit fees invoiced by WDM Chartered Professional Accountants, Fort St. James' external auditor, relating to the audit of Fort St. James' financial statements for its two most recently completed fiscal years ended April 30, 2022, and April 30, 2023, were as follows.

	Fees Paid to Auditor in Year Ended	
	April 30, 2022	April 30, 2023
Audit Fees	17,000	18,000
Tax Fees	NIL	NIL
All Other Fees	NIL	NIL

RELIANCE ON EXEMPTIONS

As Fort St. James is a "Venture Issuer" pursuant to relevant securities legislation, Fort St. James is relying on the exemption in Section 6.1 of National Instrument 52-110 - Audit Committees ("**NI 52-110**") from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Fort St. James has not, since the commencement of its most recently completed financial year, relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-Audit Services) or on an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

PART 7 – CORPORATE GOVERNANCE

COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors of Fort St. James facilitates its exercise of independent supervision over management by ensuring there are directors on the Board who are independent of management. In determining whether a director is independent, the Board considers whether the director has a relationship which could, or could be, perceived to interfere with the director's ability to objectively assess the performance of management. The Board, at present, is comprised of three directors, two of whom, Quinn Field-Dyte and Scott Kent, are considered to be independent of management applying the guidelines included in and required by securities legislation for determining independence. Barry Brown is not considered to be independent by reason of his office as President and Chief Executive Officer (see *Part 4 – Executive Compensation*).

The directors believe that, at this stage of Fort St. James' development, the current composition of the Board of Directors adequately facilitates its exercise of independent supervision over management. The Board anticipates that, as Fort St. James matures as a business enterprise, with projects advancing to the development stage, it will identify additional qualified candidates as directors, who have experience relevant to Fort St. James' needs, who are independent of management and who are considered to be independent under applicable corporate governance legislation and guidelines.

DIRECTORSHIPS IN OTHER PUBLIC COMPANIES

The following directors of the Company and each of the individuals to be nominated for election as a director of the Company at the Meeting serve as directors of other reporting issuers, as of the date of this Information Circular:

Name Director	Name of Other Reporting Issuer	Name of Exchange or Market(1)
Barry Brown	GGX Gold Corp.	TSXV
	Goldbank Mining Corporation	TSXV
	New Destiny Mining Corp.	TSXV
Scott Kent	Alliance Mining Corp.	TSXV
	GGX Gold Corp.	TSXV
	Ximen Mining Corp.	TSXV
Quinn Field-Dyte	GGX Gold Corp.	TSXV
	Endocan Solutions Inc.	CSE
	Goldseek Resources Inc.	CSE
	Quantum Cobalt Corp.	CSE
	Walker River Resources Corp.	TSXV

(1) TSXV – Toronto Stock Exchange Venture
CSE – Canadian Securities Exchange

ORIENTATION AND EDUCATION OF DIRECTORS

Fort St. James has not yet developed an official orientation or training program for new directors. New directors will be provided, through discussions and meetings with other directors, officers, and employees, with a thorough overview of Fort St. James' business. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Our management endeavours to provide a continuous flow of information to the directors for continuing education purposes relating to Fort St. James' business and operations, as well as information and other initiatives intended to keep the Board abreast of new developments and challenges that Fort St. James may face.

ETHICAL BUSINESS CONDUCT

Fort St. James' Board of Directors has not yet adopted a written code of business conduct and ethics. The Board's mandate includes satisfying itself as to the integrity of Fort St. James' executive officers and, in all dealings, endeavours to reflect a culture of integrity and ethical business conduct. As its corporate governance practices evolve, it is the Board's intention to adopt a code of business conduct and ethics which will address issues such as conflicts of interest; protection and proper use of corporate assets and opportunities; confidentiality of corporate information; fair dealing with shareholders, partners, suppliers, competitors and employees; compliance with laws, rules and regulations and reporting of any illegal or unethical behaviour; as well as monitoring compliance with such a code. In the meantime, the Board strives to promote integrity and at all times encourages directors to exercise independent judgment in considering transactions or agreements in respect of which a director or officer has a material interest, and all such transactions or agreements must be approved by the Board of Directors.

NOMINATION AND ELECTION OF DIRECTORS

Fort St. James has not yet appointed a nominating committee. The Board of Directors, as a whole, is responsible for considering the Board's size and the number of directors to recommend to Fort St. James' shareholders for election at annual meetings, considering the number of directors required to carry out the Board's duties effectively and to maintain representation by independent directors and a diversity of view and experience.

We have not yet considered adopting an advance notice policy requiring that a shareholder proposing to nominate a person for election as a director at a meeting of shareholders must provide Fort St. James with advance notice of, and prescribed details concerning, the proposed nominee.

Voting for election of directors of Fort St. James is by individual voting and not by slate voting. Fort St. James has not, as yet, adopted a majority voting policy for election of directors at uncontested shareholder meetings at which directors are to be elected.

COMPENSATION

The Board of Directors is responsible for determining all forms of compensation to be granted to the Chief Executive Officer and Chief Financial Officer of Fort St. James, as well as to its directors, and for reviewing the Chief Executive Officer's recommendations respecting compensation of the other officers of Fort St. James, to ensure such arrangements reflect the responsibilities and risks associated with each position. See *Part 4 – Executive Compensation – Compensation Discussion and Analysis*.

BOARD COMMITTEES

The Board of Directors of Fort St. James has, to date, established only one committee, the Audit Committee. See *Part 6 – Audit Committee*.

ASSESSMENTS

The Board does not yet formally review the contributions of individual directors. The directors believe that the Board's current size facilitates informal discussion and evaluation of members' contributions within that framework.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the most recently completed financial year ended April 30, 2023, and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of Fort St. James, nor any nominee for election as a director of the Fort St. James, nor any associate of any such person, was indebted to Fort St. James or any of its subsidiaries, nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Fort St. James or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Information Circular, no proposed nominee for election as a director, and no director or officer of Fort St. James or any of its subsidiaries who has served in such capacity since the beginning of the last completed financial year of Fort St. James, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of Fort St. James' outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had any interest in any transaction with Fort St. James since the beginning of the last completed financial year, or in any proposed transaction, that has materially affected Fort St. James or any of its subsidiaries, or is likely to do so.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING

Except as disclosed in this Information Circular, none of the directors or executive officers of Fort St. James, no proposed nominee for election as a director of Fort St. James, none of the persons who have been directors or executive officers of Fort St. James since the commencement of Fort St. James' last completed financial year, none of the other insiders of Fort St. James and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of the directors and the annual approval of the Stock Option Incentive Plan, as amended and restated and the new Fixed Restricted Share Unit Plan. See Part 3 – The Business of the Meeting.

MANAGEMENT CONTRACTS

The management functions of Fort St. James are performed by our directors and executive officers, and we have no management agreements or arrangements under which such management functions are performed by persons other than the directors and officers of Fort St. James. *See Part 4 – Executive Compensation.*

MATTERS TO BE RAISED AT NEXT ANNUAL MEETING

Any shareholder who wishes to submit a notice to Fort St. James of any matter that the shareholder proposes to raise at Fort St. James' next annual shareholder meeting to be held during calendar 2024, and have the proposal included in Fort St. James' proxy materials for that meeting, must send notice of the proposal as required by and in compliance with section 137 of the *Canada Business Corporations Act* to Fort St. James no later than August 26, 2024. Any such proposal should be sent to Fort St. James at its registered office at 888 Dunsmuir Street, Suite 888, Vancouver, British Columbia, V6C 3K4. Fort St. James is not obligated to include any shareholder proposal in its proxy materials for the annual shareholder meeting to be held during calendar 2024 if the proposal is received after the August 26, 2024, deadline.

OTHER MATTERS

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

ADDITIONAL INFORMATION

You may obtain additional financial information about Fort St. James in our audited consolidated financial statements and Management's Discussion and Analysis for the year ended April 30, 2023, copies of which are included with this Information Circular. Additional copies may be obtained without charge upon request to us at 888 Dunsmuir Street, Suite 888, Vancouver, British Columbia V6C 3K4 - telephone (604) 488-3900; fax (604) 488-3910. You may also access our disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR+) at www.sedarplus.ca.

APPROVAL OF DIRECTORS

The Board of Directors of Fort St. James Nickel Corp. has approved the contents of this Information Circular and its distribution to each shareholder entitled to receive notice of the meeting to which this Information Circular relates.

Dated at Vancouver, British Columbia, the 27th day of August, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ "*Barry Brown"*

Barry Brown
President and Chief Executive Officer

SCHEDULE "A"
to the Information Circular of Fort St. James Nickel Corp.

Charter of the Audit Committee

FORT ST. JAMES NICKEL CORP.

CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

1.5 Purpose

1.1. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's role is to:

(a) support the Board of Directors in meeting its responsibilities to shareholders;

(b) enhance the independence of the external auditor;

(c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;

(d) increase the credibility and objectivity of the Corporation's financial reports and public disclosure.

1.2. The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee's responsibilities as described herein.

1.3. The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

2. Membership

2.1. Each member of the Audit Committee must be a director of the Corporation.

2.2. The Audit Committee will consist of at least three members, the majority of whom are neither officers nor employees of the Corporation or any of its affiliates and are considered "independent" as that term is defined in Multilateral Instrument 52-110.

2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. Authority

3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter; the Audit Committee has specific authority to:

(a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities;

(b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and

(c) approve interim financial statements and interim MD&A on behalf of the Board of Directors.

4. Duties and Responsibilities

4.1. The duties and responsibilities of the Audit Committee include:

(a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;

(b) recommending to the Board of Directors the compensation of the external auditor;

(c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;

(d) overseeing the work of the external auditor;

(e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and will enquire if there are any sanctions imposed by the CPAB on the external auditor;

(f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Corporation's audits;

(g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;

(h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of
Directors;

(i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;

(j) reviewing financial statements, MD&A, and annual and interim earnings press releases prior to public disclosure of this information;

(k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Corporation, prior to its dissemination to the public;

(l) overseeing the adequacy of the Corporation's system of internal accounting controls and internal audit process obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;

(m) ensuring the integrity of disclosure controls and internal controls over financial reporting;

(n) resolving disputes between management and the external auditor regarding financial reporting;

(o) establishing procedures for:

(i) the receipt, retention and treatment of complaints received by the Corporation from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and

(ii) the confidential, anonymous submission by employees of the Corporation or concerns regarding questionable accounting or auditing matters.

(p) reviewing and approving the Corporation's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

(q) pre-approving all non-audit services to be provided to the Corporation or any subsidiaries by the Corporation's external auditor;

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

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

5. Meetings

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

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

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

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

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

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

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

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

6. Reports

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

7. Minutes

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

SCHEDULE “B”
2024 STOCK OPTION PLAN

FORT ST JAMES NICKEL

2024 STOCK OPTION PLAN

Effective Date: September __, 2024

Approved by the Board of Directors
on May 1, 2024

Approved by the
Shareholders on [●], 2024.

