

**INDIGO EXPLORATION INC.**

1100 – 1199 West Hastings Street  
Vancouver, BC V6E 3T5

**INFORMATION CIRCULAR**

INFORMATION PROVIDED AS AT JULY 25, 2023 FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON SEPTEMBER 5, 2023 (THE “MEETING”).

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**This Information Circular is furnished in connection with the solicitation of proxies by management of Indigo Exploration Inc. (the “Company”) for use at the Meeting (or any adjournment thereof), at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally or by telephone by directors, officers or arms-length third parties appointed by the Company. Management is unable at this time to accurately estimate what the cost of such solicitation may be.**

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made to forward solicitation materials to the beneficial owners of the common shares of the Company. All costs of solicitation will be borne by the Company.

All dollar amounts in this Information Circular are in Canadian currency unless otherwise specified.

**This document is available on SEDAR at [www.sedar.com](http://www.sedar.com) and, upon request, a copy of this document will be provided free of charge to any security holder of the Company.**

**RECORD DATE AND VOTING SECURITIES**

The directors of the Company have set July 25, 2023 as the record date (“Record Date”) for the determination of shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment thereof. Only shareholders of record at the close of business on the Record Date are entitled to such notice and to vote at the Meeting.

Voting at the meeting will be by show of hands, with each shareholder present having one vote, unless a poll is requested or required, whereupon each shareholder or proxyholder present is entitled to one vote for each common share held.

The Company is authorized to issue an unlimited number of shares without par value of which 65,658,020 common shares are issued and outstanding as at the Record Date. The Company has no other class of voting securities.

## APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

The persons named in the Form of Proxy as proxy holders are directors or officers of the Company (the “Management Designees”). **A shareholder has the right to appoint some other person (who need not be a shareholder) to represent him or her at the Meeting and may do so, either by striking out the printed names and inserting the desired person’s name in the blank space provided in the Form of Proxy or by completing another proper form of proxy and delivering it to Computershare Investor Services Inc. (“Computershare”) at the address set out in “Voting of Proxies”. If you appoint a proxyholder, other than the Management Designees, that proxyholder must attend and vote at the Meeting for your vote to be counted.**

A shareholder who has given a proxy may revoke it by an instrument in writing, duly executed by the shareholder or where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation and delivered to the Company’s registered office, Suite 1120 – 625 Howe Street, Vancouver, BC V6C 2T6 at any time up to and including the last business day that precedes the day of the Meeting or, if adjourned, the day that precedes any reconvening thereof, or to the Chairman of the Meeting, on the day of the Meeting or, if adjourned, any reconvening thereof, or in any manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

## VOTING OF PROXIES

Shareholders may choose one of the following options to submit their proxy:

- (a) completing, dating and signing the Form of Proxy and returning it to Computershare, by mail to the 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to Computershare’s toll-free number. Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder’s account number and the control number; or
- (c) using the internet through Computershare’s website at [www.investorvote.com](http://www.investorvote.com). Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder’s account number and the control number.

In all cases, shareholders must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used.

If the Form of Proxy is completed, signed and delivered as prescribed above, the persons named as proxy holders in the proxy will vote or withhold from voting the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them on any ballot that may be called for. **The Form of Proxy confers discretionary authority upon the proxy holders with respect to all other matters or variations to matters which may properly come before the Meeting or an adjournment thereof.** As of the date of this Information Circular, management of the Company (the “Management”) knows of no such amendments, variations or other matters to come before the Meeting, other than matters referred to in the Notice of Meeting.

If other matters should properly come before the Meeting, however, the proxy will be voted on such matters as the proxyholder sees fit.

**If no choice is specified by a shareholder in the proxy with respect to a matter identified in the Form of Proxy, it is intended that the person designated by the Management in the Form of Proxy will vote the shares therein represented in favour of each matter identified on the Form of Proxy.**

### **BENEFICIAL HOLDERS OF COMMON SHARES**

**The information set forth in this section is of significant importance to many shareholders as a substantial number of shareholders do not hold common shares in their own name.**

Shareholders who do not hold their shares in their own name (“Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those common shares will not be registered in the Beneficial Shareholder’s name on the records of the Company. Such common shares will more likely be registered under the name of the Beneficial Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholders. **Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

Applicable regulatory policies require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered shareholders by the Company; however, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). 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. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

The Company is not using the “notice-and-access” provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers (“NI54-101”) in connection with the delivery of the meeting materials in respect of the Meeting.

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. The Company does not intend to pay for intermediaries such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees (“Intermediaries”) to forward the proxy related materials to Beneficial Shareholders who object to their identity being known to the issuers of securities which they own (“Objecting Beneficial Owners”, or “OBO’s”). Accordingly, OBO’s will not receive such documents unless their respective Intermediaries assume the cost of forwarding such documents to them.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.**

#### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

As at July 25, 2023, the record date, there were a total of 65,658,020 common shares outstanding. Each common share entitles the holder thereof to one vote.

To the knowledge of the directors and executive officers of the Company, and based on the Company’s review of the records maintained by Computershare Investor Services Inc., electronic filings with the System for Electronic Document Analysis and Retrieval (SEDAR) and insider reports filed with System for Electronic Disclosure by Insiders (SEDI), no shareholder beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the voting rights attached to all outstanding shares of the Company as at the Record Date.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as otherwise disclosed in this Information Circular, no director, executive officer, proposed management nominee, or any associate or affiliate thereof has any material interest, direct or indirect, by way of beneficial ownership of shares of the Company or otherwise in the matters to be acted upon at the Meeting, other than the election of directors or the appointment of auditors.

#### **FIXING THE SIZE OF THE BOARD OF DIRECTORS**

It is intended that the number of directors to be elected by the shareholders be established at five (5). This requires the approval of the shareholders of the Company by an ordinary resolution which approval will be sought at the Meeting.

## ELECTION OF DIRECTORS

At the Meeting, shareholders will be called upon to elect five (5) directors for the ensuing year or until their successors are duly elected or appointed, unless the director's office is earlier vacated in accordance with the Articles of the Company, or unless that person becomes disqualified to act as a director. While management does not contemplate that any of its nominees will be unable to serve as a director, if any management nominee should become unavailable, the form of proxy will be voted for substitute nominees as may be nominated by management. Set forth below is information regarding each management nominee for election at the Meeting as a director of the Company:

Name and Present Position with the Company and Residence	Principal Occupation or Employment (and if not an Elected Director, Occupation During the Past Five Years)	Director Since	Number of Shares Beneficially Owned or Controlled <sup>(1)</sup>
Paul Cowley President and CEO BC, Canada	President of Buena Tierra Developments Ltd, a wholly owned private company, providing geological consulting services; Chief Executive Officer and President of the Company; President and Chief Executive Officer of Phenom Resources Corp	July 2, 2009	3,268,421 <sup>(3)</sup>
Marino Sveinson <sup>(2)</sup> BC, Canada	Partner at Pulver Crawford Munroe LLP, Labour and Employment Lawyers	April 17, 2008	73,528 <sup>(4)</sup>
Lorne Warner BC, Canada	President of Geocon Enterprises Inc., a private company providing geological consulting services	May 5, 2016	23,333 <sup>(5)</sup>
Bradley Parkes <sup>(2)</sup> Vice President of Exploration AB, Canada	Co-founder/Director/CEO of Resolute Resources Ltd., an oil and gas exploration company (June 2019 – Present). Director of Whytecliff Resource Corp., a private company providing geologic consulting services (September 2014 – Present). Wellsite Geologist through Pro Geo Consultants Inc. (September 2014 – March 2023).	October 1, 2022	100,000 <sup>(5)</sup>
D.T. Brian Doherty <sup>(2)</sup> AB, Canada	President of Valeo Resources, providing geological consulting services (2012 – Present)	May 1, 2023	Nil

- (1) The number of shares beneficially owned, directly or indirectly, or over which control or direction is exercised, at the date of this Information Circular, is based upon information furnished to the Company by the individual nominees.
- (2) Member of the audit committee.
- (3) Mr. Cowley holds 51,667 of these shares directly. Buena Tierra Developments Ltd., a company wholly owned by Mr. Cowley owns 3,216,764 shares.
- (4) Mr. Sveinson holds 37,778 shares directly. Bremar Management Services Ltd., a private company of which Mr. Sveinson owns 25% of the issued shares, holds 143,000 shares of the Company. Mr. Sveinson's proportionate share of this company's shareholdings in the Company has been included as indirect holdings.

