



MANAGEMENT INFORMATION CIRCULAR

(Containing information as at May 1, 2023 unless indicated otherwise)

This Management Information Circular (the “**Circular**”) furnished in connection with the solicitation of proxies by the management of Xander Resources Inc. (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of its shareholders to be held on **Friday, June 16, 2023**, and at any postponement(s) or adjournment(s) thereof, at the time and place and for the purposes set forth in the accompanying Notice of the Meeting. No person has been authorized to give any information or make any representation in connection with any matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

In this Circular, references to the “**Company**”, “**we**” and “**our**” refer to Xander Resources Inc. “**common shares**” means common shares without par value in the capital of the Company. “**Beneficial Shareholders**” means shareholders who do not hold common shares in their own name and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company at nominal cost. The Company will bear all costs of this solicitation.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN EITHER OF THE PERSONS DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. YOU MAY DO SO EITHER BY INSERTING THE NAME OF THAT OTHER PERSON IN THE BLANK SPACE PROVIDED IN THE PROXY OR BY COMPLETING AND DELIVERING ANOTHER SUITABLE FORM OF PROXY.** If your common shares are held in physical form (i.e., paper form) and are registered in your name, then you are a registered shareholder (“**Registered Shareholder**”). However, if, like most shareholders, you keep your common shares in a brokerage account, then you are a Beneficial Shareholder. The manner for voting is different for Registered Shareholders and Beneficial Shareholders. The instructions below should be read carefully by all shareholders.

Voting by Proxyholder

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

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

- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.

Registered Shareholders

If you are a Registered Shareholder, you can vote in person or vote by proxy. Voting by proxy is the easiest way to vote because you can appoint anyone to be your proxyholder to attend the Meeting and vote your common shares according to your instructions. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the Proxy and returning it to the Company's transfer agent, Endeavor Trust Corporation ("**Endeavor Trust**"), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their common shares via the internet or by telephone as per the instructions provided on the Proxy.

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

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

- (a) mail or by hand to Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4;
- (a) facsimile to 604.559.8908;
- (b) email to proxy@endeavortrust.com; or
- (c) www.eproxy.ca.

Beneficial Shareholders

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

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

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

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

Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators ("**NI 54-101**"), the Company is sending proxy-related materials directly to NOBOs, which materials will include a scannable Voting Instruction Form (a "**VIF**"). These VIFs are to be completed and returned to Endeavor Trust in the envelope provided or by facsimile. In addition, Endeavor Trust provides both

telephone voting and Internet voting as described on the VIF itself which contain complete instructions. Endeavor Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

Management of the Company does not intend to pay for intermediaries to forward to OBOs under NI 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and, in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a voting instruction form (the “**Broadridge VIF**”) which will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. The Broadridge VIF will appoint the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **If you receive a Broadridge VIF, you cannot use it to vote common shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the common shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your common shares in that capacity. **If you wish to attend at the Meeting and indirectly vote your common shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.**

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your common shares.

Voting by Proxy Generally

A Registered Shareholder may vote prior to the meeting by the means described below or they may appoint another person, who does not have to be a shareholder, as their proxy to attend and vote in their place. The persons named in the enclosed Proxy are directors and/or officers of the Company.

Each Registered Shareholder submitting a proxy has the right to appoint a proxyholder other than the persons designated in the Proxy furnished by the Company, who need not be a shareholder, to attend and act for the Registered Shareholder and on the Registered Shareholder's behalf at the Meeting. To exercise such right, the names of the persons designated by management should be crossed out and the name of the Registered Shareholder's appointee should be legibly printed in the blank space provided in the enclosed Proxy or by submitting another appropriate Proxy.

In order to be effective, the completed Proxy must be sent so as to be deposited at the offices of the Company's transfer agent, Endeavor Trust by **10:00 am PST on Wednesday, June 14, 2023**, so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by mail to the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia, Canada, V6J 4M6.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy may revoke it by executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Endeavor Trust at Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, or to the address of the office of the Company at Suite 400, 1681 Chestnut Street, Vancouver, British Columbia, V6J 4M6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof.

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

Notice to United States Shareholders

The Company's common shares are not registered under Section 12 of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and this solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Residents of the United States should be aware that applicable Canadian proxy solicitation rules differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Company's shares by shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada, and reconciled to accounting principles generally accepted in the United States.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the approvals of the Omnibus Plan or Existing Option Plan (as such terms are defined below), and as may be set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed May 1, 2023, as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting in person or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their common shares voted at the Meeting.

As at the Record Date, there were 112,720,123 common shares issued and outstanding, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company. The financial statements for the year ended March 31, 2022, report of the auditor and related management and discussion and analysis were filed on www.sedar.com with the securities commissions or similar regulatory authority in British Columbia, Alberta and Ontario and are specifically incorporated by reference into, and form an integral part of, this Circular.

A copy of the financial statements incorporated herein by reference may be obtained by a shareholder upon request without charge from the Company, c/o Suite 400, 1681 Chestnut Street, Vancouver, British Columbia V6J 4M6, telephone: (604) 737-2303, or are available through the internet at www.sedar.com.

SETTING NUMBER OF DIRECTORS

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at four (4). The Board proposes that the number of directors be fixed at four (4). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at four (4).

ELECTION OF DIRECTORS

The term of office of each of the current directors expires at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as a director (a "**proposed director**"), the province and country in which he is ordinarily resident, all major offices and positions with the Company and any of its significant affiliates each now holds, each proposed director's principal occupation, business or employment for the five preceding years for new proposed directors, the period of time during which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

Name of Nominee, Province and Country of Ordinary Residence and Positions Held with the Company	Occupation, Business or Employment⁽¹⁾	Director Since	Common Shares Beneficially Owned or Controlled⁽¹⁾
Deepak Varshney, P. Geo. British Columbia, Canada <i>President, CEO and Director</i>	Professional Geologist. CEO and Secretary of Usha Resources Ltd. since December 6, 2019 and director since February 26, 2018.	August 5, 2021	550,000
Richard Paolone⁽³⁾ Ontario, Canada <i>Proposed Director</i>	Principal lawyer of Paolone Law Professional Corporation.	N/A	Nil
Adrian Smith⁽²⁾ British Columbia, Canada <i>Director</i>	Professional Geologist. CEO of ArcPacific Resources Corp., President and Director of M3 Metals Corp., director of Go Metals Corp. and a director of Usha Resources Ltd.	November 26, 2021	Nil
James Walker⁽²⁾ British Columbia, Canada <i>Director</i>	CEO of Ares Strategic Mining Inc.	September 15, 2021	Nil

(1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is to the knowledge of the Company, based upon publicly available information as well as information provided by the applicable proposed director. Each proposed director has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.

(2) Member of Audit Committee.

- (3) If elected at the Meeting, the Company intends for Mr. Paolone to replace Dwayne Yaretz as a member of the Audit Committee.

None of the proposed directors is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and officers of the Company acting solely in such capacity.

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

As at the date of this Circular, and within the last 10 years before the date of this Circular, no proposed director (or any of their personal holding companies) of the Company was a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO; or
- (b) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, CEO or CFO in the company and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or
- (c) is as at the date of this Circular or has been within 10 years before the date of this Circular, a director or executive officer of any company, including the Company, 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; or
- (d) has within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of that individual.

None of the proposed directors (or any of their personal holding companies) 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 securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the financial year ended March 31, 2022, together with the auditor's report thereon, will be presented to shareholders of the Company for review at the Meeting and were mailed to shareholders that requested paper copies. No vote by the Shareholders is required with respect to this matter.

APPOINTMENT OF AUDITOR

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants (“**DMCL**”), of Suites 1500 and 1700, 1140 West Pender Street, Vancouver, British Columbia V6E 4G1, will be nominated at the Meeting for re-appointment

as auditor of the Company at a remuneration to be fixed by the Board. DMCL is the current auditor of the Company and was first appointed on May 2, 2012.

MANAGEMENT OF THE COMPANY RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE APPOINTMENT OF DMCL AS AUDITORS OF THE COMPANY UNTIL THE CLOSE OF THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE BOARD TO FIX THEIR REMUNERATION. UNLESS YOU GIVE OTHER INSTRUCTIONS, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE FOR THE APPOINTMENT OF DMCL AND THE AUTHORIZATION OF THE BOARD TO FIX THEIR REMUNERATION.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 *Audit Committees* (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

The Audit Committee’s Charter

The Audit Committee has an Audit Charter. A copy of the Audit Charter is attached to the Company’s management information circular dated November 23, 2021 which was filed on SEDAR at <https://www.sedar.com/> on December 7, 2021 and is specifically incorporated by reference into, and forms an integral part of, this Circular.

Composition of the Audit Committee

The members of the Audit Committee are Dwayne Yaretz (Chair), Adrian Smith and James Walker. As of March 31, 2022, Mr. Yaretz was the Corporate Secretary of the Company and was, therefore, not considered independent at such time. Messrs. Smith and Walker are not executive officers of the Company and are, therefore, considered independent; all members are considered to be financially literate.

Following conclusion of the Meeting, Richard Paolone will replace Dwayne Yaretz as the Chair of the Audit Committee. Mr. Paolone is not an executive officer of the Company and is, therefore, considered independent.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment.

None of the members of the Audit Committee were, during the financial year ended March 31, 2022, an officer or employee of the Company or any of its subsidiaries, except for Dwayne Yaretz, who served as an executive officer of the Company. None of the members of the Audit Committee are or have been indebted to the Company or any of its subsidiaries nor had any interest in any material transaction involving the Company or its subsidiaries or was an executive officer of the Company and also served as a director or member of the compensation committee of another issuer, except for Dwayne Yaretz who was an executive officer of the Company as of March 31, 2022.

The mandate of the Audit Committee is to review and make recommendations to the Board concerning the appointment of executive officers of the Company and the hiring, compensation, benefit and termination of senior executive officers and all other key employees of the Company.

Relevant Education and Experience

Richard Paolone is a Toronto-based securities lawyer whose focus includes an emphasis on natural resources and diversified industries. Mr. Paolone is the principal lawyer of Paolone Law Professional Corporation. In his private practice, he has developed experience with respect to public companies, capital markets, mergers and acquisitions,

and other facets fundamental to the natural resource sector. Mr. Paolone currently serves as a board member of Critical Infrastructure Technologies Inc (CSE: CTTT), SBD Capital Corp (CSE: SBD), and previously was a board member and CEO of Red Pine Petroleum Ltd. (TSXV: RPN).

Adrian Smith is presently CEO of ArcPacific Resources Corp., President and a director at M3 Metals Corp., director of Go Metals Corp. and a director of Usha Resources Ltd. Mr. Smith is a professional geologist with over a decade of experience in the capital markets and mineral exploration and development sector. He has successfully executed multiple exploration programs and corporate strategies, including the acquisition, development and optioning of the Mohave Gold project in Arizona, USA during his time as CEO of M3 Metals Corp.

James Walker has extensive experience in engineering and project management, particularly within mining engineering, mechanical engineering, construction, manufacturing, engineering design, infrastructure, safety management, and nuclear engineering. He is currently the CEO and President and Director of Ares Strategic Mining and a Director of Bayhorse Silver Inc., both TSX Venture Exchange-listed issuers, and a director of Orcus Resources Ltd. His previous experience includes his time at Lithium Energy Products where he oversaw the exploration of multiple lithium projects.

James' professional experience includes designing nuclear reactors, submarines, chemical plants, factories, mine processing facilities, infrastructure, automotive machinery, and testing rigs.

Mr. Walker holds degrees in Mechanical Engineering, Mining Engineering, and Nuclear Engineering, as well as qualifications in Project Management and Accountancy, and is a Chartered Engineer with the IMechE, and registered as a Project Manager Professional with the APM.

Each member of the Audit Committee has adequate education and experience that would provide the member with:

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

Audit Committee Oversight

The Audit Committee has not made any recommendations to the Board to nominate or compensate any external auditor, other than DMCL.

Reliance on Certain Exemptions

At no time since the commencement of the Company's financial year ended March 31, 2022, has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

All services to be performed by the independent auditor of the Company must be approved in advance by the Audit Committee. The Audit Committee has considered whether the provisions of services other than audit services is compatible with maintaining the auditor's independence and has adopted a policy governing the provision of these services. This policy requires pre-approval by the Audit Committee of all audit and non-audit services provided by any external auditor, other than any de minimus non-audit services allowed by applicable law or regulation.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by DMCL for the financial year ended March 31, 2022 to the Company to ensure auditor independence. Fees billed for audit and non-audit services in the last two fiscal years are outlined in the following table:

Nature of Services	Fees Billed by Auditor for the Financial Year Ended March 31, 2022	Fees Billed by Auditor for the Financial Year Ended March 31, 2021
Audit Fees ⁽¹⁾	\$25,507.44	\$20,443.39
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	Nil	\$4,462.50
All Other Fees ⁽⁴⁾	\$3,990.00	Nil
TOTAL:	\$29,497.44	\$24,905.89

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

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110 for the financial year ended March 31, 2022. This exemption exempts a "venture issuer" from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of that instrument, as would otherwise be required by NI 52-110.

