



**FORSYS METALS CORP.**

**NOTICE OF ANNUAL AND SPECIAL MEETING  
OF SHAREHOLDERS TO BE HELD ON JUNE 30, 2023**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

Prepared as at May 26, 2023



Forsys Metals Corp.  
20 Adelaide Street East, Suite 200  
Toronto, Ontario M5C 2T6

## NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of Class A common shares (the “**Common Shares**”) in the capital of Forsys Metals Corp. (the “**Company**”) will be held in a virtual-only format, which will be conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1528> on Friday, June 30, 2023, at 1:00 pm EST (Toronto time) for the following purposes:

1. to receive the consolidated financial statements of the Company for the year ended December 31, 2022, together with the report of the auditors thereon;
2. to appoint auditors and to authorize the directors to fix the remuneration of the auditors;
3. to elect directors;
4. to consider and, if deemed advisable, to pass an ordinary resolution substantially in the form set out in the accompanying management information circular to approve an amended omnibus incentive plan of the Company; and
5. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying management information circular dated May 24, 2023. The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting (the “**Record Date**”) is at the close of business on May 24, 2023. Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

**The Company will hold the Meeting as a virtual-only shareholders meeting with participation electronically.**

**Shareholders of the Company will not be able to attend the Meeting in person. At the virtual Meeting, registered Shareholders of the Company and duly appointed proxyholders will have an opportunity to participate, to ask questions, and to vote, all in real time, at the Meeting through an online portal. Non-registered Shareholders must carefully follow the procedures set out in the Circular in order to vote virtually and ask questions through the live audiocast. Guests, including non-registered Shareholders who have not been duly appointed as proxyholders, can log into the virtual Meeting as a guest. Guests may listen to the Meeting but will not be entitled to vote or ask questions during the Meeting.**

This Notice is accompanied by a form of proxy (the “**Proxy**”) and a management information circular (the “**Circular**”). The Company has also sent the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2022 and related management's discussion and analysis to those shareholders who have previously requested these been sent to them in connection with the Meeting.

**In order to ensure as many Common Shares of the Company as possible are represented at the Meeting, the Company strongly encourages registered shareholders to complete the enclosed Proxy and return it as soon as possible in accordance with the instructions set out in the accompanying Circular. Shareholders who do not hold their Common Shares in their own name are strongly encouraged to complete the voting instruction forms received from the Company or their broker as soon as possible and to follow the instructions set out in the accompanying Circular.**

Please review the enclosed Circular and date, sign and return the enclosed Proxy to the Company's transfer agent, TSX Trust Company. **To be effective, the Proxy must be delivered by facsimile to (416) 595-9593 or mailed so as to reach or be deposited with the Secretary of the Company, c/o TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada M5H 4H1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario), prior to the time set for the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.**



**The persons named in the enclosed Proxy are directors or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to act for such Shareholder and on such Shareholders behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.**

DATED at Toronto, Ontario as of May 26, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "*Mark Frewin*"

Mark Frewin  
Chief Executive Officer



**FORSYS METALS CORP.**  
20 Adelaide Street East, Suite 200  
Toronto, Ontario M5C 2T6

**MANAGEMENT INFORMATION CIRCULAR**

**FOR THE**

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**To be held on June 30, 2023**

**SOLICITATION OF PROXIES**

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Forsys Metals Corp. (the “Company”) for use at the annual and special meeting (the “Meeting”) of holders (the “Shareholders”) of Class A common shares (the “Common Shares”) of the Company, and any adjournment thereof, which will be held in a virtual-only format, and which will be conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1528> on Friday, June 30, 2023, at 1:00 pm EST (Toronto time), for the purposes set forth in the accompanying notice of meeting (the “Notice of Meeting”). While it is expected that the solicitation will be made primarily by mail, proxies may also be solicited personally, by telephone or by other forms of electronic communications by directors, officers, employees or agents of the Company. All costs of solicitation by management will be borne by the Company.

Unless otherwise stated, all information contained in this Circular is presented as at May 24, 2023 and all references to \$ in this Circular are to Canadian dollars.

This Circular describes the matters to be acted on at the Meeting and the procedures for voting or appointing proxies to vote at the Meeting.

**IMPORTANT NOTICE REGARDING THE MEETING**

**The Company will hold the Meeting as a virtual-only shareholders meeting with participation electronically.**

Shareholders of the Company will not be able to attend the Meeting in person. At the virtual Meeting, registered Shareholders of the Company and duly appointed proxyholders will have an opportunity to participate, to ask questions, and to vote, all in real time, at the Meeting through an online portal. Non-registered Shareholders must carefully follow the procedures set out in the Circular in order to vote virtually and ask questions through the live audiocast. Guests, including non-registered Shareholders who have not been duly appointed as proxyholders, can log into the virtual Meeting as a guest. Guests may listen to the Meeting but will not be entitled to vote or ask questions during the Meeting.

In order to ensure as many Common Shares of the Company as possible are represented at the Meeting, the Company strongly encourages registered shareholders to complete the enclosed Proxy and return it as soon as possible in accordance with the instructions set out in the accompanying Circular. Shareholders who do not hold their Common Shares in their own name are strongly encouraged to complete the voting instruction forms received from the Company or their broker as soon as possible and to follow the instructions set out in the Circular.

## APPOINTMENT OF PROXIES

The persons named in the accompanying form of proxy (the “**Proxy**” or “**Proxies**”, as the case may be) are the Chief Executive Officer and the Corporate Secretary respectively, of the Company. **A Shareholder wishing to appoint some other person or company (who need not be a Shareholder of the Company) to attend and act for the Shareholder at the Meeting has the right to do so, by striking out the names of the two persons named in the accompanying form of Proxy and inserting the desired person’s name in the blank space provided on the form of Proxy or by completing another Proxy.**

To be valid, a Proxy must be signed by the Shareholder or the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney. A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed Proxy with the Company’s transfer agent and registrar, TSX Trust Company, Proxy Department, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1, facsimile: (416) 595-9593, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the time set for the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy. If you are a beneficial Shareholder and receive these materials through a broker or through another intermediary, please complete and return the Proxy or voting instruction form in accordance with the instructions provided by your broker or other intermediary.

### NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or their duly appointed proxy holders are permitted to vote at the Meeting. If you are a registered shareholder, you can vote your shares at the Meeting or by proxy. Most Shareholders of the Company are non-registered shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or trust company. A person is not a registered shareholder (a “**Non-Registered Shareholder**”) in respect of Common Shares which are held either:

- (a) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Shareholder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“**CDS**”)) of which the Intermediary is a participant.

In accordance with Canadian securities laws, the Company will have distributed copies of the Notice of Meeting, this Circular and the Proxy (collectively the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to a Non-Registered Shareholder unless a Non-Registered Shareholder has waived the right to receive them. Typically, Intermediaries will use a service company such as Broadridge Financial Solutions Inc., (“**Broadridge**”) to forward the Meeting Materials to Non-Registered Shareholders.

Non-Registered Shareholders who have not waived the right to receive Meeting Materials will receive either a voting instruction form or, less frequently, a Proxy. If you are a Non-Registered Shareholder, and the Company or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Non-Registered Shareholders should follow the procedures set out below, depending on which type of form they receive.

#### *Voting Instruction Form*

In most cases, a Non-Registered Shareholder will receive, as part of the Meeting Materials, a voting instruction form. If the Non-Registered Shareholder does not wish to attend and vote at the Meeting, (or have another person attend and vote on the Shareholder’s behalf), the voting instruction form should be completed, signed and returned in accordance with the directions on the form. Voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone, fax, or through the Internet at [www.proxyvote.com](http://www.proxyvote.com). If a Non-Registered Shareholder, who receives a voting instruction form, wishes to attend the vote at the Meeting (or have another person attend and vote on the Shareholder’s behalf), the Non-Registered Shareholder must complete, sign and return the voting instruction form in accordance with the directions provided and a Legal Proxy giving the right to attend and vote at the Meeting will be forwarded to the Non-Registered Shareholder.

#### *Form of Proxy*

Less frequently, a Non-Registered Shareholder will receive, as part of the Meeting Materials, a Proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise uncompleted. If a Non-Registered Shareholder does not wish to attend and vote at the

Meeting in person (or have another person attend and vote on the Shareholder's behalf) the Non-Registered Shareholder must complete the Proxy and deposit it with TSX Trust Company as described above. If a Non-Registered Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholders behalf), the Non-Registered Shareholder must strike out the names of the persons named in the Proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided.

***Non-Registered Shareholders should carefully follow the instructions set out on the forms they receive, including those regarding when and where to return the forms received and contact their Intermediary promptly if they need assistance.***

### REVOCATION OF PROXIES

In addition to any other manner permitted by law, a registered shareholder who has given the Company a Proxy may revoke the Proxy by:

- (a) completing and signing a Proxy bearing a later date and depositing it with the Company care of TSX Trust Company, as described above;
- (b) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing (i) at the registered office of the Company at any time up to the last business day preceding the day of the Meeting, or any adjournment or postponement of the Meeting at which the Proxy is to be used or (ii) with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment or postponement of the Meeting; or
- (c) in any other manner permitted by law.

Non-Registered Shareholders should contact the intermediary through which he or she holds shares of the Company in order to obtain instructions regarding the procedures for revocation of any voting instructions that he, she or it has provided to his or her intermediary.

A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

### VOTING OF PROXIES

**Common Shares represented by properly executed Proxies in favour of the persons designated in the enclosed form of Proxy will, where a choice with respect to any matter to be acted upon has been specified in the form of Proxy, be voted in accordance with the specification made. Such Common Shares will be voted in favour of each matter for which no choice has been specified by the Shareholder.**

The enclosed form of Proxy, when properly completed and delivered, but not revoked, confers discretionary authority upon the persons appointed as a proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters that may properly come before the Meeting.

In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of Proxy to vote in accordance with their best judgement on such matters of business. At the time of printing this Circular, management of the Company knew of no such amendment, variation or other matter which might be presented to the Meeting.

### VOTING AT THE VIRTUAL MEETING

**Registered Shareholders of the Company may vote online by attending the virtual Meeting.**

A registered Shareholder of the Company may vote at the Meeting, or may appoint another person to represent such registered Shareholder as proxyholder and to vote the Common Shares of such registered Shareholder at the Meeting.

**A registered Shareholder may access and vote at the virtual Meeting during the live audio webcast as follows:**

- a. Log into: <https://virtual-meetings.tsxtrust.com/1528> at least 15 minutes before the start of the Meeting. Registered Shareholders should allow ample time to check into the virtual Meeting and to complete the related procedures.
- b. Click on "**I have a control number**" and enter your 12-digit control number on your form of Proxy.
- c. Enter the password (case sensitive): **forsys2023**
- d. When the ballot is opened, click on the "**Voting**" icon. To vote, simply select your voting direction from the options shown on screen and click "**Submit**". A confirmation message will appear to show your vote has been received.

**Beneficial or Non-Registered Shareholders entitled to vote at the Meeting may vote at the Meeting virtually by following the steps listed below:**

- a. Appoint yourself as proxyholder by writing your name in the space provided on the form of proxy or VIF.
- b. Sign and send it to your intermediary, following the voting deadline and submission instructions on the VIF.
- c. Obtain a control number by contacting TSX Trust Company by emailing [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com) the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.
- d. Log into <https://virtual-meetings.tsxtrust.com/1528> on your browser at least 15 minutes before the Meeting starts.
- e. Click on "I have a control number".
- f. Enter your 12-digit control number on your form of Proxy provided by [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com).
- g. Enter the password (case sensitive): **forsys2023**
- h. When the ballot is opened, click on the "Voting" icon. To vote, simply select your voting direction from the options shown on screen and click "Submit". A confirmation message will appear to show your vote has been received.

If you are a registered Shareholder and you want to appoint someone else (other than the Management nominees) to vote online at the Meeting, you must first submit your proxy indicating who you are appointing. You or your appointee must then register with TSX Trust in advance of the Meeting by emailing [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com) the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.