TABLE OF CONTENTS

STOCK OPTION PLAN 4
ARTICLE 1 PURPOSE 4
1.1 Purpose 4
ARTICLE 2 INTERPRETATION 4
2.1 Definitions 4
2.2 Interpretation 10
ARTICLE 3 ADMINISTRATION 11
3.1 Administration 11
3.2 Delegation to Committee 12
3.3 Determinations Binding 13
3.4 Eligibility 13
3.5 Board Requirements 13
3.6 Liability Limitation and Indemnification 13
3.7 Total Shares Subject to Options 14
3.8 Limits on Options 14
3.9 Option Certificates 15
3.10 Non-transferability of Options 15
3.11 Resale Restrictions 15
ARTICLE 4 OPTIONS 15
4.1 Granting of Options 15
4.2 Options Account 16
4.3 Exercise Period of Options 16
4.4 Number of Shares under an Option 16
4.5 Exercise Price of an Option 16
4.6 Vesting of Options and Acceleration 17
4.7 Additional Terms 17
4.8 Exercise of Options 17
4.9 Issue of Share Certificates or Direct Registration Statements 18
4.10 Termination of Options 18
ARTICLE 5 ADDITIONAL OPTION TERMS 18
5.1 Black-Out Period 18
5.2 Withholding Taxes 18
5.3 Recoupment 19
5.4 No Other Benefit 19

ARTICLE 6 TERMINATION OF EMPLOYMENT OR SERVICES 19
6.1 Termination of Participant 19
6.2 Leave of Absence 21
6.3 Death or Disability 21
6.4 Discretion to Permit Acceleration 21
ARTICLE 7 EVENTS AFFECTING THE CORPORATION 21
7.1 Change in Control 21
7.2 Triggering Events 22
7.3 Reorganization of Corporation's Capital 22
7.4 Assumptions of Options in Acquisitions 23
7.5 No Restriction on Action 23
7.6 Issue by Corporation of Additional Shares 23
7.7 Fractions 23
ARTICLE 8 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN 24
8.1 Discretion of the Plan Administrator 24
8.2 Amendment of Option or Plan 24
ARTICLE 9 MISCELLANEOUS 24
9.1 Legal Requirement 24
9.2 Rights of Participant 24
9.3 Conflict 25
9.4 Anti-Hedging Policy 25
9.5 No Guarantee of Tax Consequences 25
9.6 Participant Information 25
9.7 Participation in the Plan 25
9.8 Successors and Assigns 25
9.9 Severability 25
9.10 Notices 26
9.11 Effective Date and Replacement 26
9.12 Governing Law 26
9.13 Submission to Jurisdiction 26

STOCK OPTION PLAN

ARTICLE 1
PURPOSE

1.1 Purpose

The purpose of the Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants of the Corporation and its Subsidiaries, to reward such of those Executives, Employees and Consultants as may be granted Options under the Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Executives, Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation.

ARTICLE 2
INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings:

"**Applicable Laws**" means the applicable laws and regulations and the requirements or policies of any governmental, regulatory authority, securities commission and stock exchange having authority over the Corporation or the Plan;

"**Black-Out**" means a restriction formally imposed by the Corporation, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options;

"**Board**" means the board of directors of the Corporation;

"**Business Day**" means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

"**Cashless Exercise**" has the meaning set forth in Section 4.8(b);

"**Cause**" means:

(a) unless the applicable Option Certificate states otherwise, with respect to any Employee, Officer or Consultant:

(i) if such Employee, Officer or Consultant is a party to an employment or service agreement with the Corporation or any of its Subsidiaries and such agreement provides for a definition of Cause, the definition contained therein; or

(ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Corporation to terminate the employment or service agreement of such Employee, Officer or Consultant, without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law: (A) the failure of the Employee, Officer or Consultant to carry out its duties properly or to comply with the rules, policies and practices of the Corporation or any of its Subsidiaries, as applicable; (B) a material

breach of any agreement with the Corporation or any of its Subsidiaries, as applicable, or a material violation of any written policy of the Corporation or any of its Subsidiaries, as applicable; (C) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (D) a material fiduciary breach with respect to the Corporation or any of its Subsidiaries, as applicable; (E) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Corporation or any of its Subsidiaries; or (F) gross negligence or willful misconduct with respect to the Corporation or any of its Subsidiaries; and

(b) with respect to any Director, a determination by a majority of the disinterested Board members that the Director has engaged in any of the following:

(i) gross misconduct or neglect;

(ii) willful conversion of corporate funds;

(iii) false or fraudulent misrepresentation inducing the Director's appointment; or

(iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance;

"**Change of Business**" has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

"**Change in Control**" means, unless otherwise defined in the Participant's employment or service agreement or in the applicable Option Certificate, the occurrence of any one or more of the following events:

(a) a change in the composition of the Board which results in the majority of the directors of the Corporation not being individuals nominated by the Corporation's then incumbent directors; or

(b) a merger, amalgamation, arrangement or reorganization of the Corporation with one or more corporations as a result of which, immediately following such event, the shareholders of the Corporation as a group, as they were immediately prior to such event, hold less than a majority of the outstanding Voting Shares of the surviving corporation;

"**Committee**" has the meaning set forth in Section 3.2;

"**Company**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"**Consultant**" means:

(a) a Person (other than an Executive or Employee) that:

(i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its Subsidiaries, other than services provided in relation to a distribution of securities (as defined under Applicable Laws);

(ii) provides the services under a written contract between the Corporation or any of its Subsidiaries and the individual or the Company, as the case may be; and

(iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its Subsidiaries, or

(b) an individual (other than a Director, Officer or Employee) employed by a Company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation;

"**Corporate Policies"** means any of the policies of the Corporation;

"**Corporation"** means FORT ST JAMES NICKEL CORP.

"**Date of Grant**" means, for any Option, the date specified by the Plan Administrator at the time it grants the Option (which, for greater certainty, shall be no earlier than the date on which the Board meets or otherwise acts for the purpose of granting such Option) or if no such date is specified, the date upon which the Option was granted;

"**Director**" means a director (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;

"**Disabled**" or "**Disability**" means a physical injury or mental incapacity of a nature which the Plan Administrator determines prevents or would prevent the Participant from satisfactorily performing the substantial and material duties of his or her position with the Corporation or any of its Subsidiaries;

"**Disinterested Shareholder Approval**" means approval by a majority of the votes cast votes cast by Shareholders of the Issuer at the Shareholders' meeting excluding those votes attaching to Voting Shares of the Issuer beneficially owned by: (i) Insiders to whom Security Based Compensation may be granted under the Security Based Compensation Plan; and (ii) Associates and Affiliates of Persons referred to in section 5.3(b)(i) of Policy 4.4 *Security Based Compensation*;

"**Effective Date**" means the date the Plan becomes effective, which shall be upon receipt of all shareholder and Regulatory Approvals;

"**Employee**" means an individual who:

(a) is considered an employee of the Corporation or any of its Subsidiaries under the Tax Act and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;

(b) works full-time for the Corporation or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or of a Subsidiary of the Corporation, as the case may be, but for whom income tax deductions are not made at source; or

(c) works for the Corporation or any of its Subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or any of its Subsidiaries;

"**Exercise Notice**" means the written notice of the exercise of an Option, in the form set out in the Option Certificate (or in such other form as may be approved by the Plan Administrator), duly executed by the Participant;

"**Exercise Period**" means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained;

"**Exercise Price**" means the price at which an Option is exercisable as determined in accordance with Section 4.5;

"**Expiry Date**" means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with Sections 4.10, 5.1, 7.2, or Article 6;

"**Expiry Time**" means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date;

"**Exchange**" means the TSXV and any other exchange on which the Shares are or may be listed from time to time;

"**Executive**" means an individual who is a Director or Officer;

"**Good Reason**" means any one or more of the following events occurring following a Change in Control and without the Participant's written consent:

(a) the Participant is placed in a position of lesser stature than its current position and, is assigned duties that would result in a material change in the nature or scope of powers, authority, functions or duties inherent in such a position immediately prior to the Change in Control;

(b) a material decrease in the Participant's base salary or a material decrease in the Participant's short-term incentive grants, long-term incentive grants, benefits, vacation or other compensation;

(c) a requirement that the Participant relocate to a location greater than 40 kilometers from the Participant's primary work location immediately prior to the Change in Control; or

(d) any action or event that would constitute constructive dismissal of the Participant at common law;

"**Insider**" means:

(a) a Director or senior officer of the Corporation;

(b) a Director or senior officer of a Company that is an Insider or a Subsidiary of the Corporation;

(c) a Person that has
   (i) beneficial ownership of, or control or direction over, directly or indirectly, or
   (ii) a combination of beneficial ownership of, and control or direction over, directly or indirectly, securities of the Issuer carrying more than 10% of the voting rights attached to all the Issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the Person as underwriter in the course of a distribution;

(d) the Corporation itself if it holds any of its own securities;

"**Investor Relations Service Providers**" has the meaning attributed thereto in Policy 4.4 – *Security Based Compensation*, as amended from time to time, of the TSXV Manual. Includes any consultant that preforms incest relation activities and any Director Officer Employee or management Company employee whose role and duties primarily consist of Invest Relations Activities. Investor Relation Service Providers may only be granted Stock Options and no other forms of Security Based Compensation (including any RSU's) as may be available through the issuer;

"**Market Price**" means the market value of the Shares as determined in accordance with Section 4.5;

"**Net Settlement**" has the meaning set out in Section 4.8(c);

"**Officer**" means an officer (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;

"**Option**" means an incentive share purchase option granted pursuant to the Plan entitling a Participant to purchase Shares of the Corporation;

"**Option Certificate**" means a certificate issued by the Corporation in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Option has been granted under the Plan and which need not be identical to any other such certificates;

"**Outstanding Options**" has the meaning ascribed to it in Section 3.7;

"**Participant**" means an Executive, Employee or Consultant to whom an Option has been granted under the Plan, Those providing Investor Relation services are eligible under this plan;

"**Person**" includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

"**Personal Representative**" means: (i) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of a Participant who, for any reason, is unable to manage his or her affairs, the Person entitled by law to act on behalf of such Participant;

"**Plan**" means this Option Plan, as may be amended from time to time;

"**Plan Administrator**" means the Board, or if the administration of the Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

"**Prior Plan**" means the Corporation's prior stock option plan;

"**Regulatory Approvals**" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of the Plan or for the Options granted from time to time hereunder;

"**Regulatory Authorities**" means all Exchanges and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation, the Plan or the Options granted from time to time hereunder;

"**Reorganization**" has the meaning attributed thereto in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*, as amended from time to time, of the TSXV Manual;

"**Reverse Takeover**" has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

"**RRIF**" means a registered retirement income fund as defined in the Tax Act; "**RRSP**" means a registered retirement savings plan as defined in the Tax Act;

"**Securities Act**" means the *Securities Act* (British Columbia, RSBC 1996, c. 418 as from time to time amended;

"**Securities Laws**" has the meaning attributed thereto in Policy 1.1 – *Interpretation*, as amended from time to time, of the TSXV Manual;

"**Security Based Compensation Arrangement**" for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Corporation provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Corporation's treasury to Executives, Employees or Consultants, but for greater certainty does not involve compensation arrangements which do not involve the issuance or potential issuance of securities from the Corporation's treasury or arrangements under which compensation arrangements are settled solely in cash and/or securities purchased on the secondary market;

"**Share**" means one (1) common share in the capital of the Corporation as constituted on the Effective Date or after an adjustment contemplated by Article 7, such other shares or securities to which the holder of an Option may be entitled as a result of such adjustment;

"**Shareholder Approval**" means approval by the Corporation's shareholders in accordance with the polices of the Exchange;

"**Subsidiary**" has the meaning attributed thereto in the Securities Act;

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

"**Termination Date**" means (i) the date designated by the Participant and the Corporation or a Subsidiary of the Corporation in a written employment agreement, or other written agreement between the Participant and Corporation or a Subsidiary of the Corporation, or (ii) if no written agreement exists, the date designated by the Corporation or a Subsidiary of the Corporation, as the case may be, on which a Participant ceases to be an employee of the Corporation or a Subsidiary of the Corporation or ceases to provide services to the Corporation or a Subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment or termination of services by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and "Termination Date" specifically does not mean the date of termination of any period of reasonable notice that the Corporation or a Subsidiary of the Corporation, as applicable, may be required by law to provide to the Participant;

"**Triggering Event**" means:

(a) the proposed dissolution, liquidation or wind-up of the Corporation;

(b) a proposed Change in Control;

(c) the proposed sale or other disposition of all or substantially all of the assets of the Corporation; or

(d) a proposed material alteration of the capital structure of the Corporation which, in the opinion of the Plan Administrator, is of such a nature that it is not practical or feasible to make adjustments to the Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect;

"**TSXV**" means the TSX Venture Exchange;

"**TSXV Manual**" means the TSXV Corporate Finance Manual;

"**Vested**" means a portion of the Option granted to the Participant which is available to be exercised by such Participant at any time and from time to time;

"**Voting Share"** means a security of a Company that:

(a) is not a debt security; and

(b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing; and

"**VWAP**" means the volume-weighted average trading price of the Shares on the TSXV calculated by dividing the total value by the total volume of the Shares traded for the five trading days immediately preceding the exercise of the subject Option, provided that the TSXV may exclude internal crosses and certain other special terms trades from the calculation.