CORPORATE GOVERNANCE

General

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

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Board facilitates its exercise of independent judgment in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board requires

management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Board is responsible for monitoring the Company's officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The independent members of the Board are Adrian Smith, Dr. Andreas Rompel, and James Walker. As of March 31, 2022, the non-independent members of the Board were Deepak Varshney, the President and CEO of the Company, and Dwayne Yaretz, the Corporate Secretary of the Company as of such date.

Directorships

Deepak Varshney is a director of Usha Resources Ltd., AsiaBaseMetals Inc., Mantra Exploration Inc., Totec Resources Ltd., and Western Metallica Resources Corp.

James Walker is a director of Bayhorse Silver Inc. and Ares Strategic Mining Inc., Totec Resources Ltd., and Western Metallica Resources Corp.

Adrian Smith is a director of ArcPacific Resources Inc., Flow Metals Corp., Go Metals Corp., M3 Metals Corp., Prudent Minerals Corp., Live Energy Minerals Corp., and Usha Resources Ltd.

Dr. Andreas Rompel is a director of Jourdan Resources Inc. and Yukoterre Resources Inc.

Orientation and Continuing Education

Due to the Company's small size and the fact that the Company recruits only directors with public company experience, the Company does not currently have a formal orientation program. However, existing members of the Board will provide any new director with a review of a director's fiduciary duties and the Company's expectations of its directors in terms of time and effort, as well as the Company's business, strategic plans, management issues, and corporate governance policies.

In terms of continuing education, directors are encouraged to keep themselves current with industry trends and changes in legislation by liaising with management and the Company's counsel, attending industry-related events and other educational seminars. The cost of continuing education activities will be borne by the Company.

Ethical Business Conduct

The Board has adopted and maintains a code of ethics which is applicable to the Company's directors, officers and employees. The purpose of the code is to provide guidance and to prohibit unethical behaviour with respect to issues such as conflicts of interest, confidentiality, whistleblowing, protection of corporate assets and opportunities, and compliance with laws and regulations. Furthermore, directors are frequently reminded to consider whether they are in a conflict of interest by virtue of serving as directors or officers in other companies or holding an interest in a transaction or agreement. A director in such circumstances is advised to disclose his or her interest in a transaction or agreement, and if the Board considers the interest to be material, such director must abstain from discussing and voting on the matter.

Nomination of Directors

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

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

Other Board Committees

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

Assessments

Members of the Board are expected to continually evaluate the effectiveness of the Board, its committees and fellow directors by considering the accomplishment, or lack thereof, of the Company's goals.

STATEMENT OF EXECUTIVE COMPENSATION

Oversight and Description of Director and Named Executive Officer Compensation

- **Compensation Discussion and Analysis**

The Board has not appointed a compensation committee so the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation programs, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. The Board receives independent competitive market information on compensation levels for executives.

The compensation for executives includes four components: base consulting fees, bonus (if applicable), stock options (the "**Options**") and perquisites. As a package, the compensation components are intended to satisfy the objectives of the compensation program (that is, to attract, retain and motivate qualified executives). There are no predefined or standard termination payments, change of control arrangements or employment contracts.

- **Philosophy and Objectives**

The Company's compensation policies and programs are designed to be competitive with similar mining exploration companies and to recognize and reward executive performance consistent with the success of the Company's business. The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including (a) attracting and retaining talented, qualified and effective executives, (b) motivating the short and long-term performance of these executive, and (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has encouraged equity participation and in furtherance thereof employs its Existing Option Plan and has approved the Omnibus Plan, in each case as described below.

- **Equity Participation**

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation has been accomplished through the issuance of founder's shares and the Company's stock option plan. Options are granted to executives and employees taking into account a number of factors, including the amount and term of Options previously granted, base consulting fees and bonuses and competitive factors. The amounts and terms of Options granted are determined by the Board.

Given the evolving nature of the Company's business, the Board continues to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

- **Option-Based Awards**

At the annual general and special meeting of the Company held on December 30, 2021, the shareholders of the Company re-approved the Company's 10% rolling stock option plan (the "**Existing Option Plan**") as previously approved by the Board on October 15, 2013.

The Existing Option Plan provides incentives to eligible persons to increase their proprietary interest in the Company and thereby encourage their continued association with the Company. Management proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All Option grants require approval of the Board.

The Existing Option Plan is administered by the Board and provides that Options may be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Board has determined that it is advisable to replace the Existing Option Plan with an omnibus incentive plan (the “**Omnibus Plan**”), which it believes is in the best interests of the Company. See *Particulars of Matters to be Acted Upon – Approval of Omnibus Incentive Plan* for further information on the Existing Option Plan and Omnibus Plan.

Summary Compensation Table

In this section, a “Named Executive Officer” (“**NEO**”) includes (i) the CEO, (ii) the CFO, (iii) each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers as at the end of the financial year ended March 31, 2022, and whose total compensation was more than \$150,000; and (iv) any additional individuals for whom disclosure would have been required except that the individual was not serving as an officer of the Company at the end of the financial year ended March 31, 2022. The CEO and CFO are the only Named Executive Officers of the Company as the Company did not engage any other individuals whose total compensation was greater than \$150,000 during the financial years ended March 31, 2021 and March 31, 2022.

The following table summarizes the compensation paid to the NEOs and each of the directors of the Company during the two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position	Year⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)⁽¹⁰⁾
James H. Hirst⁽²⁾⁽⁶⁾ Former president, CEO and director	2022	51,000	Nil	Nil	Nil	Nil	51,000
	2021	21,000	Nil	Nil	Nil	Nil	21,000
Dwayne Yaretz⁽³⁾⁽⁶⁾ Director and former Corporate Secretary	2022	51,000	Nil	Nil	Nil	Nil	51,000
	2021	42,000	Nil	Nil	Nil	Nil	42,000
Zara Kanji⁽⁴⁾ Former CFO and Treasurer	2022	31,500	Nil	Nil	Nil	Nil	31,500
	2021	2,500	Nil	Nil	Nil	Nil	2,500
Deepak Varshney⁽⁶⁾ CEO, President and director	2022	71,000	Nil	Nil	Nil	Nil	71,000
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Adrian Smith Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
James Walker Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Marsha Panar⁽⁹⁾ Former director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Andreas	2022	N/A	N/A	N/A	N/A	N/A	N/A

Rompel⁽⁵⁾ Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
Peter Michel⁽⁷⁾ Former CFO	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	N/A	N/A	N/A	N/A	N/A	N/A
Khalid Naeem⁽⁸⁾ CFO	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Financial years ended March 31.
- (2) James H. Hirst served as the President and CEO of the Company from September 25, 2020 to September 1, 2021 and as a director of the Company from September 25, 2020 until May 4, 2022.
- (3) Dwayne Yaretz served as Corporate Secretary of the Company from April 13, 2020 until December 22, 2022.
- (4) Zara Kanji served as CFO and Treasurer of the Company from February 23, 2021 to December 22, 2022. Ms. Kanji also served as CFO and Corporate Secretary from December 9, 2010 to January 1, 2019.
- (5) Dr. Andreas Rompel was appointed as a director on May 4, 2022 and was therefore not a director of the Company as of the financial year ended March 31, 2022.
- (6) Where an NEO was also a director, compensation was paid solely in such person's capacity as an NEO.
- (7) Peter Michel served as CFO of the Company from December 22, 2022 to April 30, 2023 and was therefore not an NEO of the Company as of the financial year ended March 31, 2022.
- (8) Khalid Naeem has served as CFO of the Company since May 1, 2023 and was therefore not an NEO of the Company as of the financial year ended March 31, 2022.
- (9) Marsha Panar served as a director of the Company from October 22, 2013 to November 26, 2021.
- (10) Compensation has been paid as consulting fees under the independent contractor agreement with the Named Executive Officer as described under the heading "Employment, Consulting and Management Agreements."

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table sets out all compensation securities granted or issued to each Named Executive Officer and director by the Company for services provided or to be provided, directly or indirectly, to the Company in the financial year ended March 31, 2022.

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
James H. Hirst⁽¹⁾ Former president, CEO and director	Options	100,000 common shares	October 13, 2021	0.13	0.13	0.07	October 13, 2026
Dwayne Yaretz⁽²⁾ Director and former corporate secretary	Options	100,000 common shares	October 13, 2021	0.13	0.13	0.07	October 13, 2026
Zara Kanji⁽³⁾ Former CFO and treasurer	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Deepak Varshney⁽⁴⁾ CEO, president and	Options	300,000 common shares	July 12, 2021	0.12	0.13	0.07	July 12, 2023

director	Options	120,000 common shares	October 13, 2021	0.13	0.13	0.07	October 13, 2026
James Walker ⁽⁵⁾ Director	Options	150,000 common shares	September 15, 2021	0.13	0.12	0.07	September 15, 2023
Adrian Smith ⁽⁶⁾ Director	Options	150,000 common shares	October 1, 2021	0.12	0.115	0.07	October 1, 2026
Marsha Panar ⁽⁷⁾ Former director	Options	10,000 common shares	December 1, 2021	0.14	0.12	0.07	December 1, 2026

Notes:

- (1) James H. Hirst held 400,000 Options as of March 31, 2022, of which nil were non-vested.
- (2) Dwayne Yaretz held 500,000 Options as of March 31, 2022, of which nil were non-vested.
- (3) Zara Kamji held nil Options as of March 31, 2022, of which nil were non-vested.
- (4) Deepak Varshney held 420,000 Options as of March 31, 2022, of which nil were non-vested.
- (5) James Walker held 150,000 Options as of March 31, 2022, of which nil were non-vested.
- (6) Adrian Smith held 150,000 Options as of March 31, 2022, of which nil were non-vested.
- (7) Marsha Panar held 235,000 Options as of March 31, 2022, of which nil were non-vested.

Exercise of Stock Options

Other than as set out in the table below, no Named Executive Officer or director of the Company exercised Options or compensation securities in the financial year ended March 31, 2022.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
James H. Hirst Former president, CEO and director	Stock Options	100,000 common shares	0.15	April 14, 2021	0.16	0.01	15,000

Stock Options and Other Incentive Plans

The Company currently has a 10% rolling stock option plan, previously defined as the Existing Option Plan, which was approved by the Company's board of directors on October 15, 2013, and last approved by the shareholders of the Company on December 30, 2021. A maximum of 10% of the issued and outstanding common shares of the Company at the time an Option is granted, less common shares reserved for issuance on exercise of Options then outstanding under the Existing Option Plan, are reserved for Options to be granted at the discretion of the Board to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Existing Option Plan was established to provide incentive to eligible optionees to increase their proprietary interest in the Company and thereby encourage their continued association with the Company and to align their interests with those of the Company. The Existing Option Plan is administered by the Board. The Company is required to obtain the approval of its shareholders of any stock option plan, including the Existing Option Plan, that is a "rolling" plan annually at the Company's annual meeting of shareholders.

In addition, the Omnibus Plan (which is also a "rolling" plan) was approved by the Board on May 4, 2023, and the shareholders will be asked to replace the Existing Option Plan with the Omnibus Plan at the Meeting. As at the date of this Circular, there were 9,589,398 Options granted and outstanding pursuant to the Existing Option Plan; no securities have yet been granted pursuant to the Omnibus Plan.

Securities Authorized for Issuance Under Equity Compensation Plans

As of March 31, 2022, the only equity compensation plan which the Company had in place was the Existing Option Plan. The following table sets out the outstanding Options under the Existing Option Plan, being the Company's only compensation plan under which common shares were authorized for issuance as of March 31, 2022.

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available under equity compensation plans (excluding securities reflected in column (a)) as of March 31, 2022
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders	2,805,000	\$0.14	319,021
Equity compensation plans not approved by security holders	N/A	N/A	N/A
TOTAL	2,805,000	\$0.14	319,021

Employment, Consulting and Management Agreements

The following table discloses the material terms of each agreement or arrangement under which compensation was provided during the financial year ended March 31, 2022, or is payable in respect of services provided to the Company or any of its subsidiaries that were: (a) performed by a director or Named Executive Officer; or (b) performed by any other party, but are services typically provided by a director or Named Executive Officer.