If you are a Non-Registered Shareholder and want to vote online at the Meeting, you must appoint yourself as proxyholder and register with TSX Trust in advance of the Meeting by emailing [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com) the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.

Guests can also listen to the Meeting by following the steps below:

- a. Log into <https://virtual-meetings.tsxtrust.com/1528> on your browser at least 15 minutes before the Meeting starts. Please do not do a Google Search. Do not use Internet Explorer.
- b. Click on "I am a Guest".

If you have any questions or require further information with regard to voting your Common Shares, please contact TSX Trust Company toll-free in North America at 1-866-600-5869 or by email at [tmxeinvestorservices@tmx.com](mailto:tmxeinvestorservices@tmx.com).

**RECORD DATE**

The record date for determination of the Shareholders entitled to receive the Notice of Meeting and to vote at the Meeting and any adjournment thereof will be at the close of business on May 24, 2023. Only Shareholders of record at the close of business on May 24, 2023 who either attend the Meeting or who have completed and delivered a form of Proxy in the manner and subject to the provisions described above will be entitled to vote at the Meeting.

**VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

As at the date hereof, the Company has issued and outstanding 195,169,467 fully paid and non-assessable Common Shares without par value being the only class of shares outstanding and entitled to vote at the Meeting. Each Shareholder on the record date will be entitled to one (1) vote for each Common Share held by such holder on all matters proposed to come before the Meeting.

To the knowledge of the directors and senior officers of the Company, as at the date hereof, no person or company beneficially owns, directly or indirectly, controls or directs common shares carrying 10% or more of the voting rights attached to the outstanding common shares of the Company other than as follows:

Name	Number of Common Shares	Percentage of Outstanding Common Shares (undiluted)
Leonardo Global Trading Ltd	70,000,000	35.9%

## PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Company's directors, the only matters to be dealt with at the Meeting are those matters set forth in the accompanying Notice of Meeting and more fully described below.

If any other matter properly comes before the Meeting it is the intention of the persons named in the Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

### 1. Consolidated Financial Statements

The consolidated financial statements of the Company for the years ended December 31, 2022 and December 31, 2021, together with the report of the Company's auditors thereon, will be presented to the Company's Shareholders at the meeting.

These consolidated financial statements were mailed to Shareholders who have requested that the Company provide them with financial statements, with the Notice of Meeting and the Circular. The Consolidated Annual Financial Statements are also available on the Company's website at [www.forsysmetals.com](http://www.forsysmetals.com) and on the Company's filings on SEDAR at [www.sedar.com](http://www.sedar.com).

### 2. Appointment of Auditors

Shareholders will be asked to vote for the appointment of BDO Audit (WA) Pty Ltd. ("**BDO**") as auditors of the Company to hold office for the ensuing year, until the next annual general meeting of the Shareholders at a remuneration to be fixed by the audit committee (the "**Audit Committee**") and the Board of Directors (the "**Board**"). The Board appointed BDO the auditors of the Company on December 16, 2016.

The auditor is appointed by the Company's Shareholders and reports the results of its audit in the Company's consolidated annual financial statements to the Shareholders. The auditor is required to confirm to the Audit Committee its independence from management in connection with the audit. BDO has confirmed its independence from management in connection with the audit of the consolidated financial statements for the year ended December 31, 2022.

In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by management of the Company will be voted in favour of the appointment of BDO as auditors of the Company.

### 3. Election of Directors and Information Regarding Proposed Directors

Management of the Company proposes to nominate the persons named in the following table (the "**Nominees**") for election to the Board. The term of each of the current directors of the Company will expire at the conclusion of the Meeting and each director elected at the Meeting will begin to hold office immediately after the Meeting and continue to hold office until the next annual meeting of the Company or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the bylaws of the Company or he becomes disqualified to act as a director.

The bylaws of the Company provide that the Board consists of a minimum of three (3) and a maximum of nine (9) directors. The Board is currently comprised of six (6) members and it is proposed that six (6) directors be elected for the ensuing year.

#### *Majority Voting Policy*

Rules of the Toronto Stock Exchange (the "**TSX**") require a listed issuer to disclose in the materials sent to its shareholders for a meeting at which directors are to be elected whether or not it has adopted a majority voting policy and, if not, to explain why it has not adopted such a policy in its meeting materials. The Company is governed by the *Business Corporations Act* (Ontario) which provides for plurality voting (i.e. shareholders may vote for or withhold their votes for each director with the result that a director may be elected if he or she receives just one vote) as opposed to majority voting for directors. A majority voting policy generally requires that a director tender his or her resignation if the director receives more "withheld" votes than "for" votes (a "**majority withheld vote**") at any meeting where shareholders vote on the uncontested election of directors. An "uncontested election" means the number of director nominees for election is the same as the number of director positions on the Board. A majority voting policy does not apply in the event of a contested election of directors.

On March 17, 2014, the Board adopted a majority voting policy. Under this policy, a director of the Company is required to tender his or her resignation if the director receives a majority withheld vote at any meeting where shareholders vote on the uncontested election of directors. The resignation would become effective upon acceptance by the Board. The Board will review the circumstances of the election as to whether

or not to accept that tendered resignation. The Board must make a decision as soon as reasonably possible and in any event within 90 days of the resignation. The director who tendered the resignation would not be part of the decision-making process. The Board may fill a vacancy created by a resignation which has been accepted in accordance with the OBCA or may reduce the size of the Board in accordance with the OBCA.

In keeping with the rules of the TSX, the Company will continue to elect each director annually and individually and will forthwith after the shareholders' meeting disclose the detailed results of the voting for directors.

The enclosed form of proxy allows shareholders to direct proxyholders to vote individually for each of the nominees named below as director of the Company.

**The persons named in the accompanying form of proxy intend to vote the shares represented thereby “FOR” the election of the nominees named below as directors of the Company, unless the shareholder has specified in the proxy that the shares represented thereby are to be withheld from voting in respect of one or more nominees. Management has no reason to believe that any of the nominees named above will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the accompanying form of proxy shall have the right to vote for another nominee in such proxyholder’s discretion, unless the proxy withholds authority to vote for the election of directors.**

The following table and the notes thereto state the names and province or state and country of residence of each of the persons proposed to be nominated by management for election as directors, all other positions and offices with the Company now held by them, their principal occupations, businesses or employments, the period or periods of service as directors of the Company and the number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as of the date hereof.