2.2 **Interpretation**

(a) Whenever the Plan Administrator exercises discretion in the administration of the Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.

(b) As used herein, the terms "Article", "Section" and "clause" mean and refer to the specified Article, Section and clause of the Plan, respectively.

(c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

(d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.

(e) Unless otherwise specified, all references to money amounts are to Canadian currency.

(f) The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 3
ADMINISTRATION

3.1 **Administration**

Subject to and consistent with the terms of the Plan, Applicable Laws and the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Plan will be administered by the Plan Administrator, and the Plan Administrator has sole and complete authority, in its discretion, without limitation, to:

(a) determine the Persons who are eligible to be Participants in accordance with Section 3.4;

(b) make grants of Options under the Plan relating to the issuance of Shares in such amounts, to such Participants and, subject to the provisions of the Plan, on such terms and conditions as it determines including without limitation:

(i) the time or times at which Options may be granted, including the applicable Date of Grant

(ii) the conditions under which an Option or any portion thereof may be granted to a Participant including, without limitation, the Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option):

(iii) the consequences of a termination with respect to an Option;

(iv) the number of Shares subject to each Option;

(v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Option, and the nature of such restrictions or limitations, if any; and

(vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Option, based on such factors as the Plan Administrator may determine;

(c) establish the form or forms of the Option Certificate and Exercise Notice;

(d) amend the terms of any Option, subject to and in accordance with the terms and conditions of the Plan;

(e) cancel, amend, adjust or otherwise change any Option under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Plan, including but not limited to:

(i) allowing non-Vested Options to be treated as Vested upon termination of employment or service of a Participant, as to any or all of termination, death or Disability;

(ii) providing that the Options with respect to certain classes, types or groups of Participants will have different acceleration, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants;

(iii) providing for the continuation of any Option for such period which is not longer than 12 months from the Termination Date or 12 months from the date of death or Disability of the Participant, and upon such terms and conditions as are determined by the Plan Administrator in the event that a Participant ceases to be an Executive, Employee or Consultant, as the case may be;

(iv) providing that Vested Options may be exercised for periods longer or different from those set forth in the Plan, subject to the applicable rules of the Exchange; and

(v) setting any other terms for the exercise or termination of an Option upon termination of employment or service;

(f) construe and interpret the Plan and all Option Certificates;

(g) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Price of the Shares;

(h) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;

(i) determine whether, to what extent, and under what circumstances an Option may be exercised in cash, through a cashless exercise or through net settlement pursuant to Section 4.8;

(j) determine the duration and purposes of leaves of absence from employment or engagement by the Corporation which may be granted to Participants without constituting a termination of employment or engagement for purposes of the Plan;

(k) authorize Persons to execute such documents and instruments as may be necessary to carry out the purposes of the Plan and grants of Options from time to time hereunder;

(l) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan; and

(m) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Plan.

3.2 **Delegation to Committee**

(a) The initial Plan Administrator shall be the Board.

(b) To the extent permitted by Applicable Law, the Board may, from time to time, delegate to a committee of the Corporation (the "**Committee**"), consisting of not less than two of its members, all or any of the powers conferred on the Plan Administrator pursuant to the Plan, including the power to sub-delegate to any specified Directors or Officers all or any of the powers delegated by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused ,or remove all members of the Committee and thereafter directly administer the Plan.

(c) In the event the Board delegates to the Committee all or any of the powers conferred on the Plan Administrator pursuant to the Plan, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub-delegate arising out of or in connection with the administration or interpretation of the Plan in this context is final and conclusive and binding on the Corporation and all affiliates of the Corporation, all Participants and all other Persons.

3.3 **Determinations Binding**

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration interpretation of the Plan is final, conclusive and binding on all affected Persons, including the Corporation and any of its Subsidiaries, the affected Participants and their Personal Representatives, any shareholder of the Corporation and all other Persons.

3.4 **Eligibility**

Subject to the discretion of the Plan Administrator, all Executives, Employees and Consultants are eligible to participate in the Plan. Participation in the Plan is voluntary and eligibility to participate does not confer upon any Executive, Employee or Consultant any right to receive any grant of an Option pursuant to the Plan. In addition, in order to be eligible to receive Options, in the case of Employees and Consultants, the Option

Certificate to which they are a party must contain a representation of the Corporation and of such Employee or Consultant, as the case may be, that such Employee or Consultant is a bona fide Employee or Consultant of the Corporation or a Subsidiary of the Corporation, as the case may be.

3.5 Board Requirements

Any Option granted under the Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Option upon any securities exchange or under any Applicable Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Option or the issuance or purchase of Shares thereunder, such Option may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.6 Liability Limitation and Indemnification

No member of the Board or the Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Option Certificate or any Option granted hereunder.

3.7 Total Shares Subject to Options

Subject to adjustment pursuant to Article 7, the number of Shares hereby reserved for issuance to Participants under the Plan shall not exceed 10% of the number of Shares which are issued and outstanding on the particular date of grant of Options. There are 2,150,000 Options (the "**Outstanding Options**") outstanding on the date hereof which were granted under the Prior Plan, which will remain in full force and effect in accordance with their terms. The number of Shares issuable upon exercise of the Outstanding Options shall be included in the calculation of the maximum number of Shares issuable pursuant to Options. Any Shares subject to an Option which has been granted under the Plan and which has been cancelled, terminated, surrendered, forfeited or expired without having been exercised as provided for in the Plan shall again be available under the Plan.

3.8 Limits on Options

Notwithstanding anything in the Plan, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

(a) unless Disinterested Shareholder Approval is obtained in accordance with the policies of the TSXV (or unless permitted otherwise by the policies of the TSXV):

(i) the maximum number of Shares that may be issued to any one Participant (and where permitted pursuant to the policies of the TSXV, any Company that is wholly-owned by the Participant) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 5% of the issued Shares calculated on the Date of Grant;

(ii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 10% of the issued Shares calculated on the Date of Grant; and

(iii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, may not exceed 10% of the issued Shares at any time;

(b) the maximum number of Shares that may be issued to any one Consultant under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 2% of the issued Shares calculated on the Date of Grant;

(c) the maximum number of Shares issuable pursuant to Options which may be granted within any 12-month period to Investor Relations Service Providers (as a group) must not exceed 2% of the issued Shares calculated on the Date of Grant;

(d) Options granted to Investor Relations Service Providers must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period; and

(e) any Options granted to a Participant who ceases to be a Participant under the Plan for any reason whatsoever shall terminate at a date no later than 12 months from the date such Participant ceases to be a Participant under the Plan.

3.9 **Option Certificates**

Each Option under the Plan will be evidenced by an Option Certificate. Each Option Certificate will be subject to the applicable provisions of the Plan and will contain such provisions as are required by the Plan and any other provisions that the Plan Administrator may direct.

3.10 **Non-transferability of Options**

Except to the extent that certain rights may pass to a beneficiary or Personal Representative upon death of a Participant by will or as required by law, no Option is assignable or transferable.

3.11 **Resale Restrictions**

Any Shares issued by the Corporation upon exercise or settlement of an Option are subject to any resale and trading restrictions in effect pursuant to Applicable Laws and the policies of the Exchange, and the Corporation shall be entitled to place any restriction or legend on any certificates representing such Shares accordingly. Any Option Certificate will bear the following legend, if required pursuant to the policies of the TSXV:

> "Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate, and any securities issued upon exercise hereof, 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 [**the date that is four months and one day after the date of the grant of the Option**]."

Any certificate representing Shares issued pursuant to an exercise of an Option before the date that is four month and one day after the date of grant of an Option will bear the following legend, if required pursuant to the policies of the TSXV:

> "Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [**the date that is four months and one day after the date of the grant of the Option**]."

ARTICLE 4
OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of the Plan and such other terms and conditions as the Plan Administrator may determine, grant Options to any Participant, and in doing so, may, without limitation, in its discretion, (a) designate the Participants who may receive Options under the Plan, (b) fix the number of Options to be granted to each Participant and the date or dates on which such Options shall be granted, and (c) determine the relevant conditions and vesting schedules in respect of any Options.

4.2 Options Account

All Options received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation as of the Date of Grant. The terms and conditions of each Option grant shall be evidenced by an Option Certificate.

4.3 Exercise Period of Options

Subject to Sections 4.10, 5.1, and 7.4 and Article 6, the Date of Grant and the Expiry Date of an Option shall be the dates fixed by the Plan Administrator at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option, provided that the duration of such Option will not exceed the maximum term permitted by each organized trading facility on which the Shares are listed, being 10 years for the TSXV from the Date of Grant of such Option (subject to extension where the Expiry Date is within a Black-Out period pursuant to Section 5.1).

4.4 Number of Shares under an Option

The number of Shares which may be purchased pursuant to an Option shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option.

4.5 Exercise Price of an Option

The Exercise Price at which a Participant may purchase a Share upon the exercise of an Option shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Price of the Shares as of the Date of Grant. The Market Price of the Shares for a particular Date of Grant shall be determined as follows:

(a) for each organized trading facility on which the Shares are listed, Market Price will be:

(i) the closing trading price of the Shares on the day immediately preceding the issuance of the news release announcing the grant of the Option, or

(ii) if, in accordance with the policies of the TSXV, the Corporation is not required to issue a news release to announce the grant and exercise price of the Option, the closing trading price of the Shares on the day immediately preceding the Date of Grant,

and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;

(b) if the Shares are listed on more than one organized trading facility, the Market Price shall be the Market Price as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Plan Administrator, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;

(c) if the Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Plan Administrator; and

(d) if the Shares are not listed on any organized trading facility, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Plan Administrator to be the fair value of the Shares, taking into consideration all factors that the Plan Administrator deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Price be less than the minimum prescribed by each of the organized trading facilities that would apply to the Corporation on the Date of Grant in question.

4.6 Vesting of Options and Acceleration

Subject to the limitations in Section 3.8 and all applicable Regulatory Rules, the vesting schedule for an Option, if any, shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option. The Plan Administrator may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Participant under Section 8.2 of the Plan. Notwithstanding the foregoing, if the Corporation is listed on the TSXV, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written acceptance of the TSXV.

4.7 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Plan Administrator may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Corporation shall prevail over the terms and conditions in the Option Certificate.

4.8 Exercise of Options

An Option may be exercised only by the Participant or the Personal Representative of any Participant. A Participant or the Personal Representative of any Participant may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Plan Administrator the required Exercise Notice, the applicable Option Certificate and one of following forms of consideration, subject to Applicable Laws:

(a) *Cash Exercise* - Consideration may be paid by a Participant sending a wire transfer, certified cheque or bank draft payable to the Corporation in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option.

(b) *Cashless Exercise* - Subject to approval from the Plan Administrator and further subject to the Shares being traded on the Exchange, consideration may be paid by a Participant as follows: (i) a brokerage firm loans money to the Participant in order for the Participant to exercise Options to acquire the underlying Shares (the "**Loan**"); (ii) the brokerage firm then sells a sufficient number of Shares to cover the Exercise Price of the Options that were exercised by the Participant in order to repay the Loan; and (iii) the brokerage firm receives an equivalent number of Shares from the exercise of the Options and the Participant receives the balance of the Shares or the cash proceeds from the balance of such Shares.

(c) *Net Settlement* - Subject to approval from the Plan Administrator and further subject to the Shares being traded on the Exchange, a Participant, excluding Investor Relations Service Providers, only receives the number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised of multiplied by the difference between the VWAP of the underlying Shares and the Exercise Price of the subject Options, by (ii) the VWAP of the underlying Shares.

In the event of a Cashless Exercise or Net Settlement, the number of Options exercised, surrendered or converted of, and not the number of Shares actually issued by the Corporation, must be included in calculating the limits set forth in Sections 3.7, 3.8(a), 3.8(b) and 3.8(c).