Name	Monthly Fees	Severance on Termination	Severance on Change of Control
Castello Q Development Corporation (Deepak Varshney)	Sep 1, 2021: \$3,500 Oct 1, 2021: \$10,000 Jan 1, 2022: \$12,500	\$300,000	\$300,000
Jim Hirst	Apr 1, 2021: \$3,500 Jan 1, 2022: \$5,000	\$60,000	\$60,000
Dwayne Yaretz	Apr 1, 2021: \$3,500 Jan 1, 2022: \$5,000	\$60,000	\$60,000

Summary of Termination Payments

The estimated incremental payments, payables and benefits that might be paid to the Named Executive Officers and directors pursuant to the above noted agreements in the event of termination without cause or after a Change of Control (assuming such termination or Change of Control is effective as of March 31, 2022) are detailed below:

Named Executive Officer or Director	Termination not for Cause (\$)	Termination on a Change of Control (\$)
Dwayne Yaretz		
Salary and Quantified Benefits	60,000	60,000
Bonus	Nil	Nil
Total	60,000	60,000
Zara Kanji		
Salary and Quantified Benefits	Nil	Nil
Bonus	Nil	Nil
Total	Nil	Nil

Named Executive Officer or Director	Termination not for Cause (\$)	Termination on a Change of Control (\$)
Deepak Varshney		
Salary and Quantified Benefits	300,000	450,000
Bonus	Nil	Nil
Total	300,000	450,000

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the Company’s financial year ended March 31, 2022, or as at the date of this Circular, was any director, executive officer, employee, proposed director nor any associate of any such director, executive officer, or proposed director or any former director, executive officer or employee of the Company or any of its subsidiaries indebted to the Company or any of its subsidiaries or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the common shares) or proposed director or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries since April 1, 2021 (being the commencement of the Company’s financial year ended March 31, 2022), or has any interest in any material transaction in the financial year ended March 31, 2023, or the current year other than as set out herein.

MANAGEMENT CONTRACTS

Except as described above under “Employment, Consulting and Management Agreements”, there are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

PARTICULARS OF SPECIAL MATTERS TO BE ACTED UPON

Approval of Omnibus Incentive Plan

The Board has determined that it is advisable to adopt the Omnibus Plan, which it believes is in the best interests of the Company. The Company will repeal and replace the Existing Option Plan initially approved by the Company’s board of directors on October 15, 2013, to adopt the Omnibus Plan to allow for, among other things, the issuance of restricted share units (“**RSUs**”). Options (together with the RSUs, the “**Awards**”) granted under the Existing Option Plan will remain outstanding and be governed by the terms of the Omnibus Plan if the Omnibus Plan is approved by the shareholders at the Meeting, subject to the acceptance of the TSX Venture Exchange (“**TSXV**” or “**Exchange**”).

The Omnibus Plan is both a “rolling” plan and a “fixed” plan, in that it contemplates (i) grants of Options of up to a maximum of 10% of the issued and outstanding common shares of the Company at the time an Option is granted, less common shares reserved for issuance on exercise of Options then outstanding, and (ii) grants of RSUs up to a maximum of 11,272,012. As of the Record Date, there is an aggregate of 9,589,398 Options outstanding pursuant to the Existing Option Plan which represents approximately 8.68% of the total issued and outstanding common shares; no Awards have yet been granted pursuant to the Omnibus Plan.

The Board is of the view that the Omnibus Plan is required in order to provide additional incentive to, and attract and retain, the Service Providers (as such term is defined in the Omnibus Plan) necessary for the Company’s long-term success, to encourage executives and/or employees and consultants to further the development of the Company and its operations, and to motivate Service Providers.

Pursuant to the policies of the TSXV the Company is required to obtain disinterested shareholder approval of the Omnibus Plan in connection with the implementation thereof. Accordingly, at the Meeting, the disinterested shareholders will be asked to pass an ordinary resolution to approve the Omnibus Plan. For this purpose, disinterested shareholders will include all shareholders other than insiders of the Company to whom Awards may be granted under the Omnibus Plan and each of their respective associates. A copy of the Omnibus Plan is attached hereto as Schedule "A". Set forth below is a summary of the Omnibus Plan. The following summary is qualified in all respects by the provisions of the Omnibus Plan. Reference should be made to the Omnibus Plan for the complete provisions thereof.

As described above, the maximum aggregate number of common shares that may be reserved for issuance under the Omnibus Plan pursuant to the exercise of RSUs at any point in time is 11,272,012, unless this Omnibus Plan is amended pursuant to the policies of the TSXV.

Any common share which was reserved for issuance pursuant to an Award which Award has been cancelled or terminated in accordance with the terms of the Omnibus Plan without being paid out as provided for in the Omnibus Plan shall be returned to the Company pursuant to the terms of the Omnibus Plan.

Only a Service Provider is eligible to participate in the Omnibus Plan and receive Awards thereunder.

Unless disinterested shareholder approval is obtained (or unless permitted otherwise by the rules of the TSXV):

- (a) the maximum number of common shares which may be reserved for issuance to insiders (as a group) under the Omnibus Plan, together with all other common shares issuable under any other equity compensation arrangements then in place, shall not exceed ten percent (10%) of the issued and outstanding common shares of the Company calculated as of the date of grant of the Award;
- (b) the maximum number of common shares that may be made issuable to insiders (as a group), together with all other common shares issuable under any other equity compensation arrangements then in place, within a twelve (12) month period, may not exceed ten percent (10%) of the issued and outstanding common shares of the Company calculated as of the date of grant of the Award; and
- (c) subject to (b) above, the maximum number of common shares issuable pursuant to Awards or issued to any one Service Provider, together with all other common shares issuable under any other equity compensation arrangements then in place, within a twelve (12) month period, shall not exceed five percent (5%) of the issued and outstanding common shares of the Company calculated on the date of grant of the Award.

The maximum number of common shares which may be made issuable to any one Consultant (as such term is defined in the Omnibus Plan), together with all other common shares issuable under any other equity compensation arrangements then in place, within a twelve (12) month period, shall not exceed two percent (2%) of the number of issued and outstanding common shares of the Company as of the date of the grant of the Award.

The following limitations apply to the grant of Awards to Investor Relations Service Providers (as such term is defined in the Omnibus Plan):

- (a) the only Awards that may be granted to Investor Relations Service Providers are Options;
- (b) Options granted to Investor Relations Service Providers will vest:
 - (i) at a minimum over a period of not less than twelve (12) months as to twenty-five percent (25%) on the date that is three months from the date of grant, and a further twenty-five percent (25%) on each successive date that is three (3) months from the date of the previous vesting; or
 - (ii) such longer vesting period as the Board may determine; and
- (c) the maximum number of common shares that may be made issuable pursuant to Options granted to Investor Relations Service Providers in the previous 12 months shall not exceed two percent (2%) of the issued and outstanding common shares of the Company, calculated at the time of the grant.

RSU Grants under the Omnibus Plan

The Board may, in its discretion, at any time, and from time to time, grant RSUs to Service Providers as it determines is appropriate, subject to the limitations set out in the Omnibus Plan.

At the time a grant of a RSU is made, the Board may, in its sole discretion, establish performance conditions for the vesting of an RSU (the “**Performance Conditions**”). The Board may use such business criteria and other measures of performance as it may deem appropriate in establishing any Performance Conditions and may exercise its discretion to reduce the amounts payable under any Award subject to Performance Conditions. The Board may determine that an Award shall vest in whole or in part upon achievement of any one performance condition or that two or more Performance Conditions must be achieved prior to the vesting of an Award. Performance Conditions may differ for Awards granted to any one recipient of RSUs.

Except as provided in the Omnibus Plan, RSUs issued pursuant thereto will vest on the later of:

- (a) the Trigger Date (as such term is defined in the Omnibus Plan); and
- (b) the date upon which the relevant Performance Condition or other vesting condition set out in the Award has been satisfied.

RSUs which do not vest on or before the expiry date of such RSU due to failure to meet Performance Conditions or the cessation of employment will be automatically cancelled, without further act or formality on the part of the Company and without compensation by the Company. In addition, the Board may, at any time after a grant of a RSU, accelerate the Trigger Date of such RSU, provided such date is not earlier than one year from the date of the grant, unless otherwise permitted under TSXV policies.

Subject to the terms of the Omnibus Plan, the Company, in its discretion and as may be determined by the Board, will pay out vested RSUs issued under the Omnibus Plan and credited to the account of a recipient of an RSU by paying or issuing (net of any applicable withholding tax) to such recipient, on or subsequent to the Vesting Date (as such term is defined in the Omnibus Plan) but no later than the expiry date of such vested RSU, an Award payout of either:

- (a) subject to receipt of regulatory approvals, one (1) common share for such whole vested RSU. Fractional common shares shall not be issued and where a RSU recipient would be entitled to receive a fractional common share in respect of any fractional vested RSU, the Company shall pay to such RSU recipient, in lieu of such fractional common share, cash equal to the Vesting Date Value (as such term is defined in the Omnibus Plan) as at the Vesting Date of such fractional common share. Each common share issued by the Company pursuant to the Omnibus Plan shall be issued as fully paid and non-assessable, or
- (b) a cash amount equal to the Vesting Date Value as at the Vesting Date of such vested RSU; and
- (c) notwithstanding the foregoing, the Vesting Date Value must not be less than the Discounted Market Price (as such term is defined in the Omnibus Plan) as at the grant date of the RSU.

Notwithstanding anything in the Omnibus Plan, the Company shall not issue common shares to any Service Provider who is an insider of the Company where such issuance would result in:

- (a) the total number of common shares issuable at any time under the Omnibus Plan to insiders, or when combined with all other common shares issuable to insiders under any other equity compensation arrangements then in place, exceeding the maximum grants set forth in the Omnibus Plan, or ten percent (10%) of the total number of issued and outstanding common shares of the Company on a non-diluted basis, unless the Company has obtained disinterested shareholder approval to do so; and
- (b) the total number of common shares that may be issued to insiders during any one (1) year period, or when combined with all other common shares issued to insiders under any other equity compensation arrangements then in place, exceeding the maximum grants set forth in the Omnibus Plan, or ten percent (10%) of the total number of issued and outstanding common shares of the Company on a non-diluted basis, unless the Company has obtained disinterested shareholder approval to do so.

Where the Company is precluded from issuing common shares to an insider of the Company, the Company will pay to the relevant insider a cash amount equal to the Vesting Date Value as at the Vesting Date of the RSU.

Unless the Board at any time otherwise determines, all unvested RSUs held by any recipient thereof and all rights in respect thereof will be automatically cancelled, without any further act or formality and without compensation, immediately in the event of termination of employment or removal from service by the Company for cause or the retirement and/or voluntary resignation of the RSU recipient.

Unless the Board at any time otherwise determines, unvested RSUs will immediately vest on the date the RSU recipient ceases to be a Service Provider for any of the following reasons:

- (a) death or disability;
- (b) the termination of employment or removal from service by the Company without cause; and
- (c) the termination of employment by the RSU recipient other than by way of retirement or voluntary resignation by the RSU recipient.

In the event of a Change of Control (as such term is defined in the Omnibus Plan), all RSUs credited to an account of a recipient that have not otherwise previously been cancelled pursuant to the terms of the Omnibus Plan shall vest on the date on which the Change of Control occurs (the “**Change of Control Date**”). Within thirty (30) days after the Change of Control Date, but in no event later than the expiry date, the RSU recipient shall, at the discretion of the Board, receive either:

- (a) common shares, or
- (b) a cash payment equal in amount to: (i) the number of RSUs that vested on the Change of Control Date; multiplied by (b) the Fair Market Value (as such term is defined in the Omnibus Plan) on the Change of Control Date, net of any applicable withholding taxes and other source deductions required by law to be withheld by the Company.

Option Awards under the Omnibus Plan

No Options shall be granted after the expiration of ten (10) years from the earlier of the date of the adoption of the Omnibus Plan by the Company or the approval of the Omnibus Plan by the shareholders of the Company.

Employees of the Company are the only class of persons eligible to receive Incentive Stock Options (as such term is defined in the Omnibus Plan) under the Omnibus Plan.

Without limiting the powers of the Board hereunder, the Board has the power to:

- (a) allot common shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary regulatory approval, amend, suspend, terminate or discontinue the Omnibus Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Omnibus Plan will, without the prior written consent of all optionholders, alter or impair any Option previously granted under the Omnibus Plan unless the alteration or impairment occurred as a result of a change in the policies of the TSXV or the Company’s tier classification thereunder; and
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Omnibus Plan so delegated to the same extent as the Board is hereby authorized so to do.

Subject to the policies of the TSXV and the prior receipt of any necessary regulatory approval, the Board may in its absolute discretion, amend or modify the Omnibus Plan or any Award granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) amendments of a housekeeping nature; and
- (c) it may make such amendments as reduce, and do not increase, the benefits of the Omnibus Plan to Service Providers.

Subject to the Omnibus Plan, the exercise price of an Option may be amended only if at least six (6) months have elapsed since the later of: (i) the date of commencement of the term of the Option, (ii) the date the common shares commenced trading on the TSXV, or the (iii) date of the last amendment of the exercise price of such Option.

An Option must be outstanding for at least one year before the Company may extend its term, subject to a maximum term of five (5) years from the date of grant.

Any proposed amendment to the terms of an Option must be approved by the TSXV prior to the exercise of such Option.