<b>NAME, MUNICIPALITY OF RESIDENCE AND CURRENT POSITION(S) WITH THE COMPANY<sup>(1)</sup></b>	<b>PRINCIPAL OCCUPATION (PAST FIVE YEARS)<sup>(1)</sup></b>	<b>DIRECTOR SINCE</b>	<b>BENEFICIAL OWNERSHIP OF COMMON SHARES<sup>(2)</sup></b>
<b>Martin R. Rowley</b> <sup>(3)(5)</sup> Perth, Western Australia, Australia Chairman	Chairman of the Company since October 2007; Executive Director of Business Development of First Quantum Minerals Ltd. from January 2007 until June 2017; Non-executive Chairman and a director of Galaxy Resources Limited since November 2013 until August 2021. Non-executive Chairman and a director of Allkem Limited from August 2021 to November 2022.	October 22, 2007	301,702
<b>Mark Frewin</b> <sup>(6)</sup> Corfu, Greece Director and Chief Executive Officer	Director of the Company since September 2005; Chief Executive Officer of the Company since August 2021, Interim Chief Executive Officer from November 2018 to August 2021; Vice-President Legal Affairs of the Company until June, 2017. Director of Caledonian Consultancy Limited since June 2013.	September 6, 2005	1,090,046
<b>Paul Matysek, M. Sc.</b> , <sup>(3)(4)(6)</sup> Vancouver, B.C., Canada Director	Director of the Company since October 2007; Businessman; Chairman of Nano One Materials Corp since 2016, Executive Chairman and Director of Nevada King Gold Corp. (formerly Victory Metals Inc.) since January 2019; Chairman and Director of Klimat X Developments Inc, (formerly Earl Resources Limited) since November 2021; Executive Chairman and Director of Freeman Gold Corp. since September 2021; Executive Chairman and Director of LithiumBank Resources Corp., Planet X Capital Corp. and Planet X II Capital Corp. since February 2022, Chairman and CEO of Gold X Mining Corp. from March 2020 to June 2021.	October 22, 2007	499,347

NAME, MUNICIPALITY OF RESIDENCE AND CURRENT POSITION(S) WITH THE COMPANY <sup>(1)</sup>	PRINCIPAL OCCUPATION (PAST FIVE YEARS) <sup>(1)</sup>	DIRECTOR SINCE	BENEFICIAL OWNERSHIP OF COMMON SHARES <sup>(2)</sup>
<b>Jorge Estepa</b> <sup>(6)</sup> Brampton, Ontario, Canada Director and Corporate Secretary	Director of the Company since March 2015; Corporate Secretary of the Company since April 2004; Vice President, Secretary and Treasurer of: (i) Cartier Silver Corporation from 1995; (ii) Eoro Resources Ltd. from 1997; Corporate Secretary (Canada)/Assistant Corporate Secretary of Champion Iron Limited since March 2014.	March 23, 2015	533,792
<b>Richard Parkhouse</b> <sup>(3)(5)</sup> Farnham, United Kingdom Director Nominee	Director of the Company since May 2021; Director, Investor Relations since October 2021; Director of Hawk Investments Fund Ltd. from 2014 to 2022; Director of Leo CARE Plc from 2011 to 2019; Director, COO / CEO Designate of Ikon Finance Ltd from 2017 to 2019; Director of Leo / Duet Invest Plc from 2013 to 2018; Director of Sorgente UK Ltd. & Sorgente Group International Holdings Ltd. from 2010 to 2017; Director and COO of Leo Fund Managers Ltd. from 2008 to 2016.	May 20, 2021	Nil
<b>Jeremy Hangula</b> <sup>(4)(6)</sup> Windhoek, Namibia Director Nominee	Director of the Company since May 2021; Consultant to the Company and Director of the Company's Namibian-based subsidiaries, Valencia Uranium (Proprietary) Limited and Dunefield Mining Company (Proprietary) Limited, since November 2019; Project manager of Intaka Technologies since 2006; Government Relations Manager of Trigon Mining Namibia since 2014; Deputy Country Manager of Galp and Custos Energy since 2016.	May 20, 2021	Nil

Notes

- (1) The information as to residence and principal occupation has been provided by the nominees.
- (2) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been provided by each nominee individually and is as of May 26, 2023.
- (3) Member of the Audit Committee.
- (4) Member of the Compensation Committee
- (5) Member of the Nomination and Governance Committee
- (6) Member of the Health, Safety and Environment Committee

The current directors and officers of the Company, as a group, own or control 2,424,887 Common Shares, representing approximately 1.2% of the outstanding Common Shares.

*Corporate Cease Trade Orders or Bankruptcies*

To the best of management's knowledge, no proposed director is, as at the date hereof, or has been, within the ten years before the date hereof, a director or executive officer of any company that, while that person was acting in that capacity,

- (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) 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 his assets.

### *Personal Bankruptcies*

To the best of management's knowledge, no proposed director has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

### *Penalties or Sanctions*

No proposed director of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

## **4. Approval of Amended and Restated Omnibus Incentive Plan**

### *Overview*

As part of an ongoing review of the Company's compensation strategies, the Board has determined that it is advisable to amend its omnibus incentive plan (the "**Amended and Restated Omnibus Incentive Plan**"), a copy of which is attached as Schedule "B" to this Circular.