(5) Held directly.

The information with respect to the shareholdings of the directors has been furnished by the respective directors. The Company does not currently have an executive committee of the Board of Directors (the “**Board**”).

To the knowledge of the Company no director is, at the date of this Information Circular, or has been within 10 years before the date of the Information 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.

## STATEMENT OF CORPORATE GOVERNANCE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all companies to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “Guidelines”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Company’s approach to corporate governance is set out below.

### Board of Directors

The Board currently consists of five (5) directors: Paul Cowley, Lorne Warner, Marino Sveinson, Bradley Parkes, and D.T. Brian Doherty.

Section 1.4 of National Instrument 52-110 – *Audit Committees* (“NI 52-110”) sets out the standard for director independence. Under NI 52-110, a director is independent if he has no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company, which includes, but is not limited to an individual also being an employee or executive officer of the Company or an individual who accepts any consulting advisory or other compensatory fee from the Company for services provided other than in his role as a director.

Applying the definition set out in section 1.4 of NI 52-110, Messrs. Sveinson, Warner and Doherty are independent directors. Mr. Cowley is not independent because from time to time he provides geological consulting services to the Company, and he is the Chief Executive Officer of the Company. Mr. Parkes is not independent because he is the Vice President of Exploration of the Company and through Whytecliff Resource Corp., his private company, provides executive, management and technical consulting services to the Company.

In order to facilitate its exercise of independent judgement in carrying out the responsibilities of the Board, the Board ensures that its independent directors are in attendance at Board meetings.

### **Other Directorships**

The following table lists the directorships of other reporting issuers that are held by the directors of the Company:

Director	Name of Other Reporting Issuer
Paul Cowley	Phenom Resources Corp. (TSX-V)
Lorne Warner	Tarachi Gold Corp. (CSE) Gold Digger Resources (CSE)

### **Orientation and Continuing Education**

The Company has not developed an official orientation or training program for new directors. If and when new directors are added, however, they have the opportunity to become familiar with the Company by meeting with other directors and with officers and employees of the Company. As each director has a different skill set and professional background, orientation and training activities are and will continue to be tailored to the particular needs and experience of each director. Directors are encouraged to avail themselves of continuing education opportunities. All of the current directors are all professionals and/or have prior public company experience.

### **Ethical Business Conduct**

The Board conducts itself with high business and moral standards and follows all applicable legal and financial requirements. The Board has not adopted a written code of ethics for its directors, officers, employees and consultants.

The Board has concluded that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the board in which the director has an interest, are sufficient to ensure that the board operates independently of management and in the best interests of the Company and its shareholders.

### **Nomination of Directors**

The full Board is involved in the nomination of new candidates for board positions. Current Board members are asked for recommendations of people that they know of or have heard of that would contribute to the success of the Company if added to the Board. The Board members and Chief Executive Officer hold formal and informal discussions of any prospective nominees. The Board monitors, but does not formally assess the performance of individual Board members or committee members.

## **Compensation**

The Company does not have a compensation committee. The Board is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to directors, officers and consultants of the Company. The Board is also responsible for reviewing recommendations for compensation of the Chief Executive Officer and other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board will consider: (i) recruiting and retaining officers critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation (iii) balancing the interests of management and the Company's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

## **Other Board Committees**

The Company has no other standing committees other than the Audit Committee.

## **Assessments**

Any committee of the directors and individual directors are assessed on an ongoing basis by the Board. The Board has not adopted formal procedures for assessing the effectiveness of the board, the audit committee or individual directors.

## **AUDIT COMMITTEE**

As at the date of this information circular, the members of the audit committee of the Company are Marino Sveinson, Bradley Parkes and D.T. Brian Doherty. Messrs. Sveinson and D.T. Brian Doherty are "independent" as that term is defined in NI 52-110. Mr. Parkes is not independent as he is the Vice President of Exploration of the Company and provides geological consulting services to the Company. All members of the audit committee are "financially literate" as that term is defined in NI 52-110.

## **Audit Committee Charter**

Pursuant to NI 52-110, the Company's audit committee is required to have a charter. A copy of the Company's Audit Committee Charter is attached as Schedule "A" to this Information Circular.

## **Relevant Education and Experience**

Each member of the audit committee has adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

- (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.

Marino Sveinson is a partner at Pulver Crawford Munroe LLP, Labour and Employment Lawyers. He has practiced exclusively in the area of workplace law throughout his career. Through his service as a member of the Company's audit committee for over 10 years, he has gained an understanding of the accounting principles used to prepare financial statements as well as internal controls and procedures for financial reporting.

Bradley Parkes has a BA in Economics and a BSc in Petroleum Geology from the University of Calgary and a Master's degree in Energy Law from the College of Law at the University of Tulsa. He is a professional geologist registered in Alberta and British Columbia. He is also a fellow of the Canadian Securities Institute. He spent ten years in the Corporate Finance and Capital Markets Department of Union Securities Ltd. Subsequently, he has been involved in the hydrogeological, mineral and oil and gas exploration and development subsectors of the resource exploration industry. His experience has provided him with an understanding of accounting principles and the evaluation of financial statements.

D.T. Brian Doherty has a BSc in Geology. In a career spanning 30+ years, he has worked as a geological consultant providing geological, operational, and business development expertise to a number of companies in the oil and gas industry. Through previous management roles as President and VP Exploration of public companies, he has gained experience in financial and accounting practices of public energy companies.

### **Audit Committee Oversight**

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

### **Pre-Approval of Policies and Procedures**

The audit committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance, provision of services other than auditing and to consider the independence of the external auditors.

## External Auditor Service Fees

The aggregate fees billed by the Company’s external auditors in each of the last two fiscal years for audit fees are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees</b>	<b>Tax Fees <sup>(2)</sup></b>	<b>All Other Fees</b>
2022	\$16,701	\$Nil	\$1,100	\$Nil
2021	\$14,783	\$Nil	\$1,000	\$Nil

(1) “Audit Fees” include fees necessary to perform the annual audit of the Company’s consolidated financial statements and fees, for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit fees also include audit or other attest services required by legislation or regulation.

(2) “Tax Fees” are related to the preparation of the Company’s corporate income tax returns.