4.9 Issue of Share Certificates or Direct Registration Statements

As soon as reasonably practicable following the receipt of the Exercise Notice, the Plan Administrator shall cause to be delivered to the Participant a certificate or direct registration statement for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Plan Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Participant concurrent with delivery of the certificate or direct registration statement for the Shares.

4.10 Termination of Options

Subject to such other terms or conditions that may be attached to Options granted hereunder, a Participant may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Plan Administrator at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, pursuant to Article 6.

ARTICLE 5
ADDITIONAL OPTION TERMS

5.1 Black-Out Period

If the Expiry Date for an Option occurs during the Black-Out period, then, notwithstanding any other provision of the Plan, the Option shall be extended no more than ten Business Days after the date the Black- Out is lifted by the Corporation, unless the delayed expiration would result in tax penalties or the Participant or the Corporation is subject to a cease trade order in respect of the Corporation's securities.

5.2 Withholding Taxes

The granting, vesting or exercise of each Option under the Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or exercise, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such

circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or a Subsidiary of the Corporation is obliged to remit to the relevant taxing authority in respect of the granting, vesting or exercise of the Option. Any such additional payment is due no later than the date on which such amount with respect to the Option is required to be remitted to the relevant tax authority by the Corporation or a Subsidiary of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or a Subsidiary of the Corporation to the Participant, (b) require the sale of a number of Shares issued upon exercise or settlement of such Option and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount or (c) enter into any other suitable arrangements for the receipt of such amount. For greater certainty, the application of this Section 5.2 to any granting, vesting, exercise or settlement of an Option shall not conflict with the policies of the Exchange that are in effect at the relevant time and the Corporation will obtain prior Exchange acceptance and/or Shareholder Approval of any application of this Section 5.2 if required pursuant to such policies.

Participants (or their beneficiaries) shall be responsible for all taxes with respect to any Options granted under the Plan, whether arising as a result of the grant or payment in respect of the Option or otherwise. The Corporation, the Plan Administrator and the Board make no guarantees to any Person regarding the tax treatment of an Option or issuances of Shares and none of the Corporation, the Board, the Plan Administrator or any of the Executives, Employees, Consultants, agents, advisors or representatives of the Corporation or the Subsidiary of the Corporation shall have any liability to a Participant with respect thereto.

5.3 **Recoupment**

Notwithstanding any other terms of the Plan, Options may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or a Subsidiary of the Corporation and in effect at the Date of Grant of the Option, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 5.3 to any Participant or category of Participants.

5.4 **No Other Benefit**

(a) No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share or the value of any Option granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

(b) The Corporation makes no representations or warranties to Participants with respect to the Plan or any Options whatsoever. Participants are expressly advised that the value of any Options issued pursuant to the Plan will fluctuate as the trading price of the Shares fluctuates.

(c) In seeking the benefits of participation in the Plan, the Participant shall exclusively accept all risks associated with a decline in the trading price of the Shares and all other risks associated with the holding of any Options.

ARTICLE 6
TERMINATION OF EMPLOYMENT OR SERVICES

6.1 **Termination of Participant**

Subject to Article 7 and unless otherwise determined by the Plan Administrator or as set forth in an Option Certificate:

(a) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, then each Option held by the Participant that has not

Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. The Plan Administrator, in its discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause. In addition, where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, the Plan Administrator may, in its discretion, determine that all Options held by the Participant that have Vested as of the Termination Date shall immediately become forfeited, cancelled, null and void, failing which, all Options held by the Participant that have Vested as of the Termination Date shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of:

(i) the Expiry Date;

(ii) a date determined by the Plan Administrator in its discretion; and

(iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;

(b) where a Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant, then each Option held by the Participant that has not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. All Options held by the Participant that have Vested as of the Termination Date shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;

(c) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice); then:

(i) a portion of any Options held by the Participant that are not yet Vested shall immediately vest, with such portion to be equal to the number of unvested Options multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of which is the number of days between the Date of Grant and the date the unvested Options were originally scheduled to vest. For clarity and by way of example, if a Participant's employment is terminated 400 days following the Date of Grant and unvested Options were originally scheduled to vest 600 days from the Date of Grant, two- thirds of the unvested Options will immediately vest;

(ii) subject to Section 6.1(c)(i)**,** any Options held by the Participant that are not yet Vested at the Termination Date after the application of Section 6.1(c)(i) shall be immediately forfeited to the Corporation; and

(iii) any Options held by the Participant that have Vested as of the Termination Date or Vested pursuant to Section 6.1(c)(i) shall be settled in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date;
(ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;

(d) notwithstanding that such date may be prior to the Termination Date, a Participant's eligibility to receive further grants of Options under the Plan ceases as of the date that: (i) the Corporation or a Subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 6.1, or (ii) the Participant provides the Corporation or a Subsidiary of the Corporation, as the case may be, with written notification of the Participant's voluntary resignation;

(e) unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options shall not be affected by a change of employment agreement or arrangement, or directorship within or among the Corporation or a Subsidiary of the Corporation for so long as the Participant continues to be an Executive, Employee or Consultant, as applicable, of the Corporation or a Subsidiary of the Corporation.

6.2 **Leave of Absence**

If a Participant is on sick leave or other bona fide leave of absence, such Participant shall continue to be deemed a "Participant" for the purposes of an outstanding Option during the period of such leave, provided that it does not exceed 90 days (or such longer period as may be determined by the Plan Administrator in its discretion). If the period of leave exceeds 90 days (or such longer period as may be determined by the Plan Administrator in its discretion), the relationship shall be deemed to have been terminated by the Participant voluntarily on the 91st day (or the first day immediately following any period of leave in excess of 90 days as approved by the Plan Administrator) of such leave, unless the Participant's right to reemployment or reengagement of services with the Corporation or a Subsidiary of the Corporation, as applicable, is guaranteed by statute or contract.

6.3 **Death or Disability**

Where a Participant's employment or services are terminated by reason of the death of the Participant or the Participant becomes Disabled, then each Option held by the Participant that has not Vested as of the date of the death or Disability, as applicable, of such Participant shall vest on such date, and be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; and (ii) first anniversary of the date of the death or Disability of the Participant. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period. A Participant's eligibility to receive further grants of Options under the Plan ceases as of the date of the death or Disability of the Participant.

6.4 **Discretion to Permit Acceleration**

Notwithstanding the provisions of this Article 6, subject to any necessary Regulatory Approvals and, in the case of Options granted to Investor Relations Service Providers, Section 3.8(d) and Section 4.6, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in Article 6, permit the acceleration of vesting of any or all Options, all in the manner and on the terms as may be authorized by the Plan Administrator, and if such discretion is taken and the vesting of any or all Options occurs, then such Options will be exercised in accordance with Section 4.8.

ARTICLE 7
EVENTS AFFECTING THE CORPORATION

7.1 Change in Control

Except as may be set forth in an employment agreement or other written agreement between the Corporation or a Subsidiary of the Corporation and the Participant and subject to any necessary Regulatory Approvals:

(a) Unless determined otherwise by the Plan Administrator, if within 12 months following the completion of a transaction resulting in a Change in Control, (i) a Participant's employment or directorship is terminated by the Corporation or a Subsidiary of the Corporation without Cause or (ii) a Participant resigns for Good Reason, without any action by the Plan Administrator, the vesting of all Options held by such Participant shall immediately accelerate and vest on the date of such Participant's termination or resignation for Good Reason and the Options shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period.

(b) Notwithstanding Section 7.1(a), the Plan Administrator may, without the consent of any Participant, and subject to prior TSXV acceptance pursuant to Section 8.2(a), as applicable, take such steps as it deems necessary or desirable in connection with a Change in Control, including, without limitation, to cause: (i) the conversion or exchange of any outstanding Options into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Options to vest and become realizable, or payable; (iii) restrictions applicable to an Option to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iv) the termination of an Option in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the settlement of such Option or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the settlement of such Option or realization of the Participant's rights, then such Option may be terminated by the Corporation without payment); (v) the replacement of such Option with other rights or property selected by the Board in its discretion; or (vi) any combination of the foregoing. In taking any of the actions permitted under this Section 7.1(a), the Plan Administrator will not be required to treat all Options similarly in the transaction.

7.2 Triggering Events

Subject to any necessary Regulatory Approvals and notwithstanding any other provisions of the Plan or any Option Certificate, the Plan Administrator may, without the consent of the Participant in question cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event, provided that the Corporation must give written notice to the Participant in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Participant the opportunity to exercise the Vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Corporation proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

7.3 Reorganization of Corporation's Capital

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control, or in the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control, that would warrant the amendment or replacement of any existing Options in order to adjust the number of Shares that may be acquired on the vesting of outstanding Options and/or the terms of any Option in order to preserve proportionately the rights and obligations of the Participants holding such Options, the Plan Administrator may, subject to the prior approval of the Exchange, if required, authorize such steps to be taken as it may consider to be equitable and appropriate to that end, including, but not limited to, permitting the immediate vesting of any unvested Options and amending the Exercise Price payable per Share.

7.4 Assumptions of Options in Acquisitions

Notwithstanding any other provision of the Plan, in connection with a Reverse Takeover, a Change of Business, a Reorganization or an acquisition pursuant to Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSXV Manual, subject to prior TSXV acceptance, security based compensation of a target Company may be cancelled and replaced with substantially equivalent Options under the Plan without Shareholder Approval, provided that: (a) the number of Shares issuable pursuant to the Options (and their applicable exercise price) is adjusted in accordance with the share exchange ratio applicable to the particular transaction, regardless of whether the adjusted exercise price is below the current Market Price; and (b) any other applicable policies of the TSXV have been complied with.

7.5 No Restriction on Action

The existence of the Plan and of any Options granted hereunder shall not affect, limit or restrict in any way the right or power of the Corporation, the Board or the Corporation's shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise. No Participant or any other Person shall have any claim against any member of the Committee or the Corporation or any Employees, Officers or agents of the Corporation as a result of any such action.

7.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 7, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Options.

7.7 Fractions

No fractional Shares will be issued pursuant to an Option. Accordingly, if, as a result of any adjustment under this Article 7, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares (rounded down to the nearest whole number) and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 8
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

8.1 Discretion of the Plan Administrator

Subject to any Regulatory Approvals, including, where required, the approval of the TSXV and to Section 8.2, the Plan Administrator may, from time to time, without notice to or approval of the Participants or of the shareholders of the Corporation, amend, modify, change, suspend or terminate the Plan or any Options granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that, no such amendment, modification, change, suspension or termination of the Plan or any Options granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any Applicable Laws or Exchange requirements or as otherwise set out in the Plan.

8.2 Amendment of Option or Plan

Notwithstanding Section 8.1 and subject to any rules of the Exchange, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

(a) any adjustment to Options, other than in connection with a security consolidation or security split, is subject to the prior acceptance of the TSXV;

(b) any amendment to the Plan is subject to the prior acceptance of the TSXV, except for amendments to: (i) reduce the number of Shares that may be issued under the Plan, (ii) increase the Exercise Price of Options, or (iii) cancel Options;

(c) subject to any rules of the TSXV, approval of shareholders of the Corporation shall be required for any amendment to the Plan except for amendments to: (i) fix typographical errors, and (ii) clarify existing provisions of the Plan and which do not have the effect of altering the scope, nature and intent of such provisions; and

(d) any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option, held by an Insider at the time of the proposed amendment is subject to Disinterested Shareholder Approval in accordance with the policies of the TSXV.

ARTICLE 9
MISCELLANEOUS

9.1 Legal Requirement

The Corporation is not obligated to grant any Options, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

9.2 Rights of Participant

construed as giving a Participant a right to remain as an Executive, Employee or Consultant of the Corporation or a Subsidiary of the Corporation. Neither the Participant nor such Participant's Personal Representatives shall have any rights whatsoever as a shareholder of the Corporation in respect of Shares issuable pursuant to any Option until the allotment and issuance to such Participant or the liquidator, executor or administrator, as

the case may be, of the estate of such Participant, of certificates representing such Shares (or in the case of Shares issued in uncertificated form, receipt of evidence of a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Corporation).