Subject to any other provision of the Omnibus Plan, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Omnibus Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company during the vesting period; or
- (b) the Service Provider remaining as a director of the Company during the vesting period.

In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, excluding Options granted to a person engaged in Investor Relations Activities (as defined in the terms of the Omnibus Plan).

Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an optionholder, any vested Option held by him at the date of death will become exercisable by the optionholder's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionholder and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to a (i) director and/or officer of the Company will expire ninety (90) days and (ii) to all others including, but not limited to, employees and consultants of the Company will expire thirty (30) days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the optionholder at any time prior to expiry of the Option) after the date the optionholder ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the optionholder ceased to be so employed by or to provide services to the Company; and
- (c) in the case of an optionholder being dismissed from employment or service for cause, such optionholder's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Subject to the Omnibus Plan, all Options will be exercisable only by the optionholder to whom they are granted and will not be assignable or transferable.

The Company is required to obtain the approval of its disinterested shareholders of the Omnibus Plan each year at the Company's annual meeting of shareholders. **The Board and management of the Company recommend that**

shareholders vote FOR the resolution approving the Omnibus Plan (the “Omnibus Plan Resolution”). To be effective, the Omnibus Plan Resolution requires the approval of a majority of the votes cast thereon by shareholders present or represented by proxy at the Meeting, excluding the votes attaching to common shares beneficially owned by insiders of the Company to whom Awards may be granted under the Omnibus Plan and each of their respective associates. In determining whether such approval has been obtained, the votes attaching to the approximately 11,272,012 common shares collectively held, directly or indirectly, by the insiders of the Company to whom Awards may be granted under the Omnibus Plan, and each of their respective associates, will be excluded. **Unless the shareholder directs that his or her common shares are to be voted against the Omnibus Plan Resolution, the persons named in the Form of Proxy intend to vote FOR the Omnibus Plan Resolution.**

The text of the Omnibus Plan Resolution to be submitted to shareholders at the Meeting is set forth below:

UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

1. Subject to the final acceptance by the TSX Venture Exchange (the “TSXV”), the Company’s new omnibus incentive plan (the “Plan”), dated for reference May 4, 2023, comprising 10% rolling stock options (“Options”) and 10% fixed restricted share units (“RSUs”), as more particularly described in the management information circular of the Company dated May 1, 2023, be ratified, confirmed and approved.
2. To the extent permitted by law, the Company be authorized to abandon all or any part of the Plan if the board of directors deems it appropriate and in the best interests of the Company to do so.
3. The Company be authorized to grant Options and RSUs pursuant and subject to the terms and conditions of the Plan.
4. The outstanding Options and RSUs which have been granted prior to the implementation of the Plan shall, for the purpose of calculating the number of Options and RSUs that may be granted under the Plan, be treated as Options and RSUs granted under the Plan.
5. Any amendments to the Plan are subject to the Company receiving prior TSXV and shareholder approvals, as applicable, in accordance with the Plan.
6. Any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to these resolutions.

Ratification of Existing Option Plan

Should the Omnibus Plan not receive the required shareholder approval at the Meeting, the Omnibus Plan will not be implemented and the Existing Option Plan will remain in place. In the event this occurs, shareholders will be asked at the Meeting to consider and, if deemed appropriate, to pass an ordinary resolution ratifying, confirming and approving the Existing Option Plan, so that the Company can continue to avail itself of this important compensation mechanism.

The Existing Option Plan is a “rolling” plan, and a maximum of 10% of the issued and outstanding common shares of the Company at the time an Option is granted, less common shares reserved for issuance on exercise of Options then outstanding under the Existing Option Plan, are reserved for options to be granted at the discretion of the Board to optionees that are eligible under the Existing Option Plan. As at the date of this Circular, there were 9,589,398 Options granted pursuant to the Existing Option Plan outstanding.

A summary of the material terms of the Existing Option Plan is included in the Company’s management information circular dated November 23, 2021, a copy of which, upon request, could be made available to a shareholder free of charge. A copy of the Existing Option Plan will also be available for inspection at the Meeting. The Existing Option Plan must be approved by a majority of the votes cast by shareholders. As such, at the Meeting, if the Omnibus Plan does not receive the required shareholder approval, shareholders will be asked to consider and, if deemed appropriate, to pass the following ordinary resolution, with or without variation:

UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The stock option plan of the Company approved by the Company's board of directors on October 15, 2013, last approved by the shareholders of the Company on December 30, 2021, and described in the management information circular of the Company dated November 23, 2021, be and is hereby ratified, confirmed, and approved.
2. Any director and/or officer of the Company be and such director or officer of the Company is hereby authorized and empowered, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered any and all such documents and instruments and to do or to cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to fulfil the intent of this resolution.

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

The Board and management recommend that shareholders vote in favour of the foregoing ordinary resolution approving the Existing Option Plan, provided the Omnibus Plan does not receive the required disinterested shareholder approval at the Meeting. The persons named in the enclosed form of proxy intend to vote for the approval of the foregoing ordinary resolution at the Meeting, unless otherwise directed by the shareholders appointing them.

ADDITIONAL INFORMATION

The audited financial statements of the Company for the year ended March 31, 2022 and the related management discussion and analysis (the "**Financial Materials**") were filed on SEDAR on July 26, 2022 at www.sedar.com and will be placed before the Meeting.

Shareholders may request copies of the Financial Materials without charge from the Corporate Secretary of the Company at 400 – 1681 Chestnut Street, Vancouver, British Columbia, V6J 4M6, telephone: (604) 737-2303.

OTHER MATTERS

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

SCHEDULE "A"

XANDER RESOURCES INC.

OMNIBUS INCENTIVE PLAN
10% Rolling Stock Option and 10% Fixed Restricted Share Unit

May 4, 2023

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**XANDER RESOURCES INC.
OMNIBUS INCENTIVE PLAN**

Xander Resources Inc. (the “**Company**”) hereby establishes an omnibus incentive plan for certain qualified Directors, Officers, Employees or Consultants of the Company or any of its Subsidiaries.

**ARTICLE 1
INTERPRETATION**

Section 1.1 **Definitions.**

In this Plan:

“**Affiliate**” of any Person means a Person who would be an affiliated entity of such first mentioned Person for purposes of National Instrument 45-106 *Prospectus Exemptions* as of the date of this Plan;

“**Applicable Withholding Tax**” has the meaning set forth in Section 4.7;

“**Associate**” has the meaning set out in the Securities Act;

“**Award**” means an Option or a Restricted Share Unit;

“**Award Payment**” means the applicable Share issuance or cash payment in respect of a vested Restricted Share Unit pursuant and subject to the terms and conditions of this Plan and the applicable Award;

“**Black-Out Period**” means the period of time when, pursuant to any policies of the Company or any resolution of the Board, any Shares may not be traded by certain persons as designated by the Company (including a holder of any Restricted Share Unit and/or Option), because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company’s insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);

“**Board**” means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Restricted Share Units and/or Options under this Plan;

“**Cashless Exercise**” has the meaning set out in Section 7.1;

“**Change of Control**” means

- (i) any Merger and Acquisition Transaction in which voting securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities are to be transferred to a Person or Persons (other than any of its Affiliates) different from the Persons holding those securities immediately prior to such transaction and the composition of the Board following such transactions is to be such that such directors prior to the transaction constitute less than fifty percent (50%) of the directors of the Company following the transaction;
- (ii) any Merger or Acquisition Transaction, directly or indirectly, by any Person or related group of Persons (other than the Company or a Person that directly or indirectly controls, is controlled by, or is under a common control with, the Company and other than by any of its Affiliates) involving a change in the beneficial ownership of voting securities of the

Company possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities;

- (iii) any acquisition, directly or indirectly, by a Person or related group of Persons of the right to appoint a majority of the Directors of the Company or otherwise directly or indirectly control the management, affairs and business of the Company (other than any of its Affiliates);
- (iv) any Merger or Acquisition Transaction involving the disposition of all or substantially all of the assets of the Company; and
- (v) a complete liquidation or dissolution of the Company;
- (vi) provided, however, that a Change of Control shall not be deemed to have occurred if such Change of Control results solely from the issuance, in connection with a bona fide financing or series of financings by the Company or any of its Affiliates, of voting securities of the Company or any of its Affiliates or any rights to acquire voting securities of the Company or any of its Affiliates which are convertible into voting securities;

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended;

“**Committee**” means the Board or, if the Board so determines in accordance with Section 1.5, the Committee of the Board authorized to administer the Plan which includes any compensation committee of the Board;

“**Company**” means Xander Resources Inc., and includes any successor company thereto;

“**Consultant**” means, in relation to the Company, an individual or Consultant Company, other than an Employee, Officer or Director, that:

- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company, other than services provided in relation to a distribution of securities;
- (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Consultant Company; and
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company;

“**Consultant Company**” means a Consultant that is a company;

“**Director**” means a member of the Board or of the board of directors of a subsidiary of the Company;

“**Discounted Market Price**” has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

“**Disinterested Shareholder Approval**” means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Shares beneficially owned by Insiders who are Service Providers or their Associates;

“**Employee**” means an individual who meets one of the following requirements:

- (i) an individual who is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source) or have taxes withheld for the United States Internal Revenue Service (IRS);

- (ii) an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
- (iii) an individual who works for the Company or its subsidiary 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 Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

“**Exchange**” means the TSX, the TSXV, or any other stock exchange on which the Shares are then listed for trading, as applicable;

“**Exchange Hold Period**” has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

“**Fair Market Value**” (FMV) means, as of a particular date:

- (i) for the purpose of calculating the applicable Vesting Date Value and Award Payout for Restricted Share Units,
 - (I) if the Shares are listed on the TSX Venture, the greater of: (i) the weighted average of the trading price per Share on the TSX Venture for the last five trading days ending on that date; and (ii) the closing price of the Shares on the day before that date,
 - (II) if the Shares are listed on the TSX, the volume weighted average price per Share traded on the TSX over the last five trading days preceding that date;
 - (III) if the Shares are not listed on the TSX or the TSX Venture, the value established by the Board based on the volume weighted average price per Share traded on any other public exchange on which the Shares are listed over the same period; or
 - (IV) if the Shares are not listed on any public exchange, the value per Share established by the Board based on its determination of the fair value of a Share;
- (ii) for the purpose of calculating the FMV of the Option Exercise Price, the closing sales price on the most recent trade date immediately prior to the valuation date provided such trade date is no more than thirty (30) days prior to the valuation date. If there has been no trade date within such thirty (30) day period, the fair market value shall be determined in good faith by the Board;

“**Incentive Stock Option**” (ISO) means an Option which is intended to qualify as an incentive stock option under Section 422 of the Code;

“**Insider**” means an individual who meets one of the following requirements:

- (i) a Director or Officer of the Company;
- (ii) a Director or Officer of a company that is an Insider or Related Entity of the Company;
- (iii) a person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company; and

(iv) the Company itself if it holds any of its own securities;

“Investor Relations Service Providers” means a Consultant that conducts, or a Director, Officer or Employee whose principal duty it is to conduct, Investor Relations Activities;

“Investor Relations Activities” has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

“Management Company Employee” means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;

“Market Price” has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

“Merger and Acquisition Transaction” means:

- (i) any merger or consolidation;
- (ii) any acquisition;
- (iii) any amalgamation;
- (iv) any offer for Shares which if successful would entitle the offeror to acquire all of the voting securities of the Company; or
- (v) any arrangement or other scheme of reorganization;

“Net Exercise” has the meaning set out in Section 7.1;

“Non-Statutory Stock Option” (NSO) means an Option which does not qualify as an Incentive Stock Option;

“Officer” means an individual who is an officer of the Company or of a Related Entity as an appointee of the Board or the board of directors of the Related Entity, as the case may be;

“Option” means the right to purchase Plan Shares granted hereunder to a Service Provider;

“Option Certificate” means the certificate evidencing the grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule B attached hereto;

“Option Commitment” has such meaning as more particularly described in Section 7.1;

“Option Effective Date” for an Option means the date of grant thereof by the Board;

“Option Exercise Price” means the amount payable per Share on the exercise of an Option, as determined in accordance with the terms hereof;

“Option Expiry Date” means the date on which an Option lapses as specified in the Option Commitment thereof or in accordance with the terms of this Plan;

“Optioned Shares” means Shares that may be issued in the future to a Service Provider upon the exercise of an Option;

“Optionee” means the recipient of an Option hereunder;

“Outstanding Shares” means at the relevant time, the number of issued and outstanding Shares of the Company at that time.