## Exemption

The Company is relying on the exemption provided under Section 6.1 of NI 52-110 for venture issuers which exempts venture issuers from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

## STATEMENT OF EXECUTIVE COMPENSATION

### DIRECTOR AND EXECUTIVE COMPENSATION

The Company is a “*venture issuer*” as defined under National Instrument 51-102 – *Continuous Disclosure Obligations* and is disclosing its director and executive compensation in accordance with Form 51-102F6V – *Statement of Executive Compensation-Venture Issuers* (“**Form 51-102F6V**”).

### *Definitions*

“**Board**” means the board of directors of the Company.

“**Chief Executive Officer**” or “**CEO**” means an individual who served as chief executive officer of the Company, or performed functions similar to a chief executive officer, for any part of the most recently completed financial year.

“**Chief Financial Officer**” or “**CFO**” means an individual who served as chief financial officer of the Company, or performed functions similar to a chief financial officer, for any part of the most recently completed financial year.

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

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (i) a CEO;
- (ii) a CFO;
- (iii) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V for that financial year; and
- (iv) each individual who would be an NEO under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that

### **Named Executive Officers**

During the fiscal year ended September 30, 2022, the following individuals were Named Executive Officers of the Company:

- Paul Cowley, Chief Executive Officer
- Rebecca Moriarty, Chief Financial Officer

### **Director and Named Executive Officer Compensation, excluding compensation securities**

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or its subsidiaries, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct or indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiaries in the two most recently completed financial years ended September 30, 2022 and September 30, 2021.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Paul Cowley</b> <sup>(1)</sup> President, CEO and Director	2022	12,000	Nil	Nil	Nil	Nil	12,000
	2021	48,000	Nil	Nil	Nil	Nil	48,000
<b>Rebecca Moriarty</b> <sup>(2)</sup> CFO and Corporate Secretary	2022	10,014	Nil	Nil	Nil	Nil	10,014
	2021	12,373	Nil	Nil	Nil	Nil	12,373
<b>Thomas Henricksen</b> <sup>(3)</sup> Former VP Exploration and Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	41,412	Nil	Nil	Nil	Nil	41,412
<b>Marino Sveinson</b> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
<b>Lorne Warner</b> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

- (1) During the financial year ended September 30, 2022 Buena Tierra Development Ltd., a company owned by Paul Cowley, was paid or accrued consulting fees of \$12,000 (2021 - \$48,000) for providing geological and management consulting services to the Company.
- (2) Rebecca Moriarty is an employee of Malaspina Consultants Inc. and is not paid directly by the Company. The amount of Malaspina Consultants Inc. invoices relating directly to Ms. Moriarty was \$10,014 for the year ended September 20, 2022 (2021 - \$12,373).
- (3) During the financial year ended September 30, 2022 Thomas Henricksen was paid or accrued consulting fees of \$Nil (2021 - \$41,412) for providing geological consulting services to the Company. Mr. Henricksen resigned as Vice President of Exploration on October 1, 2022 and as a director on May 1, 2023.

## **External Management Companies**

Except as disclosed under “Employment, Consulting and Management Agreements”, the Company does not presently have any arrangements with any external management company to provide executive management services to the Company. Management functions of the Company are substantially performed by directors or executive officers of the Company.

## **Stock Options and Other Compensation Securities**

No stock options were granted or issued to NEOs or non-NEO directors during the financial year ended September 30, 2022, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No stock options were exercised by any NEO or non-NEO directors during the financial year ended September 30, 2022.

There were no stock options outstanding as of September 30, 2022.

## **Stock Option Plans and Other Incentive Plans**

The Company has no incentive plans other than the Stock Option Plan.

The Company has a stock option plan dated for reference June 20, 2012 (the “Former Stock Option Plan”), which was last approved by Shareholders at the Company’s annual general meeting held on June 8, 2022. On July 7, 2023 the Board made amendments to the Former Stock Option Plan to reflect recent amendments to TSX Venture Exchange policies and approved an amended and restated stock option plan (the “Stock Option Plan”). The Stock Option Plan is subject to approval of shareholders and the TSX Venture Exchange. See “Particulars of Other Matters to be Acted Upon”. A copy of the Stock Option Plan is attached hereto as Schedule “B” and will be available for inspection at the Meeting.

The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, consultants and management company employees of the Company and of its subsidiaries, if any, by providing them with the opportunity, through Options, to acquire common shares in the capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. Given the competitive business environment in which the Company operates, the Stock Option Plan will assist the Company to attract and retain valued directors, officers, employees, consultants and management company employees.

### ***Terms of the Stock Option Plan***

The following is a summary of the Stock Option Plan and is qualified in its entirety by the text of the Stock Option Plan attached as Schedule “B” to this Information Circular. Capitalized terms

used but not otherwise defined below have the meanings ascribed to such terms in the Stock Option Plan.

1. The Stock Option Plan is administered by the Board.
2. The aggregate number of the Company's common shares reserved for issuance under the Stock Option Plan will be a maximum of 10% of the issued and outstanding share capital at the date of grant.
3. If any stock options granted under the Stock Option Plan expire or terminate for any reason without having been exercised in full, the unpurchased shares will again be available under the Stock Option Plan.
4. The maximum number of shares that may be issued upon the exercise of stock options previously granted and those granted under the Stock Option Plan will be a maximum of 10% of the issued and outstanding common shares at the time of the grant.
5. Stock options can be issued to persons ("Eligible Recipients") who are bona fide Directors, Officers, Employees, Consultants and Management Company Employees providing services to the Company or its subsidiaries, if any.
6. The Exercise Price of an Option granted under the Stock Option Plan shall be fixed by the Board but shall be not less than the minimum price permitted by the Exchange.
7. The number of Options granted to any one Eligible Recipient may not exceed 5% of the outstanding listed shares in any 12 month period unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.
8. The number of Options granted to any one Consultant may not exceed 2% of the Company's outstanding listed shares in any 12 month period.
9. The number of Options granted to all Investor Relations Service Providers may not exceed 2% of the Company's outstanding listed shares in any 12 month period and must vest in stages over a period of not less than 12 months.
10. The aggregate number of Options granted to Insiders (as a group) cannot exceed 10% of the Outstanding Issue of the Company at any point in time, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.
11. The aggregate number of Options granted to Insiders (as a group) in any 12 month period cannot exceed 10% of the Outstanding Issue of the Company at the date of grant of the Option, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.
12. All Options granted under the Stock Option Plan may be exercisable for a maximum of ten years from the date they are granted.

13. If the Optionee ceases to be (other than by reason of death) an Eligible Recipient, then the Option granted shall expire within a reasonable period of time (which shall not exceed 12 months), as determined by the Board, following the date that the Optionee ceases to be eligible. All unvested Options will terminate on the Cessation Date. Subject to the terms of the Stock Option Plan, if an Optionee ceases to be an Eligible Recipient:
  - (a) for cause, the Optionee's Options will immediately terminate;
  - (b) if the Optionee was engaged by the Company as an Investor Relations Service Provider, the Optionee's Options which have vested at the Cessation Date, will expire on the earlier of their original expiry date and 30 days after the Cessation Date;
  - (c) if the Option Agreement does not specify otherwise, the Optionee's Options which have vested at the Cessation Date will expire on the earlier of their original expiry date and 90 days after the Cessation Date;
  - (d) by reason of death, an Optionee's heirs or administrators shall have until the earlier of:
    - (i) one year from the death of the Optionee; and
    - (ii) the original expiry date of the Optionsin which to exercise any portion of Options vested at the time of death of the Optionee; and
  - (e) as a result of a Change of Control, then any Options which are subject to vesting provisions shall immediately vest on the Cessation Date and all Options will expire on the earlier of their original expiry date and 90 days after the Cessation Date.
14. If the Expiry Date for an Option falls within a Blackout Period, such 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 Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan.
15. The Stock Option Plan will be administered by the Company's Board who will have the full authority and sole discretion to grant options under the Stock Option Plan to any Eligible Recipient, including themselves.
16. The Options are not assignable or transferable by an Optionee.
17. The Company shall have the authority to deduct and withhold, or require the Optionee to remit to the Company, the amount of any taxes or other required source deductions which the Company is required by law or regulation of any governmental authority whatsoever to remit in connection with any issuance of shares upon the exercise of Options.
18. The Board may from time to time, subject to regulatory approval, amend or revise the terms of the Stock Option Plan.