9.3 **Conflict**

In the event of any conflict between the provisions of the Plan and the provisions of an Option Certificate, an employment agreement or another written agreement between the Corporation or a Subsidiary of the Corporation and a Participant, the provisions of the Plan shall govern.

9.4 **Anti-Hedging Policy**

By accepting the Option, each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Options.

9.5 **No Guarantee of Tax Consequences**

Neither the Plan Administrator nor the Corporation makes any commitment or guarantee that any specific tax treatment will apply or be available to the Participants.

9.6 **Participant Information**

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such Persons (including Persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

9.7 **Participation in the Plan**

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant.

9.8 **Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Corporation and its affiliates.

9.9 **Severability**

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

9.10 **Notices**

All written notices to be given by the Participant to the Corporation shall be delivered by (a) hand or courier, with all fees and postage prepaid, addressed using the information specified below, or designated otherwise by the Corporation in writing; or (b) email to the email address that the parties regularly use to correspond with one another or to any other email address specified by the Corporation in writing to the Participant:

FORT ST JAMES NICKEL CORP.
Suite 888, 888 Dunsmuir Street
Vancouver, BC V6C 3K4

Attention: Corporate Secretary

Such notices are, if delivered by hand or by courier, deemed to have been given by the sender and received by the addressee at the time of delivery. Any notice sent by email will be deemed to have been given by the sender and received by the addressee on the first Business Day after it was transmitted. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

9.11 **Effective Date and Replacement**

The Plan shall become effective upon the receipt of all required shareholder and regulatory approvals, being the Effective Date, and will replace the Prior Plan. All awards granted under the Prior Plan and which remain outstanding at the Effective Date will remain in full force and effect in accordance with their terms; however, following the Effective Date, no additional grants shall be made under the Prior Plan, and the Prior Plan will terminate on the date upon which no further Outstanding Options remain outstanding.

9.12 **Governing Law**

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

9.13 **Submission to Jurisdiction**

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including with respect to the grant of Options and any issuance of Shares made in accordance with the Plan.

SCHEDULE “C”
FIXED RESTRICTED SHARE UNIT PLAN

FORT ST JAMES NICKEL CORP.

EQUITY INCENTIVE PLAN

AS AT MAY 2024

TABLE OF CONTENTS

EQUITY INCENTIVE PLAN 4
ARTICLE 1 PURPOSE 4
1.1 Purpose 4
ARTICLE 2 INTERPRETATION 4
2.1 Definitions 4
2.2 Interpretation 11
ARTICLE 3 ADMINISTRATION 11
3.1 Administration 11
3.2 Delegation to Committee 14
3.3 Determinations Binding 14
3.4 Eligibility 14
3.5 Board Requirements 14
3.6 Liability Limitation and Indemnification 15
3.7 Total Shares Subject to Awards 15
3.8 Limits on Awards 15
3.9 Award Agreements 16
3.10 Non-transferability of Awards 16
3.11 Resale Restrictions 16
ARTICLE 4 SHARE UNITS 16
4.1 Granting of Share Units 16
4.2 Share Unit Account 16
4.3 Vesting of Share Units 17
4.4 Settlement of Vested Share Units 17
ARTICLE 5 DEFERRED SHARE UNITS 18
5.1 Granting of DSUs to Directors for Director Fees 18
5.2 Granting of DSUs to Participants 18
5.3 DSU Account 18
5.4 Vesting of DSUs 19
5.5 Settlement of Vested DSUs 19
ARTICLE 6 ADDITIONAL AWARD TERMS 20
6.1 Dividend Equivalents 20
6.2 Black-Out Period 20
6.3 Withholding Taxes 20
6.4 Compliance with the Tax Act 21
6.5 Recoupment 21
6.6 No Other Benefit 21
ARTICLE 7 TERMINATION OF EMPLOYMENT OR SERVICES 22
7.1 Termination of Participant 22
7.2 Leave of Absence 23

7.3 Death or Disability 23
7.4 Discretion to Permit Acceleration 23
ARTICLE 8 EVENTS AFFECTING THE CORPORATION 24
8.1 Change in Control 24
8.2 Triggering Events 25
8.3 Reorganization of Corporation's Capital 25
8.4 Assumptions of Awards in Acquisitions 25
8.5 No Restriction on Action 25
8.6 Issue by Corporation of Additional Shares 26
8.7 Fractions 26
ARTICLE 9 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN 26
9.1 Amendment, Suspension or Termination of the Plan 26
9.2 Shareholder Approval 26
ARTICLE 10 MISCELLANEOUS 26
10.1 Legal Requirement 26
10.2 Rights of Participant 27
10.3 Conflict 27
10.4 Anti-Hedging Policy 27
10.5 No Guarantee of Tax Consequences 27
10.6 Participant Information 27
10.7 Participation in the Plan 27
10.8 Successors and Assigns 27
10.9 Severability 28
10.10 Notices 28
10.11 Effective Date and Replacement 28
10.12 Governing Law 28
10.13 Submission to Jurisdiction 28

EQUITY INCENTIVE PLAN

ARTICLE 1 PURPOSE

1.1 Purpose

The purpose of the Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants of the Corporation and its Subsidiaries, to reward such of those Executives, Employees and Consultants as may be granted Awards under the Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Executives, Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation.

ARTICLE 2 INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings:

"**Applicable Laws**" means the applicable laws and regulations and the requirements or policies of any governmental, regulatory authority, securities commission and stock exchange having authority over the Corporation or the Plan;

"**Award**" means any Share Unit or Deferred Share Unit granted under the Plan;

"**Award Agreement**" means a signed, written agreement between a Participant and the Corporation, in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Award has been granted under the Plan and which need not be identical to any other such agreements;

"**Black-Out**" means a restriction formally imposed by the Corporation, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Awards;

"**Board**" means the board of directors of the Corporation;

"**Business Day**" means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

"**Cash Fees**" has the meaning set forth in Section 5.1(a);

"**Cause**" means:

(a) unless the applicable Award Agreement states otherwise, with respect to any Employee, Officer or Consultant:

(i) if such Employee, Officer or Consultant is a party to an employment or service agreement with the Corporation or any of its Subsidiaries and such agreement provides for a definition of Cause, the definition contained therein; or

(ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Corporation to terminate the employment or service agreement of such Employee, Officer or Consultant, without notice or compensation under

the common law for just cause, including, without in any way limiting its meaning under the common law: (A) the failure of the Employee, Officer or Consultant to carry out its duties properly or to comply with the rules, policies and practices of the Corporation or any of its Subsidiaries, as applicable; (B) a material breach of any agreement with the Corporation or any of its Subsidiaries, as applicable, or a material violation of any written policy of the Corporation or any of its Subsidiaries, as applicable; (C) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (D) a material fiduciary breach with respect to the Corporation or any of its Subsidiaries, as applicable; (E) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Corporation or any of its Subsidiaries; or (F) gross negligence or willful misconduct with respect to the Corporation or any of its Subsidiaries; and

(b) with respect to any Director, a determination by a majority of the disinterested Board members that the Director has engaged in any of the following:

(i) gross misconduct or neglect;

(ii) willful conversion of corporate funds;

(iii) false or fraudulent misrepresentation inducing the Director's appointment; or

(iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance;

"**Change of Business**" has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

"**Change in Control**" means, unless otherwise defined in the Participant's employment or service agreement or in the applicable Award Agreement, the occurrence of any one or more of the following events:

(a) a change in the composition of the Board which results in the majority of the directors of the Corporation not being individuals nominated by the Corporation's then incumbent directors; or

(b) a merger, amalgamation, arrangement or reorganization of the Corporation with one or more corporations as a result of which, immediately following such event, the shareholders of the Corporation as a group, as they were immediately prior to such event, hold less than a majority of the outstanding Voting Shares of the surviving corporation;

"**Committee**" has the meaning set forth in Section 3.2;

"**Company**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"**Consultant**" means:

(a) a Person (other than an Executive or Employee) that:

(i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its Subsidiaries, other than services provided in relation to a distribution of securities (as defined under Applicable Laws);

(ii) provides the services under a written contract between the Corporation or any of its Subsidiaries and the individual or the Company, as the case may be; and

(iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its Subsidiaries, or

(b) an individual (other than a Director, Officer or Employee) employed by a Company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation;

"**Corporate Policies**" means any of the policies of the Corporation; "Corporation" means Fort St James Nickel Corp..;

"**Date of Grant**" means, for any Award, the date specified by the Plan Administrator at the time it grants the Award (which, for greater certainty, shall be no earlier than the date on which the Board meets or otherwise acts for the purpose of granting such Award) or if no such date is specified, the date upon which the Award was granted;

"**Deferred Share Unit**" or "**DSU**" means a right, granted to a Participant in accordance with ARTICLE 5, subject to the provisions of the Plan;

"**Director**" means a director (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;

"**Director Fees**" means any compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;

"**Disabled**" or "**Disability**" means a physical injury or mental incapacity of a nature which the Plan Administrator determines prevents or would prevent the Participant from satisfactorily performing the substantial and material duties of his or her position with the Corporation or any of its Subsidiaries;

"**DSU Settlement Date**" has the meaning set forth in Section 5.5(a);

"**Effective Date**" means the date the Plan becomes effective, which shall be upon receipt of all shareholder and regulatory approvals and the Corporation being listed on either the TSX or TSXV exchanges;

"**Elected Amount**" has the meaning set forth in Section 5.1(a);

"**Electing Person**" means a Participant who is, on the applicable Election Date, a Director;

"**Election Date**" means the date on which the Electing Person files an Election Notice in accordance with Section 5.1(b);

"**Election Notice**" has the meaning set forth in Section 5.1(b);

"**Employee**" means an individual who:

(a) is considered an employee of the Corporation or any of its Subsidiaries under the Tax Act and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;

(b) works full-time for the Corporation or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or of a Subsidiary of the Corporation, as the case may be, but for whom income tax deductions are not made at source; or

(c) works for the Corporation or any of its Subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or any of its Subsidiaries;

"**Exchange**" means the TSXV and any other exchange on which the Shares are or may be listed from time to time;

"**Executive**" means an individual who is a Director or Officer;

"**Good Reason**" means any one or more of the following events occurring following a Change in Control and without the Participant's written consent:

(a) the Participant is placed in a position of lesser stature than its current position and, is assigned duties that would result in a material change in the nature or scope of powers, authority, functions or duties inherent in such a position immediately prior to the Change in Control;

(b) a material decrease in the Participant's base salary or a material decrease in the Participant's short-term incentive grants, long-term incentive grants, benefits, vacation or other compensation;

(c) a requirement that the Participant relocate to a location greater than 40 kilometers from the Participant's primary work location immediately prior to the Change in Control; or

(d) any action or event that would constitute constructive dismissal of the Participant at common law;

"**Insider**" means:

(a) a Director or senior officer of the Corporation;

(b) a Director or senior officer of a Company that is an Insider or a Subsidiary of the Corporation;

(c) a Person that has

(i) beneficial ownership of, or control or direction over, directly or indirectly, or

(ii) a combination of beneficial ownership of, and control or direction over, directly or indirectly, securities of the Issuer carrying more than 10% of the voting rights attached to all the Issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the Person as underwriter in the course of a distribution;

(d) the Corporation itself if it holds any of its own securities;

"**Investor Relations Activities**" has the meaning attributed thereto in Policy 1.1 – *Interpretation*, as amended from time to time, of the TSXV Manual;

"**Market Price**" at any date in respect of the Shares shall be the volume weighted average closing price of Shares on the TSXV for the five (5) trading days immediately preceding such date (or, if such Shares are not then listed and posted for trading on the TSXV, on such stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board), subject to any adjustments as may be required to secure all necessary Regulatory Approvals, provided that if the Corporation is listed on an Exchange, such price shall not be less than the market price determined in accordance with the rules of such

Exchange. In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;

"**Officer**" means an officer (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;