The Amended and Restated Omnibus Incentive Plan is subject to the approval of Shareholders, as well as the approval of the TSX. If the Amended and Restated Omnibus Incentive Plan is implemented, the Company's omnibus incentive plan (the "**Omnibus Incentive Plan**") will be replaced in its entirety by the Amended and Restated Omnibus Incentive Plan and all existing stock options granted under the Omnibus Incentive Plan shall be governed by the terms and conditions of the Amended and Restated Omnibus Incentive Plan and such existing options will no longer be subject to the terms of the Omnibus Incentive Plan. As at May 26, 2023, there was an aggregate of 7,700,000 stock options outstanding and unexercised under the Omnibus Incentive Plan, representing 3.9% of the issued and outstanding Common Shares of the Company. As at May 26, 2023, an aggregate of 11,816,946 stock options or awards of DSUs, RSUs and PSUs (as defined below) remain available for granting under the Omnibus Incentive Plan, representing 6.1% of the issued and outstanding Common Shares of the Company. However, while a significant number of stock options and/or DSU, RSU and PSU awards remain available for granting, pursuant to the Omnibus Incentive Plan, the aggregate number of Common Shares that are issuable to any directors that receive Board fees ("**Eligible Directors**") at any time under the Omnibus Incentive Plan or any other security-based compensation arrangement of the Company shall not exceed 1% of the issued and outstanding Common Shares. Additionally, subject to (i) a one-time initial grant under the Omnibus Incentive Plan to any new Eligible Director upon joining the Board and (ii) any awards received by an Eligible Director in lieu of his or her cash fees, the maximum annual grant of awards to any one Eligible Director under the Omnibus Incentive Plan shall not exceed \$150,000 in value, of which no more than \$100,000 of value may be comprised of options (collectively, the "**Eligible Director Participation Limit**"). The Eligible Director Participation Limit restricts the ability of the Company to make any grants or awards to its current Eligible Directors, consistent with past practice and in the best interests of the Company.

Therefore, at the Meeting, the Company will be seeking Shareholder approval to amend the Omnibus Incentive Plan, subject to the final approval of the TSX, to remove the Eligible Director Participation Limit (the "**Proposed Plan Amendment**"). The Proposed Plan Amendment and the Amended and Restated Omnibus Incentive Plan, were conditionally approved by the TSX on May 25, 2023.

Pursuant to the policies of the TSX, the Company is required to obtain Shareholder approval of the Amended and Restated Omnibus Incentive Plan in connection with the implementation thereof. Accordingly, at the Meeting, Shareholders of the Company will be asked to pass an ordinary resolution to approve the Amended and Restated Omnibus Incentive Plan. The Amended and Restated Omnibus Incentive Plan will not be implemented unless and until Shareholder approval is obtained, and until the Amended and Restated Omnibus Incentive Plan is implemented, the terms of the Omnibus Incentive Plan will remain in effect, as applicable. The Amended and Restated Omnibus Incentive Plan must be renewed every three years according to the TSX rules.

The following information is intended as a brief description of the Amended and Restated Omnibus Incentive Plan, and is qualified in its entirety by reference to the Amended and Restated Omnibus Incentive Plan itself, for which a redlined version incorporating the proposed amendments is attached as Schedule "B" to this Circular.

### ***Amended and Restated Omnibus Incentive Plan***

The Company's directors, officers, employees and consultants are eligible for grants of awards under the Amended and Restated Omnibus Incentive Plan. The Amended and Restated Omnibus Incentive Plan is administered by the Board (which may delegate its authority to the Compensation Committee), and the Board has the authority to interpret the Amended and Restated Omnibus Incentive Plan, including in respect of any award granted thereunder. The Amended and Restated Omnibus Incentive Plan permits the Board to make awards of stock options, restricted share units ("RSUs"), performance share units ("PSUs") and deferred stock units ("DSUs") to eligible participants. Per TSX rules, the Omnibus Incentive Plan must be renewed every three years.

#### *Shares Reserved for Issuance*

The maximum number of Common Shares available for issuance under the Amended and Restated Omnibus Incentive Plan will not exceed 10% of the Company's then issued and outstanding Common Shares. The Amended and Restated Omnibus Incentive Plan is considered an "evergreen" plan since all of the Common Shares covered by exercised, settled, expired, cancelled or forfeited awards shall become available Common Shares for the purposes of awards that may be subsequently granted under the Amended and Restated Omnibus Incentive Plan and the number of Common Shares available to grant increases as the number of issued and outstanding Common Shares increases.

#### *Insider Participation Limit*

The number of Common Shares that are issuable to insiders of the Company, at any time, under the Amended and Restated Omnibus Incentive Plan or any other security-based compensation arrangement of the Company, cannot exceed 10% of the Company's total issued and outstanding Common Shares. In addition, the number of Common Shares issued to insiders of the Company, within any one year period, under the Amended and Restated Omnibus Incentive Plan or any other security-based compensation arrangement of the Company, cannot exceed 10% of the Company's total issued and outstanding Common Shares. The Amended and Restated Omnibus Incentive Plan does not provide for a maximum number of Common Shares which may be issued to an individual or an entity pursuant to the plan or any other security-based compensation arrangement (expressed as a percentage or otherwise).

#### *Options*

All options granted under the Amended and Restated Omnibus Incentive Plan have an exercise price determined and approved by the Board at the time of grant, which shall not be less than the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of the granting of the option.

Subject to any vesting conditions set forth in a participant's grant agreement, options vest in equal portions in successive annual periods over a period of three years after they are granted. Options are exercisable during a period established by the Board which shall not be more than 10 years from the grant of the option. The Omnibus Incentive Plan provides that the exercise period is automatically extended if the date on which it is scheduled to terminate falls during a blackout period. In such cases, the extended exercise period terminates 10 business days after the last day of the blackout period. The Board may, in its discretion, provide for procedures to allow a participant to elect to undertake a "cashless exercise" or a "net exercise" in respect of options. In addition, in lieu of exercising any vested option, a participant may, subject to the approval of the Board, elect to receive that number of Common Shares by surrendering an option, calculated using the following formula:  $X = Y * (A - B) / A$ ; where; (i) X is equal to the number of Common Shares to be issued to the participant; (ii) Y is equal to the number of Common Shares underlying the options to be surrendered; (iii) A is equal to the market value of the Common Shares as at the date of the surrender; and (iv) B is equal to the exercise price of such options.

#### *Share Units*

The Board is authorized to grant RSUs, PSUs and DSUs evidencing the right to receive Common Shares (issued from treasury or purchased on the open market), cash (based on the value of a Common Share) or a combination thereof, at some future time to eligible persons under the Omnibus Incentive Plan.