## **Employment, Consulting and Management Agreements**

The Company has entered into the following agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or named executive officer:

Pursuant to an independent contractor agreement dated June 19, 2020, effective as of May 1, 2020, between the Company and Buena Tierra Development Ltd., a company owned by Paul Cowley, President, CEO, and Director of the Company, Mr. Cowley provides executive, management, and technical consulting services to the Company. On average, Mr. Cowley provides 10 hours per week of services and is paid a fee of \$4,000 per month. The base monthly rate is subject to review annually on May 1<sup>st</sup>. The contractor agreement is subject to termination by either party with sixty (60) days notice.

Ms. Moriarty, CFO and Corporate Secretary for the Company, is paid for her CFO-related services to the Company under an annual engagement agreement with Malaspina Consultants Inc. (“**Malaspina**”). Pursuant to this agreement, the Company pays Malaspina \$212/hour for Ms. Moriarty’s services. The Company also pays Malaspina for providing accounting and financial statement preparation services and SEDAR-filing related services at rates varying between \$58/hour and \$230/hour, depending on the individual providing the services and the type of services being provided. Fees are due and payable upon rendering of invoices by Malaspina. The term of the agreement is for 12 months, expiring on December 31<sup>st</sup> of each year, with a new agreement being executed by the Company and Malaspina on January 1<sup>st</sup> of each year.

## **Oversight and Description of Director and Named Executive Officer Compensation**

The Company does not have a compensation committee. The Board is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to directors, officers and consultants of the Company. The Board is also responsible for reviewing recommendations for compensation of the CEO and other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board will consider: (i) recruiting and retaining officers critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation (iii) balancing the interests of management and the Company’s shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

The Company relies solely on Board discussion to determine compensation paid to executives and directors, without any formal objectives, criteria or analysis. The Company has, to date, no revenues from operations and often operates with limited financial resources. Consequently, the directors of the Company have to consider not only the financial situation of the Company at the time of determination of any executive or director compensation, but also the estimated financial situation of the Company in the midterm and long term.

Currently, the Company's compensation program consists primarily of stock options. Grants of stock options are intended to align the interests of the Named Executive Officers and directors with those of the Company's shareholders over the longer term and to provide a retention incentive for such persons. Numerous factors are taken into consideration by the Board in determining grants of options, including: a review of the previous grants (including value both at the current share prices and potential future prices), the remaining time to expiry, overall corporate performance, share price performance, the business environment and the role and performance of the individual in question. All grants of stock options are subject to the terms and conditions of the Company's Stock Option Plan.

### Pension Disclosure

The Company does not have any pension plan or similar benefit program that provides for payments or benefits at, following, or in connection with retirement.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the the Company's financial year ended September 30, 2022, all information required with respect to compensation plans under which equity securities of the Company are authorized for issuance:

	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights</b>	<b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by security holders	NIL	N/A	4,246,902 <sup>(1)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	N/A		4,246,902

(1) The Company currently has a rolling stock option plan. The aggregate number of common shares reserved for issuance is a maximum of 10% of the issued and outstanding share capital of the Company at the date of grant. As at September 30, 2022, a total of 4,246,902 options remained available for issuance.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, a proposed nominee for election as a director of the Company, or an associate of any of the foregoing individuals, has been indebted to the Company at any time since the commencement of the Company's last completed financial year.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as disclosed herein or in the Financial Statements, no informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, in any transaction since the commencement of its most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. An “informed person” means a director or executive officer of a reporting issuer; a director or executive officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; any person or company who beneficially owns, directly or indirectly, voting shares of a reporting issuer or who exercises control or direction over shares of a reporting issuer, or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of a reporting issuer and could include a reporting issuer if the reporting issuer has purchased, redeemed or otherwise acquired any of its own securities, for so long as it hold any of its securities.

## **MANAGEMENT CONTRACTS**

Management functions of the Company are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

## **APPOINTMENT OF AUDITOR**

The persons named as proxyholders in the form of proxy intend to vote for the continued appointment of Charlton & Company, Chartered Professional Accountants, as the Company’s auditor until the next annual general meeting at a remuneration to be fixed by the Board.

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

### **Stock Option Plan**

At the Meeting, shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, a resolution to approve and confirm the Stock Option Plan until the next annual general meeting of the Company. The Stock Option Plan is described above under “Statement of Executive Compensation – Stock Options and Other Compensation Securities”.

The text of the proposed resolution to approve and confirm the Stock Option Plan (the “Stock Option Plan Resolution”) is as follows:

“BE IT RESOLVED THAT the Company’s Amended and Restated Stock Option Plan dated for reference July 7, 2023 is hereby approved and confirmed and that the Board of Directors of the Company be authorized to make any changes thereto as may be required by the TSX Venture Exchange.”

A simple majority of the votes cast at the Meeting (in person or by proxy) is required in order to pass the Stock Option Plan Resolution.

The Board recommends a vote “FOR” the approval of the Stock Option Plan Resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the approval of the Stock Option Plan Resolution.

### **ADDITIONAL INFORMATION**

Additional information concerning the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). The Company will provide a copy of its financial statements and MD&A free of charge to any security holder of the Company upon written request. Financial information concerning the Company is provided in the Company’s comparative financial statements and Management’s Discussion and Analysis for the financial year ended September 30, 2022, which are also available on SEDAR.

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OF SHAREHOLDERS OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING; HOWEVER, SHOULD ANY OTHER MATTERS WHICH ARE NOT KNOWN TO MANAGEMENT PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE FORM OF PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGEMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

**THIS INFORMATION CIRCULAR HAS BEEN APPROVED BY THE BOARD.**

**BY ORDER OF THE BOARD**

*“Paul Cowley”*

Paul Cowley  
President, CEO and Director

## SCHEDULE "A"

### INDIGO EXPLORATION INC.

(the "Company")

### AUDIT COMMITTEE CHARTER

(Dated for Reference September 10, 2009)

#### MANDATE

The audit committee (the "Committee") will assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reporting process, the system of internal control and the audit process.

#### COMPOSITION

The Committee shall be comprised of at least three members. Each member must be a director of the Company. A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company. At least one member of the Committee shall be financially literate. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Audit Committee Charter, the term "financially literate" means 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's financial statements.

The members of the Committee shall be appointed by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The Chair shall be financially literate and an independent director as defined in Section 1.4 of National Instrument 52-110 *Audit Committees*.