"**Participant**" means an Executive, Employee or Consultant to whom an Award has been granted under the Plan. Notwithstanding the foregoing and any other provision of the Plan, no Person who performs Investor Relations Activities on behalf of the Corporation or a Subsidiary of the Corporation shall be a Participant;

"**Participant Service Separation Date**" means the date of a Participant's death, or retirement from, or loss of office or employment with, or provision of services to, the Corporation or any of its Subsidiaries, including: (i) the voluntary resignation or retirement of a Director from the Board; or (ii) the removal of such Director from the Board whether by shareholder resolution or failure to achieve re-election;

"**Performance Goals**" means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Corporation, a Subsidiary of the Corporation, a division of the Corporation or of a Subsidiary of the Corporation, or an individual, or may be applied to the performance of the Corporation or a Subsidiary of the Corporation relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator;

"**Performance Period**" means the period specified by the Plan Administrator for achievement of any applicable Performance Goals as a condition to vesting;

"**Performance Share Unit**" or "**PSU**" means a right, granted to a participant in accordance with Article 4, subject to the provisions of the Plan, that generally becomes Vested, if at all, subject to the attainment of certain Performance Goals and satisfaction of such other conditions to vesting, if any, as may be determined by the Plan Administrator;

"**Person**" includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

"**Personal Representative**" means: (i) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of a Participant who, for any reason, is unable to manage his or her affairs, the Person entitled by law to act on behalf of such Participant;

"**Plan**" means this Equity Incentive Plan, as may be amended from time to time;

"**Plan Administrator**" means the Board, or if the administration of the Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

"**Regulatory Approvals**" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of the Plan or for the Awards granted from time to time hereunder;

"**Regulatory Authorities**" means all Exchanges and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation, the Plan or the Awards granted from time to time hereunder;

"**Reorganization**" has the meaning attributed thereto in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*, as amended from time to time, of the TSXV Manual;

"**Restricted Share Unit**" or "**RSU**" means a right, granted to a Participant in accordance with ARTICLE 4, subject to the provisions of the Plan, that generally becomes Vested, if at all, following a period of continuous employment of the Participant with the Corporation or a Subsidiary of the Corporation;

"**Reverse Takeover**" has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

"**RRIF"** means a registered retirement income fund as defined in the Tax Act; "RRSP" means a registered retirement savings plan as defined in the Tax Act;

"**Securities Act**" means the *Securities Act* (British Columbia, RSBC 1996, c. 418 as from time to time amended;

"**Securities Laws**" has the meaning attributed thereto in Policy 1.1 – *Interpretation*, as amended from time to time, of the TSXV Manual;

"**Security Based Compensation Arrangement**" for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Corporation provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Corporation's treasury to Executives, Employees or Consultants, but for greater certainty does not involve compensation arrangements which do not involve the issuance or potential issuance of securities from the Corporation's treasury or arrangements under which compensation arrangements are settled solely in cash and/or securities purchased on the secondary market;

"**Share**" means one (1) common share in the capital of the Corporation as constituted on the Effective Date or after an adjustment contemplated by ARTICLE 8, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

"**Share Unit**" means an RSU or a PSU, as applicable;

"**Share Unit Settlement Date**" has the meaning set forth in Section 4.4;

"**Shareholder Approval**" means approval by the Corporation's shareholders in accordance with the polices of the Exchange;

"**Subsidiary**" has the meaning attributed thereto in the Securities Act;

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

"**Termination Date**" means (i) the date designated by the Participant and the Corporation or a Subsidiary of the Corporation in a written employment agreement, or other written agreement between the Participant and Corporation or a Subsidiary of the Corporation, or (ii) if no written agreement exists, the date designated by the Corporation or a Subsidiary of the Corporation, as the case may be, on which a Participant ceases to be an employee of the Corporation or a Subsidiary of the Corporation or ceases to provide services to the Corporation or a Subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment or termination of services by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and "Termination Date" specifically does not mean the date of termination of any period of reasonable notice that the Corporation or a Subsidiary of the Corporation, as applicable, may be required by law to provide to the Participant;

"**Triggering Event**" means:

(a) the proposed dissolution, liquidation or wind-up of the Corporation;

(b) a proposed Change in Control;

(c) the proposed sale or other disposition of all or substantially all of the assets of the Corporation; or

(d) a proposed material alteration of the capital structure of the Corporation which, in the opinion of the Plan Administrator, is of such a nature that it is not practical or feasible to make adjustments to the Plan or to the Awards granted hereunder to permit the Plan and Awards granted hereunder to stay in effect;

"**TSXV**" means the TSX Venture Exchange;

"**TSXV Manual**" means the TSXV Corporate Finance Manual;

"**Vested**" means the applicable vesting criteria, Performance Goals and/or any other conditions for settlement in relation to a whole number, or a percentage of the number of Awards determined by the Plan Administrator in connection with a grant of PSUs, RSUs or DSUs as the case may be, (i) have been met; or (ii) have been waived or deemed to have been met;

"**Vesting Date**" means the date on which the applicable vesting criteria, Performance Goals and/or any other conditions for an Award becoming Vested are met, deemed to have been met, or waived, as contemplated in the definition of "Vested"; and

"**Voting Share"** means a security of a Company that:

(a) is not a debt security; and

(b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

2.2 **Interpretation**

(a) Whenever the Plan Administrator exercises discretion in the administration of the Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.

(b) As used herein, the terms "Article", "Section" and "clause" mean and refer to the specified Article, Section and clause of the Plan, respectively.

(c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

(d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.

(e) Unless otherwise specified, all references to money amounts are to Canadian currency.

(f) The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 3 ADMINISTRATION

3.1 Administration

Subject to and consistent with the terms of the Plan, Applicable Laws and the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Plan will be administered by the Plan Administrator, and the Plan Administrator has sole and complete authority, in its discretion, without limitation, to:

(a) determine the Persons who are eligible to be Participants in accordance with Section 3.4;

(b) make grants of Awards under the Plan relating to the issuance of Shares in such amounts, to such Participants and, subject to the provisions of the Plan, on such terms and conditions as it determines including without limitation:

(i) the time or times at which Awards may be granted, including the applicable Date of Grant;

(ii) the conditions under which an Award or any portion thereof may be:

A. granted to Participants;

B. forfeited to the Corporation, cancelled or expired; and

C. Vested, including terms relating to lump sum or instalment vesting, the Performance Goals, the Performance Period and the conditions, if any, upon which vesting of an Award or a portion thereof will be waived or accelerated without any further action by the Plan Administrator;

(iii) the number of Shares to be covered by any Award and the terms, if any, upon which any Shares delivered upon exercise or settlement of an Award must continue to be held by a Participant for any specified period;

(iv) the consequences of a termination with respect to an Award;

(v) the forms of consideration, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards (except to the extent certain forms of consideration must be paid to satisfy the requirements of applicable law);

(vi) the manner of exercise or settlement of the Vested portion of an Award, including whether an Award shall be settled on a current or deferred basis;

(vii) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and

(viii) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;

(c) establish the form or forms of the Award Agreements;

(d) amend the terms of any Award Agreements, provided, however, that subject to the terms of the Plan, no amendment of an Award may, without the consent of the holder of such Award, adversely affect such Participant's rights with respect to such Award in any material respect;

(e) determine whether and the extent to which any Performance Goals or other conditions applicable to the vesting of an Award have been satisfied or shall be waived or modified;

(f) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Plan, including but not limited to:

(g) allowing non-Vested Awards to be treated as Vested upon termination of employment or service of a Participant, as to any or all of termination, death or Disability;

(h) providing that the Awards with respect to certain classes, types or groups of Participants will have different, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants;

(i) providing for the continuation of any Award for such period which is not longer than 12 months from the Termination Date or 12 months from the date of death or Disability of the Participant, and upon such terms and conditions as are determined by the Plan Administrator in the event that a Participant ceases to be an Executive, Employee or Consultant, as the case may be;

(i) providing that Vested Awards may be exercised for periods longer or different from those set forth in the Plan, subject to the applicable rules of the Exchange; and

(ii) setting any other terms for the exercise or termination of an Award upon termination of employment or service;

(j) construe and interpret the Plan and all Award Agreements;

(k) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Price of the Shares;

(l) determine the number of RSUs, DSUs or PSUs, as applicable, subject to any grant of an Award;

(m) determine the form of settlement of an Award, whether cash, Shares or a combination of cash and Shares;

(n) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;

(o) determine the duration and purposes of leaves of absence from employment or engagement by the Corporation which may be granted to Participants without constituting a termination of employment or engagement for purposes of the Plan;

(p) authorize Persons to execute such documents and instruments as may be necessary to carry out the purposes of the Plan and grants of Awards from time to time hereunder;

(q) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan; and

(r) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Plan.

3.2 **Delegation to Committee**

(a) The initial Plan Administrator shall be the Board.

(b) To the extent permitted by Applicable Law, the Board may, from time to time, delegate to a committee of the Corporation (the "**Committee**"), consisting of not less than two of its members, all or any of the powers conferred on the Plan Administrator pursuant to the Plan, including the power to sub-delegate to any specified Directors or Officers all or any of the powers delegated by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused ,or remove all members of the Committee and thereafter directly administer the Plan.

(c) In the event the Board delegates to the Committee all or any of the powers conferred on the Plan Administrator pursuant to the Plan, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub- delegate arising out of or in connection with the administration or interpretation of the Plan in this context is final and conclusive and binding on the Corporation and all affiliates of the Corporation, all Participants and all other Persons.

3.3 **Determinations Binding**

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration interpretation of the Plan is final, conclusive and binding on all affected Persons, including the Corporation and any of its Subsidiaries, the affected Participants and their Personal Representatives, any shareholder of the Corporation and all other Persons.

3.4 **Eligibility**

Subject to the discretion of the Plan Administrator, all Executives, Employees and Consultants are eligible to participate in the Plan. Notwithstanding the foregoing and any other provision of the Plan, no Person who performs Investor Relations Activities on behalf of the Corporation or a Subsidiary of the Corporation shall be a Participant. Participation in the Plan is voluntary and eligibility to participate does not confer upon any Executive, Employee or Consultant any right to receive any grant of an Award pursuant to the Plan. In addition, in order to be eligible to receive Awards, in the case of Employees and Consultants, the Award Agreement to which they are a party must contain a representation of the Corporation and of such Employee or Consultant, as the case may be, that such Employee or Consultant is a bona fide Employee or Consultant of the Corporation or a Subsidiary of the Corporation, as the case may be.

3.5 **Board Requirements**

Any Award granted under the Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Award upon any securities exchange or under any Applicable Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having Jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.6 Liability Limitation and Indemnification

No member of the Board or the Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award Agreement or any Award granted hereunder.

3.7 Total Shares Subject to Awards

Subject to adjustment pursuant to ARTICLE 8, the number of Shares hereby reserved for issuance to Participants under the Plan shall not exceed 2,624,826 Shares of the Company or such greater number of Shares as shall have been duly approved by the Board, by the shareholders of the Corporation, and by the Exchange on which the Shares are then listed. Any Shares subject to an Award which has been granted under the Plan and which has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without having been settled through the issuance of Shares as provided for in the Plan shall again be available under the Plan. To the extent that any Share Units that may be paid out in cash or Shares or a combination thereof are paid out in cash, then the Shares that were potentially issuable in respect of such Awards shall again be available under the Plan. For greater certainty, any Awards which may only be paid out in cash shall not be subject to this Section 3.7.

3.8 Limits on Awards

Notwithstanding anything in the Plan, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Awards thereunder so long as such limitations are required by the TSXV:

(a) unless disinterested Shareholder Approval is obtained in accordance with the policies of the TSXV (or unless permitted otherwise by the policies of the TSXV):

(i) the maximum number of Shares that may be issued to any one Participant (and where permitted pursuant to the policies of the TSXV, any Company that is wholly- owned by the Participant) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 5% of the issued Shares calculated on the Date of Grant;

(ii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 10% of the issued Shares calculated on the Date of Grant; and

(iii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, may not exceed 10% of the issued Shares at any time;

(b) the maximum number of Shares that may be issued to any one Consultant under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 2% of the issued Shares calculated on the Date of Grant;

(c) no Awards may be granted under the Plan to Persons retained to provide Investor Relations Activities on behalf of the Corporation or a Subsidiary of the Corporation; and

(d) any Awards granted to a Participant who ceases to be a Participant under the Plan for any reason whatsoever, shall terminate at a date no later than 12 months from the date such Participant ceases to be a Participant under the Plan.