RSUs generally become vested, if at all, following a period of continuous employment. PSUs are similar to RSUs, but their vesting is, in whole or in part, conditioned on the attainment of specified performance metrics as may be determined by the Board. The terms and conditions of grants of RSUs and PSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these awards will be set out in the participant's grant agreement. Unless otherwise provided for with respect to a specific RSU grant, each RSU vests in equal portions on each of the first, second and third anniversary date of the grant.

Subject to the achievement of the applicable vesting conditions, the payout of an RSU or PSU will generally occur on the settlement date. The payout of a DSU will generally occur upon or following the participant ceasing to be a director, officer, employee or consultant of the Company, subject to satisfaction of any applicable conditions.

### *Adjustments*

In the event of any subdivision, consolidation, reclassification, reorganization or any other change affecting the Common Shares, or any merger or amalgamation with or into another corporation, or any distribution to all security holders of cash, evidences of indebtedness or other assets not in the ordinary course, or any transaction or change having a similar effect, the Board shall in its sole discretion, subject to the required approval of any stock exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the participants in respect of awards under the Amended and Restated Omnibus Incentive Plan, including, without limitation, adjustments to the exercise price, the number and kind of securities subject to unexercised awards granted prior to such change and/or permitting the immediate exercise of any outstanding awards that are not otherwise exercisable.

### *Trigger Events; Change of Control*

The Amended and Restated Omnibus Incentive Plan provides that certain events, including termination for cause, resignation, termination other than for cause, retirement, death or disability, may trigger forfeiture or reduce the vesting period, where applicable, of the award, subject to the terms of the participant's grant agreement.

A participant's grant agreement or any other written agreement between a participant and the Company may provide, where applicable, that unvested awards be subject to acceleration of vesting and exercisability in certain circumstances, including in the event of certain change of control transactions. The Board may at its discretion accelerate the vesting, where applicable, of any outstanding awards notwithstanding the previously established vesting schedule, regardless of any adverse or potentially adverse tax consequences resulting from such acceleration or, subject to applicable regulatory provisions and Shareholder approval, extend the expiration date of any award, provided that the period during which an option is exercisable does not exceed 10 years from the date such option is granted or that the period relating to RSUs and PSUs does not exceed three years.

Similarly, in the event of a change of control, the Board has the power, in its sole discretion, to modify the terms of the Amended and Restated Omnibus Incentive Plan and/or the awards granted thereunder (including to cause the vesting of all unvested awards) to assist the participants to tender into a take-over bid or any other transaction leading to a change of control. In such circumstances, the Board is entitled to, in its sole discretion, provide that any or all awards shall terminate, provided that any such outstanding awards that have vested shall remain exercisable until consummation of such change of control and/or permit participants to conditionally exercise awards.

Unless the Board decides otherwise, awards granted under the Omnibus Incentive Plan will expire at the earlier of the award's expiry date and: (i) 180 days after the death of the participant; (ii) 90 days after the resignation of the participant; (iii) at the date the Company ends the participant's employment for cause; (iv) three years following the retirement date of the participant; and (v) 90 days after the participant's termination or cessation for any reason other than for cause, resignation or death.

### *Amendments and Termination*

Subject to the rules of the TSX, the Board may at any time or from time to time without shareholder approval alter, amend, vary, suspend, terminate or cancel the Amended and Restated Omnibus Incentive Plan or amend any awards issued pursuant to the Amended and Restated Omnibus Incentive Plan. The Board has the discretion to make amendments to the Amended and Restated Omnibus Incentive Plan which it may deem necessary or desirable, without having to obtain Shareholder approval. Such changes include, without limitation:

- any amendment to the vesting provisions, if applicable, or assignability provisions of awards;
- any amendment to the expiration date of an award that does not extend the terms of the award past the original date of expiration for such award;
- any amendment regarding the effect of termination of a participant's employment or engagement;
- any amendment which accelerates the date on which any award may be exercised under the Amended and Restated Omnibus Incentive Plan;
- any amendment to the definition of an eligible participant under the Amended and Restated Omnibus Incentive Plan;
- any amendment necessary to comply with applicable law or the requirements of the TSX or any other regulatory body;
- any amendment of a "housekeeping" nature, including, without limitation, to clarify the meaning of an existing provision of the Amended and Restated Omnibus Incentive Plan, correct or supplement any provision of the Amended and Restated Omnibus Incentive Plan that is inconsistent with any other provision of the Amended and Restated Omnibus Incentive Plan, correct any grammatical or typographical errors or amend the definitions in the Omnibus Incentive Plan;
- any amendment regarding the administration of the Amended and Restated Omnibus Incentive Plan;
- any amendment to add or amend provisions permitting for the granting of cash-settled awards, a form of financial assistance or clawback; and

- any other amendment that does not require the approval of the holders of Common Shares pursuant to the amendment provisions of the Amended and Restated Omnibus Incentive Plan.

Nonetheless, and subject to any additional requirements of the rules of the TSX, the following changes to the Amended and Restated Omnibus Incentive Plan or the awards require the approval of the Company's shareholder as well as the approval of the TSX:

- a reduction in the exercise price of an option held by an insider of the Company;
- an extension of the term of awards held by an insider of the Company;
- any amendment to remove or exceed the insider participation limits;
- an increase in the maximum number of Common Shares issuable pursuant to awards granted under the Amended and Restated Omnibus Incentive Plan; and
- a change to the provisions regarding amendments to the Amended and Restated Omnibus Incentive Plan.

For the first three points above, the votes attached to Common Shares held directly or indirectly by insiders benefiting directly or indirectly from the amendment are to be excluded. In addition, with respect to the last point above, where the amendment will disproportionately benefit one or more insiders over other participants, the votes of shares held directly or indirectly by those insiders receiving the disproportionate benefit must be excluded.

Except as specifically provided in a grant agreement approved by the Board, awards granted under the Amended and Restated Omnibus Incentive Plan generally are not transferable or assignable other than by will or the laws of succession.

The Company currently does not intend to provide any financial assistance to participants under the Amended and Restated Omnibus Incentive Plan.