“Participant” means a Service Provider that becomes a recipient of an Award;

“Person” means an individual, body corporate, partnership, joint venture, limited liability company or trust and the heirs, beneficiaries, executors, legal representatives or administrators of an individual;

“Performance Conditions” means conditions defined by the Board that must be met in order for Restricted Share Units to vest;

“Plan” means this Omnibus Incentive Plan, the terms of which are set out herein or as may be amended from time to time;

“Plan Shares” means the total number of Shares which may be reserved for issuance under this Plan;

“Regulatory Approval” means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over this Plan and any Restricted Share Units and/or Options issued hereunder;

“Related Entity” means a person that is controlled by the Company. For the purposes of this Plan, a person (first person) is considered to control another person (second person) if the first person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of

- (i) ownership of or direction over voting securities in the second person,
- (ii) a written agreement or indenture,
- (iii) being the general partner or controlling the general partner of the second person, or
- (iv) being a trustee of the second person;

“Restricted Period” means the period of time: (i) during a Black-Out Period; and (ii) within two Business Days following the end of a Black-Out Period;

“Restricted Share Unit” means a right granted under this Plan to receive the Award Payout on the terms contained in this Plan as more particularly described in Section 4.1;

“Restricted Share Unit Expiry Date” means the last day of February of the third calendar year after the Restricted Share Unit Grant Date, or such earlier date as may be established by the Board in respect of an Award at the time of grant of the Award;

“Restricted Share Unit Grant Date” means the date of grant of any Restricted Share Unit;

“Restricted Share Unit Recipient” means a Service Provider who may be granted Restricted Share Units from time to time under this Plan;

“Retirement” means the stage of life where the Recipient voluntarily stops working in the same field as his/her expertise and/or works to a lesser degree than was previously engaged;

“Securities Act” means the *Securities Act*, R.S.B.C. 1996, c.418, as amended from time to time;

“Service Provider” means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Consultant Company, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;

“**Shares**” means the common shares without par value in the capital of the Company;

“**Share Compensation Arrangement**” includes this Plan, any Restricted Share Units or Options granted under this Plan, and any performance share unit, restricted share unit, securities for services, stock appreciation right, stock option, stock purchase plan, any security purchase from treasury by a Participant which is financially assisted by the Company by any means whatsoever, and any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Company from treasury to a Participant, and is subject to TSXV Venture Policies. A Share Compensation Arrangement does not include:

- (a) arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the Company;
- (b) security-based compensation arrangements that are settled solely in cash and/or securities purchased on the secondary market; and
- (c) security-based compensation arrangements that qualify as Shares for Services and Shares for Debt arrangements under the policies of the Exchange;

“**Shareholder Approval**” means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders’ meeting;

“**Take-Over Bid**” means a take-over bid as defined in National Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;

“**Termination**” means, with respect to a Restricted Share Unit Recipient, that the Recipient has ceased to be a Service Provider, other than as a result of Retirement, and has ceased to fulfill any other role as Employee or Officer of the Company or any Related Entity, including as a result of termination of employment, resignation from employment, removal as an Officer, death or Total Disability;

“**Total Disability**” means, with respect to a Restricted Share Unit Recipient, that, solely because of disease or injury, within the meaning of the long-term disability plan of the Company, the Restricted Share Unit Recipient is deemed by a qualified physician selected by the Company to be unable to work at any occupation which the Restricted Share Unit Recipient is reasonable qualified to perform;

“**Trigger Date**” means, with respect to a Restricted Share Unit, the earliest date set by the Board at the time of grant, provided such date is not earlier than one year from the date of grant, and if no date is set by the Board, then February 1 of the third calendar year following the Grant Date unless amended in accordance with Section 3.5;

“**TSX**” means the Toronto Stock Exchange;

“**TSX Venture**” means the TSX Venture Exchange;

“**TSX Venture Policies**” means the rules and policies of the TSX Venture as amended from time to time; and

“**Vesting Date Value**” means the notional value, as at a particular date, of the Fair Market Value of one Share.

Section 1.2 **Other Words and Phrases**

Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies, and will have the meaning assigned to them in the TSX Venture Policies.

Section 1.3 Gender

Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

Section 1.4 Administration

The Board will, in its sole and absolute discretion, but taking into account relevant corporate, securities and tax laws,

- (a) interpret and administer this Plan,
- (b) establish, amend and rescind any rules and regulations relating to this Plan; and
- (c) make any other determinations that the Board deems necessary or appropriate for the administration of this Plan.

The Board may correct any defect or any omission or reconcile any inconsistency in this Plan in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or appropriate. Any decision of the Board in the interpretation and administration of this Plan will be final, conclusive and binding on all parties concerned. All expenses of administration of this Plan will be borne by the Company.

Section 1.5 Delegation to Committee

All of the powers exercisable hereunder by the Board may, to the extent permitted by law and as determined by a resolution of the Board, be delegated to a Committee including, any compensation committee of the Board, without limiting the generality of the foregoing, those referred to under Section 1.4.

Section 1.6 Incorporation of Terms of Plan

Subject to specific variations approved by the Board all terms and conditions set out herein will be incorporated into and form part of each Restricted Share Unit and each Option granted under this Plan.

Section 1.7 Establishment of the Plan

The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

Section 1.8 Effective Date of Plan

Subject to Section 5.2(c), this Plan will be effective from and after May 4, 2023, and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Shares of the Company subsequent to June 16, 2023. The Board may, in its discretion, at any time, and from time to time, issue Restricted Share Units and/or Options to Service Providers as it determines appropriate under this Plan. With respect to Restricted Share Units, any such issued Restricted Share Units may not be paid out in Shares in any event until receipt of the necessary Shareholder Approval of the Company and all Regulatory Approval.

ARTICLE 2
PLAN AWARDS AND LIMITATIONS

Section 2.1 Powers of the Board

The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder.

Section 2.2 Shares Reserved

The Plan is a 10% rolling Option plan and 10% fixed Restricted Share Unit plan.

The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan pursuant to the exercise of Options is equal to a maximum of 10% of the Outstanding Shares, calculated at the time of grant.

The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan pursuant to the exercise of Restricted Share Units at any point in time is 11,272,012 Plan Shares, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies.

Any Plan Share which was reserved for issuance pursuant to an Award which Award has been cancelled or terminated in accordance with the terms of the Plan and Option Certificate, if applicable, without being paid out as provided for in Article 4 or exercised as provided for in Article 7, as applicable, shall be returned to the Plan.

Section 2.3 Recipients

Only Service Providers are eligible to participate in this Plan and receive one or more Awards. It shall be the responsibility of the Company and the Participant to ensure that such Participant is a *bona fide* Service Provider.

Section 2.4 Limitations on Awards to any One Person and to Insiders

Unless Disinterested Shareholder Approval is obtained (or unless permitted otherwise by the rules of the Exchange):

- (a) the maximum number of Plan Shares which may be reserved for issuance to Insiders (as a group) under the Plan, together with Shares issuable under any other Share Compensation Arrangement, shall not exceed 10% of the Outstanding Shares calculated as of the date of the grant of the Award;
- (b) the maximum number of Plan Shares that may be made issuable to Insiders (as a group) under the Plan, together with Shares issuable under any other Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the Outstanding Shares calculated as of the date of the grant of the Award; and
- (c) subject to Section 2.4(b), the maximum number of Plan Shares that may be made issuable pursuant to Awards or issued to, together with Shares made issuable or issued under any other Share Compensation Arrangement, to any one Service Provider under the Plan, within a 12-month period, shall not exceed 5% of the Outstanding Shares calculated on the date of the grant of the Award or issue of the Plan Shares, as applicable;

Section 2.5 **Limitation on Awards to Consultants**

The maximum number of Plan Shares which may be made issuable to any one Consultant, together with any other Share Compensation Arrangement, within a 12-month period, shall not exceed 2% of the number of Outstanding Shares as of the date of the grant of the Award.

Section 2.6 **Limitations on Awards to Investor Relations Service Providers**

The following limitations apply to the grant of Awards to Investor Relations Service Providers:

- (a) the only Awards that may be granted to Investor Relations Service Providers are Options;
- (b) Options granted to Investor Relations Service Providers will vest:
 - (i) at a minimum over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
 - (ii) such longer vesting period as the Board may determine; and
- (c) the maximum number of Plan Shares that may be made issuable pursuant to Options granted to Investor Relations Service Providers in the previous 12 months shall not exceed 2% of the Outstanding Shares, calculated at the time of grant.

**ARTICLE 3
GRANTS OF RESTRICTED SHARE UNITS**

Section 3.1 **Grant**

The Board may, in its discretion, at any time, and from time to time, grant Restricted Share Units to Service Providers as it determines is appropriate, subject to the limitations set out in this Plan. In making such grants the Board may, in its sole discretion but subject to Section 3.3(b)(ii), in addition to Performance Conditions set out below, impose such conditions on the vesting of the Awards as it sees fit, including imposing a vesting period on grants of Restricted Share Units.

Section 3.2 **Performance Conditions**

At the time a grant of a Restricted Share Unit is made, the Board may, in its sole discretion, establish such performance conditions for the vesting of Restricted Share Units as may be specified by the Committee in the Award (the “**Performance Conditions**”). The Board may use such business criteria and other measures of performance as it may deem appropriate in establishing any Performance Conditions, and may exercise its discretion to reduce the amounts payable under any Award subject to Performance Conditions. The Board may determine that an Award shall vest in whole or in part upon achievement of any one performance condition or that two or more Performance Conditions must be achieved prior to the vesting of an Award. Performance Conditions may differ for Awards granted to any one Restricted Share Unit Recipient or to different Restricted Share Unit Recipients.

Section 3.3 **Vesting**

Except as provided in this Plan, Restricted Share Units issued under this Plan will vest on the date (the “**Vesting Date**”) that is the later of:

- (a) the Trigger Date; and

- (b) the date upon which the relevant Performance Condition or other vesting condition set out in the Award has been satisfied,

provided that

- (i) Restricted Share Units shall only vest on the Trigger Date to the extent that the Performance Conditions or other vesting conditions set out in an Award have been satisfied on or before the Trigger Date;
- (ii) if the date in Section 3.3(a) or Section 3.3(b) occurs during a Restricted Period, the Vesting Date shall be extended to a date which is the earlier of: (i) one business day following the end of such Restricted Period and (ii) the Restricted Share Unit Expiry Date; and
- (iii) no Restricted Share Unit will remain outstanding for any period which exceeds the Restricted Share Unit Expiry Date of such Restricted Share Unit.

Section 3.4 **Forfeiture and Cancellation upon Restricted Share Unit Expiry Date**

Restricted Share Units which do not vest on or before the Restricted Share Unit Expiry Date of such Restricted Share Unit due to failure to meet Performance Conditions or the cessation of employment will be automatically cancelled, without further act or formality and without compensation.

Section 3.5 **Amendment of Trigger Date**

The Board may, at any time after a grant of a Restricted Share Unit, accelerate the Trigger Date of such Restricted Share Unit, provided such date is not earlier than one year from the date of the grant, unless otherwise permitted under TSX Venture Policies.

Section 3.6 **Account**

Restricted Share Units issued pursuant to this Plan (including fractional Restricted Share Units, computed to three digits) will be credited to a notional account maintained for each Restricted Share Unit Recipient by the Company for the purposes of facilitating the determination of amounts that may become payable hereunder. A written confirmation of the balance in each Restricted Share Unit Recipient's account will be sent by the Company to the Restricted Share Unit Recipient upon request of the Restricted Share Unit Recipient.

Section 3.7 **Dividend Equivalents**

On any date on which a cash dividend is paid on Shares, a Restricted Share Unit Recipient's account will be credited with the number and type of Restricted Share Units (including fractional Restricted Share Units, computed to three digits) calculated by:

- (a) multiplying the amount of the dividend per Share by the aggregate number of Restricted Share Units that were credited to the Service Provider's account as of the record date for payment of the dividend; and
- (b) dividing the amount obtained in Section 3.7(a) by the Fair Market Value on the date on which the dividend is paid.

Limitations on Issue

Notwithstanding the foregoing, the aggregate number of Restricted Share Units to be credited in respect of the payment of a dividend amount must not, together with all outstanding Restricted Share Units, exceed the Plan maximum set out in Section 2.2. The issuance of any Restricted Share Units under this Section 3.7 that,

together with all outstanding Restricted Share Units, exceed the Plan maximum set out in Section 2.2 shall be satisfied by the payment of cash to the Restricted Share Unit Recipient by the Company.

Section 3.8 Adjustments and Reorganization

Any adjustment, other than in connection with a security consolidation or security split, to Awards granted or issued under the Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

Section 3.9 Notice and Acknowledgement

No certificates will be issued with respect to the Restricted Share Units issued under this Plan. Each Service Provider will, prior to being granted any Restricted Share Units, deliver to the Company a signed acknowledgement substantially in the form of Schedule A to this Plan, as provided by the Company.