#### MEETINGS

Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly. Unless all members are present and waive notice, or those absent waive notice before or after a meeting, the Chairman will give Committee members 24 hours' advance notice of each meeting and the matters to be discussed at it. Notice may be given personally, by telephone, facsimile or e-mail.

The external auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at any other meeting. On request by the external auditor, the Chair shall call a meeting of the Committee to consider any matter that the external auditor believes should be brought to the attention of the Committee, the Board of Directors or the shareholders of the Company.

At each meeting of the Committee, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company. A member may participate in a meeting of the Committee in person or by telephone if all members participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A member may

participate in a meeting of the Committee by a communications medium other than telephone if all members participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all members who wish to participate in the meeting agree to such participation.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the external auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the external auditor and management annually to review the Company's financial statements.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

## **RESPONSIBILITIES AND DUTIES**

### ***Financial Accounting and Reporting Process and Internal Controls***

The Committee is responsible for reviewing the Company's financial accounting and reporting process and system of internal control. The Committee shall:

- (a) Review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable generally accepted accounting principles ("GAAP") and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements.
- (b) With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors and have meetings with the Company's auditors without management present, as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
- (c) Review any internal control reports prepared by management and the evaluation of such report by the external auditors, together with management's response.
- (d) Review and satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, management's discussion and analysis and interim earnings press releases, and periodically assess the adequacy of these procedures.
- (e) Review management's discussion and analysis relating to annual and interim financial statements and any other public disclosure documents, including interim earnings press releases, that are required to be reviewed by the Committee under any applicable laws, before the Company publicly discloses this information.
- (f) Meet no less frequently than annually with the external auditors and the Chief Financial Officer to review accounting practices, internal controls and such other matters as the Committee or Chief Financial Officer deem appropriate.

- (g) Inquire of management and the external auditors about significant financial risks or exposures, both internal and external, to which the Company may be subject, and assess the steps management has taken to minimize such risks.
- (h) Review the post-audit or management letter containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.
- (i) Establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### ***Audit***

#### External Auditor

The Committee has primary responsibility for the selection, appointment, dismissal and compensation and oversight of the external auditors, subject to the overall approval of the Board of Directors. In carrying out this duty, the Committee shall:

- (a) Require the external auditor to report directly to the Committee.
- (b) Recommend to the Board of Directors the external auditor to be nominated at the annual general meeting for appointment as the external auditor for the ensuing year and the compensation for the external auditors, or, if applicable, the replacement of the external auditor.
- (c) Review, annually, the performance of the external auditor.
- (d) Review and confirm the independence of the external auditor.
- (e) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the external auditor and former independent external auditor of the Company.
- (f) Pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor.

#### Audit and Review Process and Results

The Committee is directly responsible for overseeing the work by the external auditor (including resolution of disagreements between management and the external auditor regarding financial reporting) engaged for the purpose of preparing or issuing an audit report or performing other audit or review services for the Company. The Committee shall:

- (a) Review the external auditors' audit plan, including the scope, procedures and timing of the audit.
- (b) Review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.

- (c) Obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information with GAAP that were discussed with management, their ramifications, and the external auditors' preferred treatment.
- (d) Ensure that all material written communications between the Company and the external auditors are sent to the Committee.
- (e) Review fees paid by the Company to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
- (f) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Company.

***Other***

- (a) Perform such other duties as may be assigned to it by the Board of Directors from time to time or as may be required by applicable regulatory authorities or legislation.
- (b) Report regularly and on a timely basis to the Board of Directors on matters coming before the Committee.
- (c) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval.

**AUTHORITY**

The Committee is authorized to:

- (a) to seek any information it requires from any employee of the Company in order to perform its duties;
- (b) to engage, at the Company's expense, independent legal counsel or other professional advisors on any matter within the scope of the role and duties of the Committee under this Charter;
- (c) to set and pay the compensation for any advisors engaged by the Committee; and
- (d) to communicate directly with the internal and external auditors of the Company.

This Charter supersedes and replaces all prior charters and other terms of reference pertaining to the Committee.

SCHEDULE “B”

**INDIGO EXPLORATION INC.**

**AMENDED AND RESTATED STOCK OPTION PLAN**

Dated for reference July 7, 2023

**ARTICLE 1  
PURPOSE**

- 1.1 The purpose of this stock option plan (the “Stock Option Plan”) is to authorize the grant to directors, officers, employees and other service providers of Indigo Exploration Inc. (“Indigo”) incentive stock options to purchase common shares in the capital of Indigo and thus benefit Indigo. This will allow Indigo to attract, retain and motivate service providers by providing them with the opportunity, through share purchase options, to acquire an increased proprietary interest in Indigo.

**ARTICLE 2  
INTERPRETATION**

- 2.1 In this Stock Option Plan, in addition to terms which are parenthetically defined, the following terms shall have the following meanings respectively:
- (a) “Black Out Period” means the period during which the relevant Optionee is prohibited from exercising an Option due to trading restrictions imposed by Indigo pursuant to any policy of Indigo respecting restrictions on trading that is in effect at that time;
  - (b) “Board” means the board of directors of Indigo;
  - (c) “Cessation Date” means the date an Optionee ceases to be an Eligible Optionee;
  - (d) “Change of Control” means the occurrence of any of:
    - (i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than Indigo or any of its affiliates or Subsidiaries) thereafter acquires the direct or indirect beneficial ownership of, or acquires the right to exercise control or direction over, securities of Indigo representing 50% or more of the then Outstanding Issue in any manner whatsoever, including, without limitation, as a result of a take-over bid, an issuance or exchange of securities, an amalgamation of Indigo with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;
    - (ii) the sale, assignment or other transfer of all or substantially all of the assets of Indigo to a Person or any group of two or more Persons acting jointly or in concert (other than a wholly-owned Subsidiary of Indigo);
    - (iii) the occurrence of a transaction whereby Indigo is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any Person or any group of two or more Persons

acting jointly or in concert (other than an exchange of securities with a wholly-owned Subsidiary of Indigo);

- (iv) the replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent members of the Board, unless such election or appointment is approved or recommended by 50% or more of the Board in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made; or
- (v) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;
- (e) “Common Shares” means common shares in the capital of Indigo;
- (f) “Company” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, fund, association and any other entity other than an individual;
- (g) “Consultant” means, in relation to Indigo or its Subsidiaries, an individual (other than a Director, Officer or Employee of Indigo or of any of its subsidiaries) or Company that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to Indigo or to any of its subsidiaries, other than services provided in relation to a Distribution;
  - (ii) provides the services under a written contract between Indigo or any of its subsidiaries and the individual or the Company, as the case may be, and;
  - (iii) in the reasonable opinion of Indigo, spends or will spend a significant amount of time and attention on the affairs and business of Indigo or of any of its subsidiaries.
- (h) “Consultant Company” means a Consultant that is a Company;
- (i) “Director” means a director (as defined under applicable securities laws) of Indigo or of any of its Subsidiaries;
- (j) “Discounted Market Price” has the meaning ascribed to that phrase in Policy 1.1 and Policy 4.4 of the Exchange Policies;
- (k) “Disinterested Shareholder Approval” has the meaning ascribed to that phrase in Section 5.3(b) and (c) of Policy 4.4 of the Exchange Policies;
- (l) “Distribution” has the meaning ascribed to that term in the *Securities Act*;
- (m) “Eligible Optionee” means a Person who is a bona fide Director, Officer, Employee, Management Company Employee or Consultant of Indigo or its Subsidiaries who is eligible to be the recipient of Options granted by Indigo, and also includes a Company that is wholly owned by individuals who are Eligible Optionees;