3.9 Award Agreements

Each Award under the Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of the Plan and will contain such provisions as are required by the Plan and any other provisions that the Plan Administrator may direct.

3.10 Non-transferability of Awards

Except to the extent that certain rights may pass to a beneficiary or a Personal Representative upon death of a Participant by will or as required by law, no Award is assignable or transferable.

3.11 Resale Restrictions

Any Shares issued by the Corporation upon exercise or settlement of an Award are subject to any resale and trading restrictions in effect pursuant to Applicable Laws and the policies of the Exchange, and the Corporation shall be entitled to place any restriction or legend on any certificates representing such Shares accordingly.

ARTICLE 4 SHARE UNITS

4.1 Granting of Share Units

The Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of the Plan and such other terms and conditions as the Plan Administrator may grant Share Units to any Participant, and in doing so, may, without limitation, in its discretion, (a) designate the Participants who may receive Share Units under the Plan, (b) fix the number and type of Share Units, if any, to be granted to each Participant and the date or dates on which such Share Units shall be granted, (c) determine the relevant conditions and vesting provisions (including Performance Goals, if any, and the Performance Period) in respect of any Share Units, and (d) determine the vesting schedule of the Share Units.

4.2 Share Unit Account

All Share Units received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation as of the Date of Grant. The terms and conditions of each Share Unit grant shall be evidenced by an Award Agreement.

4.3 Vesting of Share Units

(a) For each Share Unit grant, subject to Corporate Policies and the provisions of the Plan, the Plan Administrator shall establish, as applicable, the vesting schedule, the Performance Period, the Performance Goals and other vesting conditions which must be met in order for the Share Units to be deemed Vested.

(b) Notwithstanding Section 4.3(a), the Vesting Date of a Share Unit shall not be prior to the first anniversary of the Date of Grant, other than in the event a Participant ceases to be a Participant due to death of the Participant or in connection with a Change in Control, as set out more particularly in Sections 7.3 and 8.1, respectively.

4.4 Settlement of Vested Share Units

Subject to Section 6.2 and ARTICLE 7, on or within 60 days following the Vesting Date of a Share Unit, unless otherwise determined by the Plan Administrator or specified in the applicable Award Agreement, and in any event no later than three years following the end of the year of the Date of Grant (the "**Share Unit Settlement Date**"), or such other shorter term as may be required in respect of an Award so that such Award does not

constitute a "salary deferral arrangement" as defined in Section 248(1) of the Tax Act, the Corporation shall settle each Vested Share Unit by any of the following methods or by a combination of such methods as determined by the Plan Administrator in its discretion, subject to any necessary Exchange approvals:

(a) issuing the Participant one (1) fully paid and non-assessable Share from treasury for each Vested Share Unit and delivering a share certificate to the Participant representing the amount thereof (or in the case of Shares issued in uncertificated form, causing the issuance of the aggregate number of Shares as the Participant shall then be entitled to receive to be evidenced by a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Corporation); or

(b) making a cash payment to the Participant, which shall be calculated by multiplying the number of Vested Share Units to be redeemed for cash by the Market Price Per Share as at the Share Unit Settlement Date, net of applicable withholding taxes. Cash payment may be made through the Corporation's payroll in the pay period that the Share Unit Settlement Date falls within.

For greater certainty, nothing in this Section 4.4 shall cause Share Units which have not Vested to vest by the Share Unit Settlement Date if such Share Units would not have otherwise Vested pursuant to the terms of the Award Agreement or the Plan Administrator's determinations.

A holder of Share Units shall not have any right to demand, to be paid in, or receive any specific allocation of Shares or a cash payment in respect of a Vested Share Unit at any time. Notwithstanding any allocation by the Plan Administrator to settle Vested Share Units, or a portion thereof, in Shares or make a cash payment therefore, the Corporation reserves the right to change its allocation in respect thereof at any time up until payment is actually made, and the holder of such Vested Share Units shall not have the right, at any time to enforce settlement as to the allocation of Shares or cash payment.

The Share Units in respect of which Shares are issued or a cash payment is made shall be cancelled and no further issuances or payments shall be made to the Participant under the Plan in relation to such Share Units.

ARTICLE 5 DEFERRED SHARE UNITS

5.1 Granting of DSUs to Directors for Director Fees

(a) Subject to Corporate Policies, the Board may fix from time to time a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person is given, subject to the conditions stated herein, the right to elect in accordance with Section 5.1(b) to participate in the grant of additional DSUs pursuant to this Section 5.1. The Board shall have the right, in its sole discretion, to accept or reject such request, in whole or in part, which acceptance or rejection shall be binding on the Electing Person for the applicable year. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this ARTICLE 5.1 and whose request is accepted by the Board shall receive their accepted Elected Amount in the form of DSUs in lieu of cash. The "Elected Amount" shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that are otherwise intended to be paid in cash (the "Cash Fees").

(b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in the form as provided by the Corporation (the "Election Notice") with the Chief Financial Officer of the Corporation:

(c) (i) in the case of an existing Electing Person, by the end of the fiscal year preceding the fiscal year to which such election is to apply; and (ii) in the case of a newly appointed Electing Person, within

30 days of such appointment with respect to compensation paid for services to be performed after such date. If no election is made within the foregoing time frames, or if the Corporation rejects the election request in its entirety, the Electing Person shall be paid the entire amount of his or her Elected Amount in cash.

(d) The number of DSUs (including fractional DSUs) granted to an Electing Person at any particular time pursuant to this Section 5.1 will be calculated by dividing (a) the amount of any Director Fees that are to be paid in DSUs (including any Elected Amount), by (b) the Market Price of a Share on the Date of Grant.

5.2 **Granting of DSUs to Participants**

In addition to DSUs granted pursuant to Section 5.1, the Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of the Plan and such other terms and conditions as the Plan Administrator may determine, grant DSUs to any Participant, and, in doing so, may, without limitation, in its discretion, (a) designate the Participants who may receive DSUs under the Plan, (b) fix the number of DSUs, if any, to be granted to each Participant and the date or dates on which such DSUs shall be granted, (c) determine the relevant conditions and vesting provisions (including Performance Goals, if any, and the Performance Period), and (d) the vesting schedule of the DSUs.

5.3 **DSU Account**

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by an Award Agreement.

5.4 **Vesting of DSUs**

The Vesting Date of a DSU shall not be prior to the first anniversary of the Date of Grant, other than:

(a) in the event a Participant ceases to be a Participant due to death of the Participant as set out in Section 7.3; and

(b) in the event a Participant ceases to be a Participant in connection with a Change in Control, as set out more particularly in Section 8.1.

5.5 **Settlement of Vested DSUs**

(a) Subject to Section 6.2 and ARTICLE 7, each Vested DSU shall be settled on the date established in the Award Agreement; provided, however that in no event shall a DSU Award be settled:

(i) prior to the Participant Service Separation Date; or

(ii) later than 12 months following the Participant Service Separation Date.

If the Award Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the Participant Service Separation Date (the "**DSU Settlement Date**").

(b) On the DSU Settlement Date, the Corporation shall settle each Vested DSU by any of the following methods or by a combination of such methods as determined by the Plan Administrator in its discretion (subject to any necessary Exchange approvals):

(i) issuing the Participant one (1) fully paid and non-assessable Share from treasury for each Vested DSU and delivering a Share certificate to the Participant representing the amount thereof (or in the case of Shares issued in uncertificated form, causing the issuance of the aggregate number of Shares as the Participant shall then be entitled to receive to be evidenced by a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Corporation); or

(ii) making a cash payment to the Participant, which shall be calculated by multiplying the number of Vested DSUs to be redeemed for cash by the Market Price Per Share as at the DSU Settlement Date, net of any applicable withholding taxes. Cash payment may be made through the Corporation's payroll in the pay period that the DSU Settlement Date falls within or via cheque.

A holder of DSUs shall not have any right to demand, to be paid in or receive any specific allocation of Shares or a cash payment in respect of a Vested DSU at any time. Notwithstanding any allocation by the Plan Administrator to settle Vested DSUs, or portion thereof, in Shares or make a cash payment therefore, the Corporation reserves the right to change its allocation in respect thereof at any time up until payment is actually made, and the holder of such Vested DSUs shall not have the right at any time to enforce settlement as to the allocation of Shares or cash payment.

The DSUs in respect of which Shares are issued or a cash payment is made shall be cancelled, and no further issuances or payments shall be made to the Participant under the Plan in relation to such DSUs.

ARTICLE 6 ADDITIONAL AWARD TERMS

6.1 Dividend Equivalents

(a) Subject to the terms and conditions of the Plan, the Plan Administrator, may, in its discretion, credit outstanding Share Units and DSUs with dividend equivalents in the form of additional Share Units and DSUs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of Share Units and DSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first Business Day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a Participant's accounts shall vest in proportion to the Share Units and DSUs to which they relate, and shall be settled in accordance with Sections 4.4 and 5.5, respectively. Where the proposed issuance of Shares by the Corporation would result in the limits contained in Sections 3.7 or 3.8 being exceeded, the dividend equivalents which have vested in proportion to the Share Units and DSUs to which they relate shall instead be settled in cash in accordance with Sections 4.4(b) and 5.5(b)(ii), respectively.

(b) The foregoing does not obligate the Corporation to declare or pay dividends on Shares, and nothing in the Plan shall be interpreted as creating such an obligation.

6.2 Black-Out Period

If a settlement date for an Award occurs during the Black-Out period, then, notwithstanding any other provision of the Plan, the Award shall be settled no more than ten Business Days after the date the Black- Out is lifted by the Corporation, unless the delayed expiration would result in tax penalties or the Participant or the Corporation is subject to a cease trade order in respect of the Corporation's securities.

6.3 **Withholding Taxes**

The granting, vesting or settlement of each Award under the Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or a Subsidiary of the Corporation is obliged to remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or a Subsidiary of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or a Subsidiary of the Corporation to the Participant, (b) require the sale of a number of Shares issued upon exercise, vesting or settlement of such Award and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount or (c) enter into any other suitable arrangements for the receipt of such amount. For greater certainty, the application of this Section 6.3 to any granting, vesting or settlement of an Award shall not conflict with the policies of the Exchange that are in effect at the relevant time and the Corporation will obtain prior Exchange acceptance and/or shareholder approval of any application of this Section 6.3 if required pursuant to such policies.

Participants (or their beneficiaries) shall be responsible for all taxes with respect to any Awards granted under the Plan, whether arising as a result of the grant or payment in respect of the Award or otherwise. The Corporation, the Plan Administrator and the Board make no guarantees to any Person regarding the tax treatment of an Award or issuances of Shares or cash payments made under the Plan and none of the Corporation, the Board, the Plan Administrator or any of the Executives, Employees, Consultants, agents, advisors or representatives of the Corporation or the Subsidiary of the Corporation shall have any liability to a Participant with respect thereto.

6.4 **Compliance with the Tax Act**

The terms and conditions applicable to any Award (or portion thereof) granted to a Participant who is subject to taxation under the Tax Act are intended to comply with the Tax Act. Without limiting the foregoing,

(a) the terms of any such Award (or portion thereof) permitting the deferral of payment or other settlement thereof shall be subject to such requirements and shall be administered in such manner as the Plan Administrator may determine to be necessary or appropriate to comply with the applicable provisions of the Tax Act; and

(b) any elections allowed to be exercised by a Participant shall be deemed to be void or shall be deemed amended or altered so as not to cause the Award to be considered a “salary deferral arrangement” under the Tax Act, as defined in Section 248(1) of the Tax Act, or create adverse tax consequences under the Tax Act.