**ARTICLE 4
PAYMENTS OF RESTRICTED SHARE UNITS UNDER THIS PLAN**

Section 4.1 Payment of Restricted Share Units

Subject to the terms of this Plan and, in particular, Section 4.7 of this Plan, the Company, in its discretion and as may be determined by the Board, will pay out vested Restricted Share Units issued under this Plan and credited to the account of a Restricted Share Unit Recipient by paying or issuing (net of any Applicable Withholding Tax) to such Restricted Share Unit Recipient, on or subsequent to the Vesting Date but no later than the Restricted Share Unit Expiry Date of such vested Restricted Share Unit, an Award Payout of either:

- (a) subject to receipt of Regulatory Approvals, one Share for such whole vested Restricted Share Unit. Fractional Shares shall not be issued and where a Restricted Share Unit Recipient would be entitled to receive a fractional Share in respect of any fractional vested Restricted Share Unit, the Company shall pay to such Restricted Share Unit Recipient, in lieu of such fractional Share, cash equal to the Vesting Date Value as at the Vesting Date of such fractional Share. Each Share issued by the Company pursuant to this Plan shall be issued as fully paid and non-assessable, or
- (b) a cash amount equal to the Vesting Date Value as at the Vesting Date of such vested Restricted Share Unit; and
- (c) notwithstanding the foregoing, the Vesting Date Value must not be less than the Discounted Market Price as at the Restricted Share Unit Grant Date.

Limitation on Issuance of Shares to Insiders

Notwithstanding anything in this Plan, the Company shall not issue Shares under this Plan to any Service Provider who is an Insider of the Company where such issuance would result in:

- (a) the total number of Shares issuable at any time under this Plan to Insiders, or when combined with all other Shares issuable to Insiders under any other Share Compensation Arrangements then in place, including any Options or Optioned Shares, exceeding the maximum grants set forth herein, or 10% of the total number of Outstanding Shares on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval to do so; and
- (b) the total number of Shares that may be issued to Insiders during any one year period under this Plan, or when combined with all other Shares issued to Insiders under any other Share Compensation Arrangements then in place, including any Options or Optioned Shares, exceeding the maximum

grants set forth herein, or 10% of the total number of Outstanding Shares on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval to do so.

Where the Company is precluded by this Section 4.1 from issuing Shares to an Insider of the Company, the Company will pay to the relevant Insider a cash Award Payout in an amount equal to the Vesting Date Value as at the Vesting Date of the Restricted Share Unit.

Section 4.2 Restricted Share Units Granted Under the Company's Previous RSU Plan

Any Restricted Share Unit granted pursuant to a Restricted Share Unit plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

Section 4.3 Experts and Advisors

The Board may engage such experts and advisors as it considers appropriate, including compensation or human resources experts or advisors, to provide advice and assistance in determining the amounts to be paid under this Plan and other amounts and values to be determined hereunder or in respect of this Plan including, without limitation, those related to a particular Fair Market Value.

Section 4.4 Cancellation on Termination for Cause, Retirement or Voluntary Resignation

Unless the Board at any time otherwise determines, all unvested Restricted Share Units held by any Restricted Share Unit Recipient and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a Termination arising from the termination of employment or removal from service by the Company or a Related Entity for cause, Retirement of the Restricted Share Unit Recipient or the voluntary resignation by the Restricted Share Unit Recipient. In situations where the Board exercises its discretion under this Section 4.4, in no case shall the Restricted Share Units, subject to such discretion, be valid beyond one year from the date of Termination.

Section 4.5 Total Disability, Death and Termination Without Cause

Unless the Board at any time otherwise determines, if a Restricted Share Unit Recipient ceases to be a Service Provider for any of the following reasons, unvested Restricted Share Units will vest in accordance with Section 3.3 on the date the Restricted Share Unit Recipient ceases to be a Service Provider:

- (a) death or Total Disability of a Restricted Share Unit Recipient;
- (b) the Termination of employment or removal from service by the Company or a Related Entity without cause; and
- (c) the Termination of employment by the Restricted Share Unit Recipient other than by way of Retirement of the Restricted Share Unit Recipient or voluntary resignation by the Restricted Share Unit Recipient.

In situations where the Board exercises its discretion under this Section 4.5, in no case shall the Restricted Share Units, subject to such discretion, be valid beyond one year from the date of Termination.

Section 4.6 Change of Control

In the event of a Change of Control, all Restricted Share Units credited to an account of a Restricted Share Unit Recipient that have not otherwise previously been cancelled pursuant to the terms of the Plan shall vest on the date on which the Change of Control occurs (the "**Change of Control Date**"). Within thirty (30) days after the Change of Control Date, but in no event later than the Restricted Share Unit Expiry Date, the Restricted Share Unit Recipient shall at the discretion of the Board, receive either Shares or receive a cash

payment equal in amount to: (a) the number of Restricted Share Units that vested on the Change of Control Date; multiplied by (b) the Fair Market Value on the Change of Control Date, net of any Applicable Withholding Taxes and other source deductions required by law to be withheld by the Company.

Section 4.7 **Tax Matters and Applicable Withholding Tax**

The Company does not assume any responsibility for or in respect of the tax consequences of the receipt by Restricted Share Unit Recipients of Restricted Share Units, or payments received by Restricted Share Unit Recipients pursuant to this Plan. The Company or relevant Related Entity, as applicable, is authorized to deduct such taxes and other amounts as it may be required or permitted by law to withhold (“**Applicable Withholding Tax**”), in such manner (including, without limitation, by selling Shares otherwise issuable to Restricted Share Unit Recipients, on such terms as the Company determines) as it determines so as to ensure that it will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or other required deductions, or the remittance of tax or other obligations. The Company or relevant Related Entity, as applicable, may require Restricted Share Unit Recipients, as a condition of receiving amounts to be paid to them under this Plan, to deliver undertakings to, or indemnities in favour of, the Company or Related Entity, as applicable, respecting the payment by such Restricted Share Unit Recipients of applicable income or other taxes.

ARTICLE 5 SHARE OPTION AWARDS UNDER THIS PLAN

Section 5.1 **Eligibility**

Options to purchase Shares may be granted hereunder to Service Providers of the Company, or its affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained. It shall be the responsibility of the Company and the Optionee to ensure that such Optionee is a *bona fide* Service Provider.

Section 5.2 **Options Granted Under the Plan**

- (a) All Options granted under the Plan will be evidenced by an Option Certificate in the form attached as Schedule B, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Option Exercise Price.
- (b) The Option Certificate of any Option which is intended to qualify as an Incentive Stock Option shall contain such limitations and restrictions upon the exercise of the Option as shall be necessary in order that such Option qualifies as an “incentive stock option” within the meaning of Section 422 of the Code. Further, the Option Certificate authorized under the Plan shall be subject to such other terms and conditions including, without limitation, restrictions upon the exercise of the Option, as the Board shall deem advisable and which are not inconsistent with the requirements of Section 422 of the Code.
- (c) No Options shall be granted after the expiration of ten (10) years from the earlier of the date of the adoption of the Plan by the Company or the approval of the Plan by the shareholders of the Company.
- (d) The sole class of Service Providers eligible to receive Incentive Stock Options under this Plan are employees of the Company.
- (e) Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

Section 5.3 **Powers of the Board**

Without limiting the powers of the Board hereunder, the Board has the power to:

- (a) allot Plan Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

Section 5.4 **Amendment of the Plan by the Board**

Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) amendments of a housekeeping nature; and
- (c) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

Section 5.5 **Amendments Requiring Disinterested Shareholder Approval**

The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) any amendment, if the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:
 - (i) the aggregate number of Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares;
 - (ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares; or
 - (iii) the issuance to any one Optionee, within a 12-month period, of a number of Shares exceeding 5% of the Outstanding Shares;
- (b) any reduction in the Option Exercise Price of an Option previously granted to an Insider;
- (c) any amendment to the Plan that would result in a benefit of an Insider; or

- (d) the extension to the term of an outstanding Option, or outstanding Incentive Stock Option held by an Insider.

Section 5.6 Amendments Requiring Shareholder Approval

- (a) The Company will be required to obtain Shareholder Approval for any amendment to the Plan where such amendment would amend the:
 - (i) Service Providers who may be granted Options under the Plan;
 - (ii) method for determining the Option Exercise Price;
 - (iii) maximum term of an Option under Section 6.2;
 - (iv) expiry and termination provisions relating to the Options under the Plan, including the addition of a Black-out Period;
 - (v) limitations under the Plan on the number of Options that may be granted to any one person or category of persons, including insiders, as set out in the Plan;
 - (vi) maximum number or percentage, as the case may be, of Shares that may be reserved under the Plan for issuance pursuant to the exercise of the Options;
 - (vii) Plan to include a Net Exercise provision (as defined in the TSX Venture Policies);
 - (viii) the method or formula for calculating prices, values or amounts under the Plan that may result in a benefit to a Participant, including but not limited to the formula for calculating the appreciation of a Stock Appreciation Right, as that term is defined in the TSX Venture Policies;
 - (ix) the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;
 - (x) the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option or 12 months from termination; or
 - (xi) Plan, if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, to make such amendments as may be required by the policies of such senior stock exchange or stock market.

Section 5.7 Options Granted Under the Company's Previous Share Option Plan

Any option granted pursuant to a share option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

**ARTICLE 6
TERMS AND CONDITIONS OF OPTIONS**

Section 6.1 Option Exercise Price

The Option Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price, and in the case of a Service Provider employed

or performing services in the United States or otherwise subject to Section 409A or Section 422 of the Code, shall not be less than Fair Market Value on the date of grant. If the Optionee owns directly or by reason of the applicable attribution rules more than 10% of the total combined voting power of all classes of stock of the Company, the Option price per share of the Shares covered by each Option which is intended to be an Incentive Stock Option shall be not less than one hundred and ten percent (110%) of the Fair Market Value on the date of the grant.

Section 6.2 Term of Option

An Option can be exercisable for a maximum of 10 years from the Option Effective Date; provided, however, that if the Option price is required under Section 6.1 to be at least 110% of Fair Market Value, each such Option shall terminate not more than five (5) years from the date of the grant thereof, and shall be subject to earlier termination as herein provided.

Section 6.3 Option Amendment

- (a) Subject to Section 5.5(b), the Option Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Shares commenced trading on the TSX Venture, or the date of the last amendment of the Option Exercise Price.
- (b) An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in Section 6.2.
- (c) Any proposed amendment to the terms of an Option must be approved by the TSX Venture prior to the exercise of such Option.

Section 6.4 Vesting of Options

Subject to any other provision of this Plan, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

Section 6.5 Effect of Take-Over Bid

If a Take-Over Bid is made to the shareholders of the Company generally then the Company shall immediately upon receipt of notice of the Take-Over Bid, notify each Optionee, with the exception of Optionees engaged in Investor Relations Activities, currently holding an Option of the Company, with full particulars thereof whereupon such Option may, notwithstanding Section 6.4 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture for vesting requirements imposed by the TSX Venture Policies.

Section 6.6 Acceleration of Vesting on Change of Control

In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, excluding Options granted to a Person engaged in Investor Relations Activities.

Section 6.7 Extension of Options Expiring During Black-Out Period

Should the Option Expiry Date for an Option fall within a Black-Out Period, such Option Expiry Date shall, be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Black-Out Period.

Section 6.8 Optionee Ceasing to be Director, Employee or Service Provider

Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to (i) Director or Officer will expire 90 days and (ii) to all others including, but not limited to, Employees and Consultants will expire 30 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
- (c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Section 6.9 Non-Assignable

Subject to Section 6.8(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Section 6.10 Adjustment of the Number of Optioned Shares

The number of Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number

of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Shares as result from the consolidation;

- (c) in the event of any change of the Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Shares so purchased had the right to purchase been exercised before such change;
- (d) subject to Section 6.10(e) below, in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this Section 6.10;
- (e) any adjustment, other than in connection with a consolidation or split to Awards granted or issued pursuant to the Plan is subject to prior acceptance by the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization;
- (f) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (g) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Share that would, except for the provisions of this Section 6.10, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and

if any questions arise at any time with respect to the Option Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this Section 6.10, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees.

ARTICLE 7 COMMITMENT AND EXERCISE PROCEDURES

Section 7.1 Option Commitment

Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment set out in an Option Certificate detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Option Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required Applicable Withholding Taxes on behalf of Optionees.

Manner of Exercise

An Optionee who wishes to exercise his Option may do so by delivering

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
- (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Option Exercise Price for the Optioned Shares being acquired, plus any required Applicable Withholding Tax amount subject to Section 7.2.

Notwithstanding anything contained in this Section 7.1, provided the Company consents, an Optionee may elect to exercise an Option, in whole or in part, on a “cashless exercise” (“**Cashless Exercise**”) basis or a “net exercise” (“**Net Exercise**”) basis. In connection with a Cashless Exercise of Options, provided the Company consents, a brokerage firm will loan money (including, to the extent necessary, the amount required to satisfy any Applicable Withholding Tax) to an Optionee to purchase Shares underlying the Options, and will sell a sufficient number of Shares to cover the exercise price (and any Applicable Withholding Taxes) of the Options in order to repay the loan made to the Optionee and the Optionee retains the balance of the Shares. In connection with a Net Exercise of Options, provided the Company consents, an Optionee would receive such number of Shares equal in value to the difference between the sum of the Option Exercise Price multiplied by the number of Options exercised and any Applicable Withholding Taxes and the Fair Market Value of the Shares on the date of exercise, computed in accordance with the terms of the Plan.