- (n) “Employee” means:
- (i) an individual who is considered an employee of Indigo or of its Subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
  - (ii) an individual who works full-time for Indigo or its Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by Indigo or its Subsidiary over the details and methods of work as an employee of Indigo or of the Subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for Indigo or its Subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by Indigo or its Subsidiary over the details and methods of work as an employee of Indigo or of the Subsidiary, as the case may be, but for whom income tax deductions are not made at source;
- (o) “Exchange” means the TSX Venture Exchange, provided that if the Common Shares are not at the relevant time listed and posted for trading on the TSX Venture Exchange, “Exchange” shall mean such stock exchange or quotation system on which the Common Shares are then listed or quoted as may be selected by the Board;
- (p) “Exchange Hold Period” has the meaning ascribed to that phrase in Policy 1.1 of the Exchange Policies;
- (q) “Exchange Policies” means the policies of the Exchange;
- (r) “Exercise Price” means the price payable per Common Share upon the exercise of an Option, as determined in accordance with the terms of this Stock Option Plan;
- (s) “Existing Options” means stock options granted prior to the effective date of this Stock Option Plan which have not been exercised or cancelled;
- (t) “Expiry Date” of an Option means the day on which an Option lapses;
- (u) “Insider” has the meaning ascribed to that term in Policy 1.1 of the Exchange Policies;
- (v) “Investor Relations Activities” has the meaning ascribed to that term in Policy 1.1 of the Exchange Policies;
- (w) “Investor Relations Service Provider” includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (x) “Management Company Employee” means an individual employed by a Company providing management services to Indigo, which services are required for the ongoing successful operation of the business enterprise of Indigo;
- (y) “Market Price” has the meaning ascribed to that phrase in the Exchange Policies;

- (z) “Officer” means an officer (as defined under applicable securities laws) of Indigo or of any of its subsidiaries;
- (aa) “Option” means a stock option granted pursuant to the Stock Option Plan;
- (bb) “Option Shares” means the Common Shares to be purchased upon the exercise of any Option;
- (cc) “Optionee” means an eligible optionee to whom an Option is granted by Indigo under this Stock Option Plan;
- (dd) “Outstanding Issue” means the number of Common Shares which are issued and outstanding as of a particular time, on a non-diluted basis;
- (ee) “Person” means a Company or an individual;
- (ff) “Reserved for Issuance” at any particular time refers to Common Shares which may be issued in the future upon the exercise of Options and Existing Options which are outstanding at that time;
- (gg) “Securities Act” means the *Securities Act* R.S.B.C. 1996, c. 418, or any successor legislation; and
- (hh) “Subsidiary” has the meaning ascribed to that term in the *Business Corporations Act* (British Columbia).

### **ARTICLE 3 ADMINISTRATION OF THE PLAN**

- 3.1 The Stock Option Plan shall be administered by the Board. Options to purchase unissued Common Shares may be granted from time to time under this Stock Option Plan by the Board only to Eligible Optionees.
- 3.2 Subject to the provisions hereof, the Board shall have full and final authority to determine whether and when Options are to be granted, to determine which Eligible Optionees are to be granted Options under the Stock Option Plan, the number of shares subject to each Option, and all other terms and conditions applicable to each Option.
- 3.3 For any grant of stock options to Employees, Consultants or Management Company Employees, Indigo and the Eligible Optionee are responsible for ensuring and confirming that the Eligible Optionee is a bona fide Employee, Consultant or Management Company Employee of Indigo or its Subsidiaries, as the case may be.

### **ARTICLE 4 SHARES SUBJECT TO PLAN**

- 4.1 Subject to the requirements of the Exchange, the aggregate number of Common Shares that may be issuable pursuant to Options granted under the Stock Option Plan and Existing Options will not exceed 10% of the number of issued Common Shares of the Company at the time of the granting of Options under the Stock Option Plan.

- 4.2 If any Common Shares cannot be issued to any Optionee for whatever reason, the obligation of Indigo to issue such Common Shares shall terminate and any option exercise price paid to Indigo shall be returned to the Optionee. Common Shares in respect of which Options or Existing Options have expired unexercised shall be available for subsequent Options granted under the Stock Option Plan.
- 4.3 No fractional shares may be issued or purchased under the Stock Option Plan. If Options are surrendered, terminated or expire in accordance with the terms of the Stock Option Plan without being exercised, new Options may be granted covering Common Shares not purchased under such lapsed Options.
- 4.4 All Existing Options which are outstanding as of the date the Stock Option Plan becomes effective shall thereafter be governed by the Stock Option Plan.

## **ARTICLE 5 GRANT LIMITATIONS**

- 5.1 Options granted under the Stock Option Plan will be subject to the following limitations:
- (a) the number of Options granted to any one Optionee within any 12 month period may not exceed, without Disinterested Shareholder Approval, 5% of the Outstanding Issue at the time of such grant;
  - (b) the number of Options granted to any one Consultant in any 12 month period may not exceed 2% of the Outstanding Issue;
  - (c) the aggregate number of Options granted to Investor Relations Service Providers in any 12 month period may not exceed 2% of the Outstanding Issue;
  - (d) the aggregate number of Options granted to Insiders (as a group) cannot exceed 10% of the Outstanding Issue of Indigo at any point in time, unless Indigo has obtained Disinterested Shareholder Approval to exceed such limit; and
  - (e) the aggregate number of Options granted to Insiders (as a group) in any 12 month period cannot exceed 10% of the Outstanding Issue of Indigo at the date of grant of the Option, unless Indigo has obtained Disinterested Shareholder Approval to exceed such limit.

## **ARTICLE 6 PRICE**

- 6.1 The Exercise Price of any Common Share in respect of which an Option may be granted under the Stock Option Plan shall be fixed by the Board but shall be not less than the minimum price permitted by the Exchange. The Board may determine that the Exercise Price per Common Share may escalate at a specified rate dependent upon the year in which any Option to purchase Common Shares may be exercised by the Optionee. Any Options granted with an Exercise Price less than the applicable Market Price will be subject to the Exchange Hold Period.
- 6.2 Disinterested Shareholder Approval will be obtained for any reduction in the Exercise Price of an Option if the Optionee is an Insider of Indigo at the time of the proposed amendment.