#### *Approval of Amended and Restated Omnibus Incentive Plan*

At the Meeting, Shareholders will be asked to approve an ordinary resolution (the "**Amended and Restated Omnibus Incentive Plan Resolution**"), substantially in the form attached as Schedule "A" to this Circular. The Amended and Restated Omnibus Incentive Plan is subject to approval by the TSX.

It is intended that all proxies received will be voted in favour of the resolution to approve the Amended and Restated Omnibus Incentive Plan Resolution, unless a proxy contains instructions to vote against the resolution. The affirmative vote of a majority of the votes cast by Shareholders present in person or by proxy is required to approve the Amended and Restated Omnibus Incentive Plan Resolution.

#### **5. Other Business at the Meeting**

The management of the Company is not aware of any other matter to come before the Meeting, other than as set out in this Circular. However, if any other business is properly presented at the Meeting and may properly be considered and acted upon, proxies will be voted by those persons named in the Proxy in their discretion, including with respect to any amendments or variation to the matters identified in the Meeting Materials.

### **BOARD STATEMENT ON EXECUTIVE COMPENSATION**

#### **A. General**

This section discloses all direct and indirect compensation provided to certain executive officers and directors for services they have provided to the Company as required by Form 51-102F6 under National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 52-110**"). In this section Named Executive Officers ("**NEOs**" or "**NEO**") means the Chief Executive Officer, the Chief Financial Officer and each of the three most highly compensated executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000 per annum as well as any individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

#### **B. Compensation Discussion and Analysis**

The compensation committee (the "**Compensation Committee**") is appointed by the Board to discharge the Board's duties and responsibilities with respect to officer and director compensation. During the most recently completed financial year, the Compensation

Committee consisted of one member, who is “independent” within the meaning of section 1.4 of NI 52-110 being Paul Matysek, who acts as committee chairman together with two vacancies on the committee.

The Compensation Committee is responsible for obtaining information on executive compensation from a variety of sources, including independent consultants, compensation surveys and information from companies similar in size and function to that of the Company and then takes recommendations to the Board on compensation and all of its various elements. The Compensation Committee also reviews, identifies and mitigates risks that may be associated with the Company’s compensation policies.

Each of the Committee members has held senior management positions in public companies and has considerable experience in developing compensation programs, particularly in the context of executive compensation.

The Compensation Committee develops and oversees the implementation of executive compensation plans and policies that are intended to:

- (a) attract and retain skilled and experienced executives and senior managers;
- (b) motivate the short and long-term performance of these executives and senior managers to achieve corporate objectives and create shareholder value; and
- (c) encourage executives and senior managers to link their personal financial interest to those of the Company’s Shareholders.

In compensating its senior management, in 2021 the Company has used a combination of base salary, incentive bonuses and equity participation through the Stock Option Plan. The Company is currently reviewing changes in its compensation policies and practices in the next year.

#### *Base Consulting Fees and Salaries*

In the view of the Board and Compensation Committee, paying base salaries which are competitive in the markets in which the Company operates is a first step in attracting and retaining talented, qualified and effective executives. The compensation of the executive and senior managers of the Company is determined taking into consideration compensation paid to persons occupying similar positions with resource exploration and development stage companies of comparable size in Canada, the individual’s experience, education and corporate responsibilities. The services of the executive officers are provided to the Company under consulting arrangements. An annual review is conducted of the fees payable under the relevant consulting arrangements and, where appropriate, adjustments are made to executive compensation. In 2021, in consideration of the uranium sector recovery within the mining industry and in conjunction with the increase in corporate activity, the Company increased base salaries at levels commensurate with the market.

#### *Annual Incentive Plans*

A component of the annual incentive plans is the provision of incentive bonuses in the form of cash payments to add a variable component to compensation based on corporate and individual performances for executive officers, directors and employees and to ensure that compensation is industry competitive.

In 2021, the Compensation Committee did not make any recommendations to the Board in relation to payment of incentive bonuses. Payments of incentive bonuses are at the discretion of the Board.

#### *Equity Participation*

The Board and Compensation Committee believe that encouraging its executives and employees to become Shareholders is the best way of aligning their interests and those of the Shareholders. Equity participation is accomplished through the Omnibus Incentive Plan. Participation in the Omnibus Incentive Plan rewards overall corporate performance, as measured through the price of the Common Shares.

The Company’s Omnibus Incentive Plan described in more detail below under the heading “Securities Authorized for Issuance Under Equity Compensation Plans” is designed to motivate and retain directors, officers, employees and other service providers (“Stock Option Recipients”) and to align their interests with those of the Company’s Shareholders. All options that have been granted under the Omnibus Incentive Plan have been issued at an exercise price that is not less than the market price of the Common Shares on the date of the grant.

Criteria for granting stock options under the Omnibus Incentive Plan include:

- the performance of the Company;
- the performance of the Stock Option Recipients;
- the level of responsibility of the Stock Option Recipients;

- the number of stock options previously issued to the Stock Option Recipients; and
- the difference between salaries and other compensation which such Stock Option Recipients is receiving from the Company when compared to compensation they could earn in peer group companies in Canada.

In reviewing compensation levels following completion of the 2020 year-end, the Compensation Committee determined that the granting of stock options was warranted since no stock options had been granted to the board of directors and current management team in 2019. As such, there were stock options granted in 2021, however no stock options were granted in 2022.