Section 7.2 **Tax Withholding and Procedures**

Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law.

The Company will withhold taxes for Optionees exercising Options in accordance with Canadian, U.S. federal and state tax law, as required by the applicable tax law.

Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in Section 7.2 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded; and
- (c) must in all other respects follow any related procedures and conditions imposed by the Company.

Reporting of Taxes

For Participants that are employees of the Company, the Company will report the amount of resulting income from exercised NSOs and ISOs and the corresponding withholding tax on the applicable tax forms to the recipient.

Section 7.3 **Delivery of Optioned Shares and Hold Periods**

As soon as practicable after receipt of the notice of exercise described in this Article 7 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. If the Option Exercise Price is set below the then current market price of the Shares on the TSX Venture at the time of grant, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the date of the Option Commitment.

An Exchange Hold Period will be applied from the date of grant for all Options granted to:

- (a) Insiders of the Company; or
- (b) where Options are granted to any Service Provider, including Insiders, where the Exercise Price is at a discount to the Market Price.

Pursuant to TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the date of the Option Commitment.

ARTICLE 8 GENERAL CONDITIONS

Section 8.1 **General Conditions Applicable to Restricted Share Units**

- (a) **Compliance with Applicable Laws** - The issuance by the Company of any Restricted Share Units and its obligation to make any payments hereunder is subject to compliance with all applicable laws. As a condition of participating in this Plan, each Restricted Share Unit Recipient agrees to comply with all such applicable laws and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with such applicable laws. The Company will have no obligation under this Plan, or otherwise, to grant any Restricted Share Unit or make any payment under this Plan in violation of any applicable laws.
- (b) **Awards to Insiders** - All Awards issued to Insiders will include a legend stipulating that the Award is subject to the Exchange Hold Period.
- (c) **Non-Transferability** – All Awards and all other rights, benefits or interests in this Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if a Restricted Share Unit Recipient dies the legal representatives of the Restricted Share Unit Recipient will be entitled to receive the amount of any payment otherwise payable to the Restricted Share Unit Recipient hereunder in accordance with the provisions hereof.
- (d) **No Right to Service** - Neither participation in this Plan nor any action under this Plan will be construed to give any Service Provider or Restricted Share Unit Recipient a right to be retained in the service or to continue in the employment of the Company or any Related Entity, or affect in any way the right of the Company or any Related Entity to terminate his or her employment at any time.
- (e) **Plan Amendment** - The Board may amend this Plan as it deems necessary or appropriate, subject to the requirements of applicable laws, but no amendment will, without the consent of the Restricted Share Unit Recipient or unless required by law, adversely affect the rights of a Restricted Share Unit Recipient with respect to Restricted Share Units to which the Restricted Share Unit Recipient is then entitled under this Plan. Any amendments to the Plan are subject to the Company receiving prior

TSX Venture approval and Shareholder Approval or Disinterested Shareholder Approval, as applicable, in accordance with Section 5.5 and Section 5.6 of the Plan, respectively.

- (f) **Plan Termination** - The Board may terminate this Plan at any time, but no termination will, without the consent of the Restricted Share Unit Recipient or unless required by law, adversely affect the rights of a Restricted Share Unit Recipient with respect to Restricted Share Units to which the Restricted Share Unit Recipient is then entitled under this Plan. In no event will a termination of this Plan accelerate the vesting of Restricted Share Units or the time at which a Restricted Share Unit Recipient would otherwise be entitled to receive any payment in respect of Restricted Share Units hereunder.
- (g) **Reorganization of the Company** - The existence of this Plan or Restricted Share Units will not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or to create or issue any bonds, debentures, Shares or other securities of the Company or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Company, or any amalgamation, combination, merger or consolidation involving the Company 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.
- (h) **No Shareholder Rights** - Restricted Share Units are not considered to be Shares or securities of the Company, and a Restricted Share Unit Recipient who is issued Restricted Share Units will not, as such, be entitled to receive notice of or to attend any shareholders' meeting of the Company, nor be entitled to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, and will not be considered the owner of Shares by virtue of such issuance of Restricted Share Units.
- (i) **No Other Benefit** - No amount will be paid to, or in respect of, a Restricted Share Unit Recipient under this Plan to compensate for a downward fluctuation in the Fair Market Value or price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Restricted Share Unit Recipient for such purpose.
- (j) **Unfunded Plan** - For greater certainty, this Plan will be an unfunded plan, including for tax purposes and for purposes of the *Employee Retirement Income Security Act* (United States). Any Restricted Share Unit Recipient to which Restricted Share Units are credited to his or her account or holding Restricted Share Units or related accruals under this Plan will have the status of a general unsecured creditor of the Company with respect to any relevant rights that may arise thereunder.

Section 8.2 **General Conditions Applicable to Options**

- (a) **Employment and Services** - Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.
- (b) **No Representation or Warranty** - The Company makes no representation or warranty as to the future market value of Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.
- (c) **Plan Amendment** - The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Shares in respect of Options which have not yet

been granted hereunder. Any amendments to the Plan are subject to the Company receiving prior TSX Venture approval and Shareholder Approval and Disinterested Shareholder Approval, as applicable, in accordance with Section 5.5 and Section 5.6 of the Plan, respectively.

- (d) **Savings Clause** - This Plan is intended to comply in all respects with applicable law and regulations, including Section 409A of the Code. In case any one or more provisions of this Plan shall be held invalid, illegal, or unenforceable in any respect under applicable law and regulation (including Section 409A of the Code), the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal, or unenforceable provision shall be deemed null and void; however, to the extent permitted by law, any provision that could be deemed null and void shall first be construed, interpreted, or revised retroactively to permit this Plan to be construed in compliance with all applicable law (including Section 409A of the Code) so as to foster the intent of this Plan.

Section 8.3 **General Conditions**

- (a) **Successors and Assigns** - This Plan will enure to the benefit of and be binding upon the respective legal representatives of the Service Provider.
- (b) **Governing Law** - This Plan and all matters to which reference is made in this Plan will be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein.

SCHEDULE "A"
FORM OF RESTRICTED SHARE UNIT AGREEMENT

Xander Resources Inc. (the "**Company**") hereby confirms the grant to the undersigned recipient of Restricted Share Units ("**Restricted Share Units**") described in the table below pursuant to the Company's Omnibus Incentive Plan (the "**Plan**"), a copy of which Plan has been provided to the undersigned Restricted Share Unit Recipient.

No. of Restricted Share Units	Trigger Date	Restricted Share Unit Expiry Date

[include any specific/additional vesting period or Performance Conditions]

Performance Conditions:

- 1) •
- 2) •

The Company and the undersigned Service Provider hereby confirm that the undersigned Service Provider is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, which, in each case, includes a company, 100% of the share capital of which is beneficially owned by one or more such Persons, as the case may be.

DATED _____, 20____.

•.

Per: _____
 Authorized Signatory

The undersigned hereby accepts such grant, acknowledges being a Restricted Share Unit Recipient under the Plan, agrees to be bound by the provisions thereof and agrees that the Plan will be effective as an agreement between the Company and the undersigned with respect to the Restricted Share Units granted or otherwise issued to it.

DATED _____, 20____.

 Witness (Signature)

 Name (please print)

 Address

 City, Province

 Occupation

 Restricted Share Unit Recipient's Signature

 Name of Restricted Share Unit Recipient (print)

SCHEDULE "B"
FORM OF OPTION CERTIFICATE

[If issued to officers or directors or at a discount to the Market Price] WITHOUT PRIOR WRITTEN APPROVAL OF 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 TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [INSERT DATE THAT IS FOUR MONTHS AND A DAY FROM THE GRANT DATE].

[Insert the following U.S. legend if the Option is being issued to an Optionee who is in the United States or who is a U.S. person:]

THE OPTION REPRESENTED BY THIS CERTIFICATE AND THE COMMON SHARES ISSUABLE UPON EXERCISE THEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND IT HAS, IN THE CASE OF EACH OF (C) AND (D), PRIOR TO SUCH TRANSFER FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY TO SUCH EFFECT.

XANDER RESOURCES INC.

OMNIBUS INCENTIVE PLAN

OPTION CERTIFICATE

This Certificate is issued pursuant to the provisions of the Xander Resources Inc. (the "**Company**") Omnibus Incentive Plan (the "**Plan**") and evidences that _____ is the holder (the "**Optionee**") of an option (the "**Option**") to purchase up to _____ common shares (the "**Shares**") in the capital stock of the Company at a purchase price of CAD\$_____ per Share (the "**Option Exercise Price**").

The Company and the undersigned Service Provider hereby confirm that the undersigned Service Provider is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, which, in each case, includes a company, 100% of the share capital of which is beneficially owned by one or more such Persons, as the case may be.

The Plan provides for the granting of stock options that either (i) are intended to qualify as "Incentive Stock Options" within the meaning of Section 422 of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), or (ii) do not qualify as Incentive Stock Options under Section 422 of the Code, and are hence called ("**Non-Statutory Stock Options**"). This Option will be treated as (select one), barring any post-grant events that effect the eligibility of the option to be treated as an ISO:

an Incentive Stock Option (ISO); or

a Non-Statutory Stock Option (NSO).

Subject to the provisions of the Plan:

- (a) the effective date of the grant of the Option is _____, 20__;
- (b) the Option expires at 5:00 p.m. (Vancouver Time) on _____, 20__; and
- (c) the Options shall vest as follows:

Date	Percent of Stock Options Vested	Number of Stock Options Vested	Aggregate Number of Stock Options Vested

The vested portion or portions of the Option may be exercised at any time and from time to time from and including the date of the grant of the Option through to 5:00 p.m. (Vancouver Time) on the expiration date of the Option Period by delivering to the Company an Exercise Notice, in the form attached as Appendix "I" hereto, together with this Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Option Exercise Price of the Shares in respect of which the Option is being exercised.

All Options and any Shares issued on the exercise of Options may be subject to resale restrictions and may be subject to and legended with a four month hold period commencing on the date the Options were granted pursuant to the rules of the Exchange and applicable securities laws. The Options hereby granted are subject to the approval of the Exchange.

This Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan, the terms and conditions of which the Optionee hereby expressly agrees with the Company to be bound by. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

If the Optionee is a U.S. person or is located in the United States, the Optionee acknowledges and agrees as follows:

- (a) The Option and the Shares (collectively, the "**Securities**") have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States, and the Option is being granted to the Optionee in reliance on an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.
- (b) The Securities will be "restricted securities", as defined in Rule 144 under the U.S. Securities Act, and the rules of the United States Securities and Exchange Commission provide in substance that the Optionee may dispose of the Securities only pursuant to an effective registration statement under the U.S. Securities Act or an exemption therefrom, and the Company has no obligation to register any of the Securities or to take action so as to permit sales pursuant to the U.S. Securities Act (including Rule 144 thereunder, if available).

- (c) The Optionee understands that (i) if the Company is deemed to be an issuer that is, or that has been at any time previously, an issuer with no or nominal operations and no or nominal assets other than cash and cash equivalents (a “**Shell Company**”), Rule 144 under the U.S. Securities Act may not be available for resales of the Securities and (ii) the Company is not obligated to make Rule 144 under the U.S. Securities Act available for resales of the Securities;
- (d) If the Optionee decides to offer, sell or otherwise transfer any of the Shares, the Optionee will not offer, sell or otherwise transfer any of the Shares directly or indirectly, unless:
 - (i) the sale is to the Company;
 - (ii) the sale is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the U.S. Securities Act (“**Regulation S**”) and in compliance with applicable local laws and regulations;
 - (iii) the sale is made pursuant to the exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in accordance with any applicable state securities or “blue sky” laws; or
 - (iv) the Shares are sold in a transaction that does not require registration under the U.S. Securities Act or any applicable state laws and regulations governing the offer and sale of securities;

and, in the case of each of (iii) and (iv) it has prior to such sale furnished to the Company an opinion of counsel reasonably satisfactory to the Company stating that such transaction is exempt from registration under applicable securities laws.

The Option may not be exercised by or for the account or benefit of a person in the United States or a U.S. person unless registered under the U.S. Securities Act and any applicable state securities laws, unless an exemption from such registration requirements is available.