**ARTICLE 7**

**PERIOD OF OPTION, RIGHTS TO EXERCISE AND WITHHOLDING TAXES**

- 7.1 Subject to the provisions of this Article 7 and Articles 8, 9 and 10 below, Options will be exercisable in whole or in part, and from time to time, during the currency thereof. Options can be exercisable for a maximum of ten years from the date of grant. The Option Shares shall be paid for in full at the time of such exercise. Except as provided in Articles 9 and 10 below, no Option may be exercised unless the Optionee is at the time of exercise an Eligible Optionee.
- 7.2 Disinterested Shareholder Approval will be obtained for the extension of the term of an Option if the Optionee is an Insider of Indigo at the time of the proposed amendment.
- 7.3 Should the Expiry Date of an Option fall within a Black Out Period or within nine business days following the expiration of a Black Out Period, such Expiry Date of the Option shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the Black Out Period, such tenth business day to be considered the Expiry Date for such Option for all purposes under the Plan. The ten business day period referred to in this paragraph may not be extended by the Board.
- 7.4 The exercise of an Option will be subject to the policies, procedures and conditions adopted by the Board from time to time to comply with Indigo's obligations imposed under any law or regulation of any governmental authority whatsoever, including, without limitation, Indigo's withholding, remittance and other funding liabilities under applicable tax law.
- 7.5 Indigo shall have the authority to deduct and withhold, or require the Optionee to remit to Indigo, the amount of any taxes or other required source deductions which Indigo is required by law or regulation of any governmental authority whatsoever to remit in connection with any issuance of shares upon the exercise of options (the "Tax Obligation"), which amount will be determined by Indigo in its sole discretion. Without limiting the generality of the foregoing, and unless otherwise prohibited by the Board or by applicable law, Indigo may fund the Tax Obligation by any of the following methods or by a combination of such methods as determined by Indigo in its sole discretion:
- (a) require, as a condition of the issuance of Option Shares to an Optionee, that the Optionee make, in addition to the exercise price for the Options, a cash payment to Indigo equal to the Tax Obligation and Indigo, in its sole discretion, may withhold the issuance or delivery of Option Shares until the Optionee makes such payment;
  - (b) elect, in its sole discretion, to withhold from the Option Shares being issued upon exercise of the Options such number of Option Shares as Indigo determines are required to be sold by Indigo, as trustee, to satisfy the Tax Obligation (net of selling costs). The Optionee consents to such sale and grants to Indigo an irrevocable power of attorney to effect the sale of such Option Shares and acknowledges and agrees that Indigo does not accept responsibility for the price obtained on the sale of such Option Shares;
  - (c) withhold from any cash payment otherwise due by Indigo to the Optionee, including salaries, directors fees, consulting fees and any other forms of remuneration, such amount of cash as is required to pay and satisfy the Tax Obligation; or
  - (d) make such other arrangements satisfactory to the Optionee and Indigo.

- 7.6 The Optionee (or their beneficiaries) shall be responsible for any taxes or other required source deductions which Indigo is required by law or regulation of any governmental authority whatsoever with respect to any Options granted or exercised under the Plan.
- 7.7 Neither the Board nor Indigo makes any representations or warranties of any nature or kind whatsoever to any person regarding the tax treatment of Options or payments on account of the Tax Obligation made under the Plan and none of the Board, Indigo, nor any of its employees or representatives shall have any liability to an Optionee (or its beneficiaries) with respect thereto.

## ARTICLE 8 VESTING RESTRICTIONS AND HOLD PERIODS

- 8.1 The vesting restrictions, if any, for all Options granted pursuant to this Stock Option Plan will be determined at the discretion of the Board at the time of the grant in accordance with the Exchange Policies. Vesting restrictions shall be required in the case of options granted to any Investor Relations Service Provider. Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months such that:
- (a) no more than 1/4 of the Options vest no sooner than three months after the Options were granted;
  - (b) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted;
  - (c) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; and
  - (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.
- 8.2 If the Board wishes to alter the vesting periods of any particular Option granted to an Optionee, it may fix the vesting of that Option before or after its grant in such manner as it determines in its sole discretion, provided such alterations are in compliance with the Exchange Policies.
- 8.3 If a *bona fide* offer (an "Offer"):
- (a) is made to all shareholders of Indigo for Common Shares, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of Indigo, within the meaning of subsection 1(1) of the *Securities Act* (British Columbia);
  - (b) is made for all or substantially all of the assets of Indigo (as such concept is interpreted under the *Business Corporations Act* (British Columbia)); or
  - (c) is made for a proposed transaction which a majority of the Board determines is reasonably likely to have a similar effect as either of the transactions referred to in subparagraph (a) or (b) above;

then Indigo shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer. Subject to Exchange approval, any Options that may not be fully vested shall become vested on the date of Exchange approval. Such Options may be exercised in whole

or in part by the Optionee so as to permit the Optionee to tender or to vote, as applicable, the Option Shares received upon such exercise, pursuant to the Offer. If:

- (d) the Offer is not completed within the time specified therein;
- (e) the Optionee does not tender the Option Shares pursuant to the Offer, if applicable;
- (f) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof; or
- (g) the sale or reorganization does not close in accordance with its terms,

then the Option Shares received upon such exercise, or in the case of clause (f) above, the Option Shares that are not taken up and paid for, shall be returned by the Optionee to Indigo and reinstated as authorized but unissued Common Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to paragraph 8.1 shall be reinstated. If any Option Shares are returned to Indigo under this paragraph 8.3, Indigo shall immediately refund the exercise price to the Optionee for such Option Shares. In no event shall the Optionee be entitled to sell the Option Shares otherwise than pursuant to the Offer (in the case of an Offer pursuant to paragraph 8.3(a) hereof) or to sell the Option Shares prior to the closing of any transaction (in the case of an Offer pursuant to paragraph 8.3(b) or (c) hereof).

- 8.4 An Exchange Hold Period will be applicable for all Options granted to: (a) Insiders of Indigo; (b) Consultants of Indigo; and (c) any Optionee where the Exercise Price is at a discount to the Market Price.

## **ARTICLE 9 CESSATION OF SERVICES**

- 9.1 If an Optionee ceases to be an Eligible Optionee for any reason (except as provided in sections 9.2, 9.4, 9.5 or 9.6 of this Article or in Article 10), the Options held by the Optionee will expire within a reasonable period following the Cessation Date, which period shall be determined by the Board but, in any event, shall not exceed twelve (12) months following the Cessation Date. Subject to Section 9.6, the Optionee shall only be entitled to exercise Options which have vested at the Cessation Date. If an Option Agreement does not specify a period that an Optionee (other than an Investor Relations Service Provider) may exercise options following the Cessation Date, the Options will expire on the earlier of 90 days following the Cessation Date and the original Expiry Date. Notwithstanding the foregoing, in no event shall an Optionee be entitled to exercise any Options beyond the Expiry Date of the Optionee's Option.
- 9.2 If an Optionee ceases to be an Eligible Optionee for cause, all Options held by such Optionee terminate immediately.

- 9.3 An Optionee ceases to be an Eligible Optionee if the Optionee's employment has been terminated by Indigo or a Subsidiary of Indigo:
- (a) other than for cause, either:
    - (i) on the day specified by Indigo or such Subsidiary in writing to the Eligible Optionee as being the last day on which the Eligible Optionee is to report for work for Indigo or a Subsidiary of Indigo; or
    - (ii) if such Eligible Optionee is given pay in lieu of advance notice of a pending effective date of termination, on the day on which such notice of termination is given in writing by Indigo or such Subsidiary to the Eligible Optionee; and
  - (b) for cause, on the day on which the notice of termination was given.
- 9.4 If an Optionee ceases to be an Eligible Optionee by reason of death of the Optionee during the currency of the Optionee's Option, the Optionee's legal personal representative may, within the period of one year after the Cessation Date and in no event after the expiry date of the Option, exercise any Options vested at the Cessation Date. Before expiry of an Option under this paragraph 9.4, Indigo shall notify the Optionee's legal personal representative in writing of such expiry.
- 9.5 If an Investor Relations Service Provider ceases to be an Eligible Optionee, any Options held by such Optionee that were vested at the Cessation Date will expire on the earlier of 30 days following the Cessation Date and the original Expiry Date.
- 9.6 Notwithstanding the provisions set out in paragraph 9.1, if a Change of Control occurs and if an Optionee ceases to be an Eligible Optionee as a result of the Change of Control, the Optionee may, within the period of ninety days after the Cessation Date and in no event after the Expiry Date of the Optionee's Option, exercise any Options which were vested at the Cessation Date. Notwithstanding Article 8 and any vesting provisions set out in any agreement relating to the Option, all Options held by the Optionee shall immediately become vested on the Cessation Date and shall become fully exercisable.