6.5 **Recoupment**

Notwithstanding any other terms of the Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or a Subsidiary of the Corporation and in effect at the Date of Grant of the Award, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 6.5 to any Participant or category of Participants.

6.6 **No Other Benefit**

(a) No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a

downward fluctuation in the price of a Share or the value of any Award granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

(b) The Corporation makes no representations or warranties to Participants with respect to the Plan or any Awards whatsoever. Participants are expressly advised that the value of any Awards issued pursuant to the Plan will fluctuate as the trading price of the Shares fluctuates.

(c) In seeking the benefits of participation in the Plan, the Participant shall exclusively accept all risks associated with a decline in the trading price of the Shares and all other risks associated with the holding of any Awards.

ARTICLE 7
TERMINATION OF EMPLOYMENT OR SERVICES

7.1 Termination of Participant

Subject to ARTICLE 8 and unless otherwise determined by the Plan Administrator or as set forth in an Award Agreement:

(a) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, then each Award held by the Participant that has not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. The Plan Administrator, in its discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause. In addition, where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, the Plan Administrator may, in its discretion, determine that all Awards held by the Participant that have Vested as of the Termination Date shall immediately become forfeited, cancelled, null and void, failing which, all Awards held by the Participant that have Vested as of the Termination Date shall be settled in accordance with Sections 4.4 and 5.5, as applicable, at any time during the period that terminates on the earlier of: (i) a date determined by the Plan Administrator in its discretion; and (ii) the first anniversary of the Termination Date. Any Award that remains unexercised shall be immediately forfeited upon the termination of such period;

(b) where a Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant, then each Award held by the Participant that has not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. All Awards held by the Participant that have Vested as of the Termination Date shall be settled in accordance with Sections 4.4 and 5.5, as applicable, at any time during the period that terminates on the earlier of: (i) a date determined by the Plan Administrator in its discretion; and (ii) the first anniversary of the Termination Date. Any Award that remains unexercised shall be immediately forfeited upon the termination of such period;

(c) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice); then:

(i) a portion of any Awards held by the Participant that are not yet Vested shall immediately vest, with such portion to be equal to the number of unvested Awards multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of

which is the number of days between the Date of Grant and the date the unvested Awards were originally scheduled to vest. For clarity and by way of example, if a Participant's employment is terminated 400 days following the Date of Grant and unvested Awards were originally scheduled to vest 600 days from the Date of Grant, two-thirds of the unvested Awards will immediately vest;

(ii) subject to Section 7.1(c)(i), any Awards held by the Participant that are not yet Vested at the Termination Date after the application of Section 7.1(c)(i) shall be immediately forfeited to the Corporation; and

(iii) any Awards held by the Participant that have Vested as of the Termination Date or Vested pursuant to Section 7.1(c)(i) shall be settled in accordance with Sections 4.4 and 5.5, as applicable, at any time during the period that terminates on the earlier of: (i) a date determined by the Plan Administrator in its discretion; and (ii) the first anniversary of the Termination Date. Any Award that remains unexercised shall be immediately forfeited upon the termination of such period;

(d) notwithstanding that such date may be prior to the Termination Date, a Participant's eligibility to receive further grants of Awards under the Plan ceases as of the date that: (i) the Corporation or a Subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 7.1, or (ii) the Participant provides the Corporation or a Subsidiary of the Corporation, as the case may be, with written notification of the Participant's voluntary resignation;

(e) unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Awards shall not be affected by a change of employment agreement or arrangement, or directorship within or among the Corporation or a Subsidiary of the Corporation for so long as the Participant continues to be an Executive, Employee or Consultant, as applicable, of the Corporation or a Subsidiary of the Corporation.

7.2 **Leave of Absence**

If a Participant is on sick leave or other bona fide leave of absence, such Participant shall continue to be deemed a "Participant" for the purposes of an outstanding Award during the period of such leave, provided that it does not exceed 90 days (or such longer period as may be determined by the Plan Administrator in its discretion). If the period of leave exceeds 90 days (or such longer period as may be determined by the Plan Administrator in its discretion), the relationship shall be deemed to have been terminated by the Participant voluntarily on the 91st day (or the first day immediately following any period of leave in excess of 90 days as approved by the Plan Administrator) of such leave, unless the Participant's right to reemployment or reengagement of services with the Corporation or a Subsidiary of the Corporation, as applicable, is guaranteed by statute or contract.

7.3 **Death or Disability**

Where a Participant's employment or services are terminated by reason of the death of the Participant or the Participant becomes Disabled, then each Award held by the Participant that has not Vested as of the date of the death or Disability, as applicable, of such Participant shall vest on such date, and be settled in accordance with Sections 4.4 and 5.5, as applicable, at any time during the period that terminates on the first anniversary of the date of the death or Disability of the Participant. Any Award that remains unexercised shall be immediately forfeited upon the termination of such period. A Participant's eligibility to receive further grants of Awards under the Plan ceases as of the date of the death or Disability of the Participant.

7.4 **Discretion to Permit Acceleration**

Notwithstanding the provisions of this ARTICLE 7, subject to Section 4.3(b) and Section 5.4 and any necessary Regulatory Approvals, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in ARTICLE 7, permit the acceleration of vesting of any or all Awards, should a Participant who dies or who ceases to be an eligible Participant under the Security Based Compensation Plan in connection with a change of control, take-over bid, RTO or other similar transaction then such Awards will be settled in accordance with Sections4.4 and 5.5, as applicable.

ARTICLE 8
EVENTS AFFECTING THE CORPORATION

8.1 **Change in Control**

Except as may be set forth in an employment agreement or other written agreement between the Corporation or a Subsidiary of the Corporation and the Participant and subject to any necessary Regulatory Approvals:

(a) Unless determined otherwise by the Plan Administrator, if within 12 months following the completion of a transaction resulting in a Change in Control, (i) a Participant's employment or directorship is terminated by the Corporation or a Subsidiary of the Corporation without Cause or (ii) a Participant resigns for Good Reason, without any action by the Plan Administrator, the vesting of all Awards held by such Participant shall immediately accelerate and vest on the date of such Participant's termination or resignation for Good Reason and the Corporation shall settle such Awards in accordance with Section 4.3(b) and 5.4, as applicable, provided that in the event that any Awards are subject to the satisfaction of Performance Goals, then the vesting of such Awards shall accelerate and vest only to the extent that such Performance Goals have been satisfied, and further provided that if the Performance Goals are, in the Plan Administrator's discretion, capable of being partially performed, then vesting shall be accelerated on a pro rata basis to reflect the degree to which such Performance Goals have been satisfied, as determined solely by the Plan Administrator.

(b) Notwithstanding Section 8.1(a), the Plan Administrator may, without the consent of any Participant, and subject to prior TSXV acceptance, as applicable, take such steps as it deems necessary or desirable in connection with a Change in Control, including, without limitation, to cause: (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become realizable, or payable; (iii) restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iv) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the settlement of such Award or realization of the Participant's rights, then such Award may be terminated by the Corporation without payment); (v) the replacement of such Award with other rights or property selected by the Board in its discretion; or (vi) any combination of the foregoing. In taking any of the actions permitted under this Section 8.1(a), the Plan Administrator will not be required to treat all Awards similarly in the transaction.

8.2 **Triggering Events**

Subject to any necessary Regulatory Approvals and notwithstanding any other provisions of the Plan or any Award Agreement, the Plan Administrator may, without the consent of the Participant in question cause all or a portion of any of the Awards granted under the Plan to terminate upon the occurrence of a Triggering Event, provided that the Corporation must give written notice to the Participant in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Participant the opportunity to exercise the Vested portion of the Awards prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Awards or portions thereof granted under the Plan which the Corporation proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Awards may have otherwise been subject.

8.3 **Reorganization of Corporation's Capital**

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control, or in the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control, that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator may, subject to prior TSXV acceptance, authorize such steps to be taken as it may consider to be equitable and appropriate to that end, including, but not limited to, permitting the immediate vesting of any unvested Awards.

8.4 **Assumptions of Awards in Acquisitions**

Notwithstanding any other provision of the Plan, in connection with a Reverse Takeover, a Change of Business, a Reorganization or an acquisition pursuant to Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSXV Manual, subject to prior TSXV acceptance, security based compensation of a target Company may be cancelled and replaced with substantially equivalent Awards under the Plan without shareholder approval, provided that: (a) the number of Shares issuable pursuant to the Awards (and their applicable exercise or subscription price) is adjusted in accordance with the share exchange ratio applicable to the particular transaction, regardless of whether the adjusted exercise price is below the current Market Price; and (b) any other applicable policies of the TSXV have been complied with.

8.5 **No Restriction on Action**

The existence of the Plan and of any Awards granted hereunder shall not affect, limit or restrict in any way the right or power of the Corporation, the Board or the Corporation's shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise. No Participant or any other Person shall have any claim against any member of the Committee or the Corporation or any Employees, Officers or agents of the Corporation as a result of any such action.

8.6 **Issue by Corporation of Additional Shares**

Except as expressly provided in this ARTICLE 8, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Awards.

8.7 **Fractions**

No fractional Shares will be issued pursuant to an Award. Accordingly, if, as a result of any adjustment under this ARTICLE 8 or a dividend equivalent, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares (rounded down to the nearest whole number) and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 9
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

9.1 **Amendment, Suspension, or Termination of the Plan**

Subject to any Regulatory Approvals, including, where required, the approval of the TSXV, and to Section 9.2, the Plan Administrator may, from time to time, without notice to or approval of the Participants or of the shareholders of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that, no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any Applicable Laws or Exchange requirements or as otherwise set out in the Plan.

9.2 **Shareholder Approval**

Notwithstanding Section 9.1 and subject to any rules of the Exchange, if the Corporation is listed on the TSXV, the approval of shareholders of the Corporation shall be required for any amendment to the Plan except for the following:

(a) amendments to fix typographical errors; and

(b) amendments to clarify existing provisions of the Plan and which do not have the effect of altering the scope, nature and intent of such provisions.

ARTICLE 10 MISCELLANEOUS

10.1 **Legal Requirement**

The Corporation is not obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

10.2 **Rights of Participant**

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as an Executive, Employee or Consultant of the Corporation or a Subsidiary of the Corporation. Neither the Participant nor such Participant's Personal Representatives shall have any rights whatsoever as a shareholder of the Corporation in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant or the liquidator, executor or administrator, as the case may be, of the estate of such Participant, of certificates representing such Shares (or in the case of Shares issued in uncertificated form, receipt of evidence of a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Corporation).

10.3 **Conflict**

In the event of any conflict between the provisions of the Plan and the provisions of an Award Agreement, an employment agreement or another written agreement between the Corporation or a Subsidiary of the Corporation and a Participant, the provisions of the Plan shall govern.

10.4 **Anti-Hedging Policy**

By accepting the Award, each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Awards.

10.5 **No Guarantee of Tax Consequences**

Neither the Plan Administrator nor the Corporation makes any commitment or guarantee that any specific tax treatment will apply or be available to the Participants.

10.6 **Participant Information**

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such Persons (including Persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

10.7 **Participation in the Plan**

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant.

10.8 **Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Corporation and its affiliates.

10.9 **Severability**

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

10.10 **Notices**

All written notices to be given by the Participant to the Corporation shall be delivered by (a) hand or courier, with all fees and postage prepaid, addressed using the information specified below, or designated otherwise by the Corporation in writing; or (b) email to the email address that the parties regularly use to correspond with one another or to any other email address specified by the Corporation in writing to the Participant:

Fort St James Nickel Corp.
Attention: Corporate Secretary

Such notices are, if delivered by hand or by courier, deemed to have been given by the sender and received by the addressee at the time of delivery. Any notice sent by email will be deemed to have been given by the sender and received by the addressee on the first Business Day after it was transmitted. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

10.11 **Effective Date and Replacement**

The Plan shall become effective upon the receipt of all required shareholder and regulatory approvals, being the Effective Date.

10.12 **Governing Law**

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

10.13 **Submission to Jurisdiction**

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.