The certificate(s) representing the Shares will be endorsed with the following or a similar legend until such time as it is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, (THE “U.S. SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF CLAUSE (C) OR (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY TO SUCH EFFECT. THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT “GOOD DELIVERY” OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE.”

provided, that if the Shares are being sold outside the United States in compliance with the requirements of Rule 904 of Regulation S and such Shares were acquired at a time when the Company is a “foreign issuer” as defined in Regulation S, the legend set forth above may be removed by providing an executed declaration to the registrar and transfer agent of the Company, in substantially the form set forth as Appendix “II” hereto (or in such other form as the Company may prescribe from time to time) and, if requested by the Company or the transfer agent, an opinion of counsel of recognized standing in form and substance satisfactory to the Company and the transfer agent to the effect that such sale is being made in compliance with Rule 904 of Regulation S; and provided, further, that, if any Shares are being sold otherwise than in accordance with Regulation S and other than to the Company, the legend may be removed by delivery to the registrar and transfer agent and the Company of an opinion of counsel, of recognized standing reasonably satisfactory to the Company, that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws.

- (e) Rule 905 of Regulation S provides in substance that any “restricted securities” that are equity securities of a “domestic issuer” (including an issuer that no longer qualifies as a “foreign issuer”) will continue to be deemed to be restricted securities notwithstanding that they were acquired in a resale transaction pursuant to Rule 901 or 904 of Regulation S; that Rule 905 of Regulation S will apply in respect of Shares if the Company is not a “foreign issuer” at the time of exercise of the related Options; and that the Company is not obligated to remain a “foreign issuer”.
- (f) “Domestic issuer”, “foreign issuer”, “United States” and “U.S. person” are as defined in Regulation S.
- (g) If the Optionee is resident in the State of California on the effective date of the grant of the Option, then, in addition to the terms and conditions contained in the Plan and in this Certificate, the Optionee acknowledges that the Company, as a reporting issuer under the securities legislation in the Provinces of British Columbia and Alberta, is required to publicly file with the securities regulators in those jurisdictions continuous disclosure documents, including audited annual financial statements and unaudited quarterly financial statements (collectively, the “**Financial Statements**”). Such filings are available on the System for Electronic Document Analysis and Retrieval (SEDAR), and documents filed on SEDAR may be viewed under the Company’s profile at the following website address: www.sedar.com. Copies of Financial Statements will be made available to the Optionee by the Company upon the Optionee’s request.

All terms not otherwise defined in this Certificate shall have the meanings given to them under the Plan.

Dated this ____ day of _____, 20__.

XANDER RESOURCES INC.

Authorized Signatory

APPENDIX "I"

XANDER RESOURCES INC.

OMNIBUS INCENTIVE PLAN

EXERCISE NOTICE

TO: Xander Resources Inc. (the "Company")

1. The undersigned (the "**Optionee**"), being the holder of options to purchase _____ common shares of the Company (the "**Shares**") at the exercise price of \$CAD _____ per share (the "**Option Exercise Price**"), hereby irrevocably gives notice, pursuant to the Omnibus Incentive Plan of the Company (the "**Plan**"), of the exercise of the Option to acquire and hereby subscribes for _____ of such Shares of the Company.

2. The Optionee tenders herewith a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Option Exercise Price of the aforesaid Shares exercised (unless the Optionee has elected for, and the Company consents to, a Cashless Exercise or Net Exercise under Item 2A below) and directs the Company to issue a share certificate evidencing said Shares in the name of the Optionee to be mailed to the Optionee at the following address:

2A. Subject to consent of the Company, the Optionee elects (if applicable, please check a category):

(a) Cashless Exercise; or

(b) Net Exercise.

3. By executing this Exercise Notice, the Optionee hereby confirms that the undersigned has read the Plan and agrees to be bound by the provisions of the Plan. All terms not otherwise defined in this Exercise Notice shall have the meanings given to them under the Plan or the attached Option Certificate.

4. The Optionee is resident in _____ [name of state/province].

5. The Optionee represents, warrants and certifies as follows (please check all of the categories that apply):

(a) the Optionee at the time of exercise of the Option is not in the United States, is not a "U.S. person" as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and is not exercising the Option on behalf of, or for the account or benefit of a U.S. person or a person in the United States and did not execute or deliver this exercise form in the United States;

(b) the undersigned holder is resident in the United States or is a U.S. person who is a resident of the jurisdiction referred to in the address appearing above, and is a U.S. Accredited Investor **and has completed the U.S. Accredited Investor Status Certificate in the form attached to this Exercise Notice**;

(c) the undersigned holder is resident in the United States or is a U.S. person who is a resident of the jurisdiction referred to in the address appearing above, and is a natural person who is either: (i) a director, officer or employee of the Company or of a majority-owned subsidiary of the Company (each, an "**Eligible Company Optionee**"), (ii) a consultant who is providing bona fide services to the Company or a majority-owned subsidiary of the Company that are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain

a market for the Company's securities (an “**Eligible Consultant**”), or (iii) a former Eligible Company Optionee or Eligible Consultant; and/or

- (d) if the undersigned holder is resident in the United States or is a U.S. person, the undersigned holder has delivered to the Company and the Company’s transfer agent an opinion of counsel (which will not be sufficient unless it is in form and substance satisfactory to the Company) or such other evidence satisfactory to the Company to the effect that with respect to the securities to be delivered upon exercise of the Option, the issuance of such securities has been registered under the U.S. Securities Act and applicable state securities laws or an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available;

6. “United States” and “U.S. person” are as defined in Regulation S under the U.S. Securities Act.

Note: Certificates representing Shares will not be registered or delivered to an address in the United States unless Box 5(b), (c) or (d) above is checked.

7. If the undersigned Optionee has marked Box 5(b), (c) or (d) above, the undersigned Optionee hereby represents, warrants, acknowledges and agrees that:

- (a) funds representing the subscription price for the Shares which will be advanced by the undersigned to the Company upon exercise of the Options will not represent proceeds of crime for the purposes of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (the “**PATRIOT Act**”), and the undersigned acknowledges that the Company may in the future be required by law to disclose the undersigned's name and other information relating to this exercise form and the undersigned's subscription hereunder, on a confidential basis, pursuant to the PATRIOT Act. No portion of the subscription price to be provided by the undersigned (i) has been or will be derived from or related to any activity that is deemed criminal under the laws of the United States of America, or any other jurisdiction, or (ii) is being tendered on behalf of a person or entity who has not been identified to or by the undersigned, and it shall promptly notify the Company if the undersigned discovers that any of such representations ceases to be true and provide the Company with appropriate information in connection therewith;
- (b) the financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles or International Financial Reporting Standards, which differ in some respects from United States generally accepted accounting principles, and thus may not be comparable to financial statements of United States companies;
- (c) there may be material tax consequences to the Optionee of an acquisition or disposition of any of the Shares. The Company gives no opinion and makes no representation with respect to the tax consequences to the Optionee under United States, state, local or foreign tax law of the undersigned’s acquisition or disposition of such securities. In particular, no determination has been made whether the Company will be a “passive foreign investment company” within the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended; and
- (d) if the undersigned has marked Box 5(c) above, the Company may rely on the registration exemption in Rule 701 under the U.S. Securities Act and a state registration exemption, but only if such exemptions are available; in the event such exemptions are determined by the Company to be unavailable, the undersigned may be required to provide additional evidence of an available exemption, including, without limitation, the legal opinion contemplated by Box 5(d).

8. If the undersigned Optionee has marked Box 5(b) above, the undersigned represents and warrants to the Company that:

- (a) the Optionee has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Shares, and the undersigned is able to bear the economic risk of loss of his or her entire investment;

- (b) the Company has provided to the undersigned the opportunity to ask questions and receive answers concerning the terms and conditions of the offering, and the undersigned has had access to such information concerning the Company as he or she has considered necessary or appropriate in connection with his or her investment decision to acquire the Shares;
- (c) the undersigned is: (i) purchasing the Shares for his or her own account or for the account of one or more U.S. Accredited Investors with respect to which the undersigned is exercising sole investment discretion, and not on behalf of any other person; and (ii) is purchasing the Shares for investment purposes only and not with a view to resale, distribution or other disposition in violation of United States federal or state securities laws; and
- (d) the undersigned has not exercised the Option as a result of any form of general solicitation or general advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the Internet, or broadcast over radio, television or other form of telecommunications or the Internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

9. If the undersigned has indicated that the undersigned is a U.S. Accredited Investor by marking Box 5(b) above, or if the undersigned has marked Box 7(c) above on the basis that the exercise of the Option is subject to the registration exemption in Rule 701 under the U.S. Securities Act and an available state registration exemption, the undersigned also acknowledges and agrees that:

- (a) the Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and the Shares will be issued as “restricted securities” (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act) and may not be offered, sold, pledged, or otherwise transferred, directly or indirectly, without prior registration under the U.S. Securities Act and applicable state securities laws absent an exemption from such registration requirements; and
- (b) the certificate(s) representing the Shares will be endorsed with a U.S. restrictive legend substantially in the form set forth in the Option Certificate until such time as it is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws.

10 The undersigned Optionee hereby represents, warrants, acknowledges and agrees that the certificate(s) representing the Shares may be subject to and legended with a four month hold period commencing on the date the Options were granted pursuant to the rules of the Exchange and applicable securities laws.

DATED the _____ day of _____, _____.

Signature of Optionee

U.S. ACCREDITED INVESTOR STATUS CERTIFICATE

In connection with the exercise of an option to purchase common shares of **Xander Resources Inc.** (the “**Company**”) by the Optionee, the Optionee hereby represents and warrants to the Company that the Optionee satisfies one or more of the following categories of Accredited Investor (**please initial each category that applies**):

- _____ (1) Any director or executive officer of the Company; or
- _____ (2) A natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of purchase of the Shares contemplated by the accompanying Exercise Notice, exceeds US\$1,000,000 (for the purposes of calculating net worth: (i) the person’s primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person’s primary residence, up to the estimated fair market value of the primary residence at the time of the purchase of the Shares, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time execution of the accompanying Exercise Notice exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by the person’s primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability); or
- _____ (3) A natural person who had an individual income in excess of US\$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of US\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
- _____ (4) An organization described in Section 501(c)(3) of the United States Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of US\$5,000,000; or
- _____ (5) An entity in which all of the equity owners meet the requirements of at least one of the above categories (if this alternative is checked, you must identify each equity owner and provide statements signed by each demonstrating how each qualifies as an Accredited Investor).

APPENDIX "II"

XANDER RESOURCES INC.

OMNIBUS INCENTIVE PLAN

FORM OF DECLARATION FOR REMOVAL OF LEGEND

TO: Xander Resources Inc. (the "Company")

AND TO: Registrar and transfer agent for the common shares of the Company

The undersigned (a) acknowledges that the sale of _____ (the "Securities") of the Company, represented by certificate number _____, to which this declaration relates is being made in reliance on Rule 904 of Regulation S ("Regulation S") under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and (b) certifies that (1) the undersigned is not (A) an "affiliate" of the Company (as that term is defined in Rule 405 under the U.S. Securities Act), (B) a "distributor" as defined in Regulation S or (C) an affiliate of a distributor; (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (B) the transaction was executed on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange or another "designated offshore securities market", and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any "directed selling efforts" in the United States in connection with the offer and sale of such securities; (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the U. S. Securities Act); (5) the seller does not intend to replace the securities sold in reliance on Rule 904 of Regulation S with fungible unrestricted securities; and (6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the U. S. Securities Act. Terms used herein have the meanings given to them by Regulation S.

Dated _____ 20__.

X _____
Signature of individual (if Seller is an individual)

X _____
Authorized signatory (if Seller is **not** an individual)

Name of Seller (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)

Affirmation by Seller's Broker-Dealer
(Required for sales pursuant to Section (b)(2)(B) above)

We have read the foregoing representations of our customer, _____ (the "Seller") dated _____, with regard to the sale, for such Seller's account, of _____ common shares (the "Securities") of the Company represented by certificate number _____. We have executed sales of the Securities pursuant to Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), on behalf of the Seller. In that connection, we hereby represent to you as follows:

- (1) no offer to sell Securities was made to a person in the United States;
- (2) the sale of the Securities was executed in, on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange or another designated offshore securities market (as defined in Rule 902(b) of Regulation S under the U.S. Securities Act), and, to the best of our knowledge, the sale was not pre-arranged with a buyer in the United States;
- (3) no "directed selling efforts" were made in the United States by the undersigned, any affiliate of the undersigned, or any person acting on behalf of the undersigned; and
- (4) we have done no more than execute the order or orders to sell the Securities as agent for the Seller and will receive no more than the usual and customary broker's commission that would be received by a person executing such transaction as agent.

For purposes of these representations: "**affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the undersigned; "**directed selling efforts**" means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Securities (including, but not be limited to, the solicitation of offers to purchase the Securities from persons in the United States); and "**United States**" means the United States of America, its territories or possessions, any State of the United States, and the District of Columbia.

Legal counsel to the Company shall be entitled to rely upon the representations, warranties and covenants contained herein to the same extent as if this affirmation had been addressed to them.

Dated: _____ 20____.

Name of Firm

By: _____
Authorized Officer