## **ARTICLE 10 EXTENSION OF OPTION**

- 10.1 Notwithstanding the provisions of Article 9, the Board may extend the period of time within which an Option held by an Optionee who has ceased to be an Eligible Optionee may be exercised but, in any event, such an extension shall not be granted beyond the earlier of the original Expiry Date of the Option or twelve (12) months following the date that the Optionee ceases to be an Eligible Optionee. Any extensions of Options granted under this Stock Option Plan are subject to applicable regulatory approval.

**ARTICLE 11  
GRANT OF MULTIPLE OPTIONS**

- 11.1 The grant of an Option to any Eligible Optionee shall not prevent the Board from granting further Options to the same Eligible Optionee and any such further grant of an Option shall, for the purposes of Article 3, be treated as a separate Option.

**ARTICLE 12  
NON-TRANSFERABILITY OF OPTIONS**

- 12.1 No Option granted under the Stock Option Plan shall be transferable or assignable by an Optionee, or subject to any other alienation, sale, pledge or encumbrance, otherwise than by will or by the laws of descent and distribution, and, therefore, such Option shall be exercisable, during an Optionee's lifetime, only by the Optionee.

**ARTICLE 13  
ADJUSTMENTS IN SHARES SUBJECT TO PLAN**

- 13.1 Subject to section 13.4, following the date an Option is granted, the exercise price for and the number of Option Shares which are subject to an Option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out in this Article 13, with the intent that the rights of Optionees under their Options are, to the extent possible, preserved notwithstanding the occurrence of such events. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Board, and any such determination will be binding on Indigo, the Optionee and all other affected parties.
- 13.2 Subject to section 13.4, if the outstanding Common Shares are changed into or exchanged for a different number of shares or into or for other securities of Indigo or securities of another company or entity, whether through an arrangement, amalgamation or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then on each exercise of the Option which occurs following such events, for each Option Share for which the Option is exercised, the Optionee shall instead receive the number and kind of shares or other securities of Indigo or other company into which such Option Share would have been changed or for which such Option Share would have been exchanged if it had been outstanding on the date of such event and the exercise price will be similarly adjusted so that the aggregate price to exercise the Option is preserved.
- 13.3 Subject to section 13.4, if the outstanding Common Shares are changed into or exchanged for a different number of shares or into or for other securities of Indigo or securities of another company or entity, in a manner other than as specified in paragraph 13.2, then the Board, in its sole discretion, may make such adjustment to the securities to be issued pursuant to any exercise of the Option and the exercise price to be paid for each such security following such event as the Board in its sole and absolute discretion determines to be equitable to give effect to the principle described in paragraph 13.1, and such adjustments shall be effective and binding upon Indigo and the Optionee for all purposes.
- 13.4 Any adjustment, other than in connection with a security consolidation or security split, to any Options granted under this Stock Option 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.

**ARTICLE 14  
AMENDMENT OF THE PLAN**

- 14.1 The Board may amend or terminate this Stock Option Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of Indigo or any Optionee whose Option is amended or terminated, in order to conform this Stock Option Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any relevant regulatory authority, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such regulatory authority. The Board may make the following types of amendments without the approval of shareholders: (a) amendments to fix typographical errors and (b) amendments to clarify existing provisions of the Stock Option Plan that do not have the effect of altering the scope, nature and intent of such provisions.
- 14.2 The Board of Directors may amend or terminate this Stock Option Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in paragraph 14.1 hereof, subject to the approval of the Exchange or any relevant regulatory authority and the approval of the shareholders of Indigo if required by the Exchange or such regulatory authority. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.
- 14.3 The Stock Option Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.
- 14.4 Subject to the prior approval of the Exchange and/or any other applicable regulatory authority, the Board may at any time supersede and replace the Stock Option Plan with a new stock option plan (a "New Plan"). If a New Plan is adopted in place of the Stock Option Plan, such New Plan may provide that all Options granted under the Stock Option Plan which are outstanding as of the date of adoption of the New Plan shall thereafter be governed by the New Plan; provided, however, that no amendment of the Stock Option Plan, or termination of the Stock Option Plan and adoption of a New Plan, may adversely affect the rights under any Option granted prior to such action without the consent of the Optionee.

**ARTICLE 15  
EVIDENCE OF OPTIONS**

- 15.1 A written agreement will be entered into between Indigo and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to Option, the Exercise Price, provisions as to vesting (if any) and the Expiry Date, and any other terms approved by the Board, all in accordance with the provisions of this Stock Option Plan. The agreement will be in such form as the Board may from time to time approve, or authorize the officers of Indigo to enter into, and may contain such terms as may be considered necessary in order that the Option will comply with this Stock Option Plan and any regulatory body having jurisdiction over Indigo.

**ARTICLE 16  
EXERCISE OF OPTION**

- 16.1 Subject to the provisions of the Stock Option Plan and the particular Option, an Option may be exercised from time to time by delivering to Indigo at its registered office a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment for the full amount of the purchase price of the Common Shares then being purchased.
- 16.2 The full purchase price of Common Shares purchased under the Option must be paid in lawful money of Canada or by certified cheque made payable to Indigo.
- 16.3 Subject to the provisions of the Stock Option Plan and the particular Option, upon receipt of a treasury order of an authorized officer directing the issue of Common Shares purchased under the Stock Option Plan, the transfer agent is authorized and directed to issue and countersign share certificates for the Option Shares in the name of such Optionee or the Optionee's legal personal representative or as may be directed in writing by the Optionee's legal personal representative.

**ARTICLE 17  
RIGHTS PRIOR TO EXERCISE**

- 17.1 An Optionee shall have no rights whatsoever as a shareholder in respect of any of the Option Shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of Option Shares in respect of which the optionee shall have exercised the Option to purchase hereunder and which the Optionee shall have actually taken up and paid for.

**ARTICLE 18  
GOVERNING LAW**

- 18.1 This Stock Option Plan shall be construed in accordance with and be governed by the laws of the Province of British Columbia and shall be deemed to have been made in said Province, and shall be in accordance with all applicable securities laws.

**ARTICLE 19  
EXPIRY OF OPTION**

- 19.1 On the expiry date of any Option granted under the Stock Option Plan, and subject to any extension of such expiry date permitted in accordance with the Stock Option Plan, such Option shall forthwith expire and terminate and be of no further force or effect whatsoever as to such of the Option Shares in respect of which the Option has not been exercised.

**ARTICLE 20  
PRIOR PLANS**

- 20.1 On the effective date (as set out in paragraph 21.1 hereof), subject to Exchange approval and, if required, shareholder approval:
- (a) this Stock Option Plan shall entirely replace and supersede the prior stock option plan dated for reference June 20, 2012; and
  - (b) all outstanding options shall be deemed to be granted pursuant to this Stock Option Plan.

**ARTICLE 21  
EFFECTIVE DATE OF THE PLAN**

- 21.1 This Stock Option Plan shall become effective as of and from, and the effective date of the Plan shall be September 5, 2023, upon receipt of all necessary shareholder and regulatory approvals.