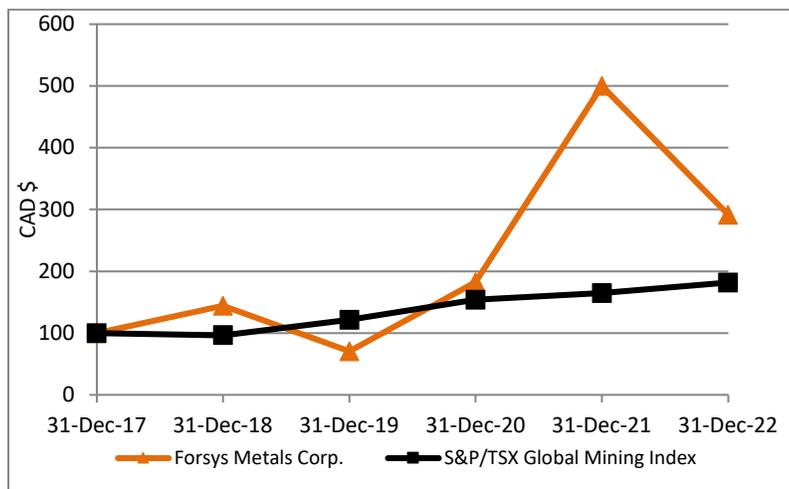
The Board delegates responsibility to the Compensation Committee to review, identify and mitigate risks associated with its compensation policies and ensure that the Company’s executive compensation policies are designed not to encourage a NEO or individual to take inappropriate or excessive risks in order to achieve individual short-term compensation objectives or outcomes that are not consistent with the long-term interests of the Company’s Shareholders. To achieve this, the Compensation Committee ensures that the variable elements of the Company’s compensation policies are structured, based on personal and corporate objectives, none of which have the effect of encouraging excessive risk taking. The Company from time to time, makes extensive use of stock options as part of its compensation plan. The deferred nature of this compensation method does not, in the Committee’s view promote excessive risk taking. Accordingly, the Compensation Committee has not identified any risks arising from its compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

NEO’s and directors are permitted to purchase financial instruments, including, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. All such purchases are subject to insider reporting requirements and are reported on the System for Electronic Disclosure by Insiders (“SEDI”).

### C. Performance Graph

The Common Shares have been listed and posted for trading on the Toronto Stock Exchange (the “TSX”) under the trading symbol “FSY” since October 17, 2006. The following graph and table compares the Company’s five-year cumulative total Shareholder return had \$100 been invested in the Company on December 31, 2017 at the closing price of the Common Shares on the most recent trading date in 2022, with the cumulative total return of the S&P/TSX Global Mining Index over the five most recently completed calendar years.

**Table 1 – Comparison of Five Year Cumulative Total Shareholder Return on the Common Shares of the Company vs. the S&P/TSX Global Mining Index**



	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
<b>Forsys Metals Corp.</b>	\$100.00	\$144.12	\$70.59	\$182.35	\$500.00	\$291.18
<b>S&amp;P/TSX Global Mining Index</b>	\$100.00	\$96.76	\$121.35	\$154.19	\$164.86	\$181.90

The figures charted above are historical and represent past performance and should not be treated as an indication of future performance. The Individual efforts towards the success of the Company are not necessarily reflected in the Company’s share price. Significant

advances were made in developing the asset base of the Company including the release of the Norasa Uranium Project Definitive Feasibility Study in March 2015, whereby the share price recovered over the following three years, while experiencing a decline in the year ended December 2019, and a sizeable increase in the year ended December 2020, and with a dramatic increase in the year ended December 2021, benefitting from improved uranium prices and market sentiment towards uranium-based development companies, but with a subsequent decline in the year ended December 2022.

Changes in remuneration do not precisely track the movements of the price of the Company's Common Shares as the Board does not consider this an appropriate measure at this stage of the Company's development. However, in the most recently completed year, remuneration did increase in response to the Company's increased activity in support of its Norasa Project.

#### **D. Statement of Executive Compensation**

##### *Compensation of NEOs and Summary Compensation Table*

The following table sets forth particulars concerning compensation for services rendered by the NEOs in all capacities for the Company and its subsidiaries in the three most recently completed financial periods ended December 31, 2022, December 31, 2021 and December 31, 2020 respectively. All calculations referenced throughout this document are in Canadian dollars.

	Year	Salary \$	Option-based awards <sup>(1)</sup> \$	Non-equity incentive plan compensation		All other compensation \$	Total compensation \$
				Annual Incentive Plans \$	Long-term incentive plans \$		
<b>Mark Frewin</b> <sup>(2)</sup> Chief Executive Officer and Director	2022	326,213	Nil	Nil	Nil	Nil	326,213
	2021	244,584	484,725	Nil	Nil	Nil	729,309
	2020	107,000	Nil	Nil	Nil	Nil	107,000
<b>Miles Nagamatsu</b> Chief Financial Officer	2022	97,864	Nil	Nil	Nil	Nil	97,864
	2021	86,672	226,205	Nil	Nil	Nil	308,877
	2020	60,000	Nil	Nil	Nil	Nil	60,000
<b>Richard Parkhouse</b> <sup>(3)</sup> Director and Director, Investor Relations	2022	209,856	Nil	Nil	Nil	Nil	209,856
	2021	81,683	161,575	Nil	Nil	Nil	243,258

<sup>(1)</sup> The amount shown in this column represents the grant date fair value of options and may not represent the amounts the NEO will actually receive from the awards. The grant date fair value of these options has been calculated using a Black-Scholes option pricing model which assumes that the option is exercised on the expiry date. The same assumptions are used under IFRS in the preparation of the Company's annual financial statements.

<sup>(2)</sup> Appointed as Interim Chief Executive Officer on November 15, 2018 and Chief Executive Officer on August 13, 2021. Remuneration disclosed is for Mr. Frewin's services as a director and Interim Chief Executive Officer for 2019, 2020 and a portion of 2021, and as a director and Chief Executive Officer for a portion of 2021.

<sup>(3)</sup> Appointed as Director on May 20, 2021 and Director, Investor Relations October 8, 2021.

There are no long-term incentive plans, other than the Omnibus Incentive Plan, in place for the Company's NEOs.

#### **E. Incentive Plan Awards**

##### *Option-based Awards*

The Company has in place an Omnibus Incentive Plan which was established to provide incentive to qualified parties and to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management considers factors such as performance, previous grants and hiring incentives and makes recommendations for stock option grants to the Board for its approval in its role as the Compensation Committee. The Omnibus Incentive Plan is administered by the Company's Board and provides that stock options and DSU, RSU and PSU awards will be issued to directors, officers, employees and consultants of the Company or a subsidiary of the Company.

The following table sets out all options-based awards outstanding as at December 31, 2022 for each NEO:

Named Executive Officer	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price \$	Option expiration date(s)	Value of unexercised in-the-money options(1) \$	Number of shares or units of shares that have not vested (#)	Market or pay-out value of share-based awards that have not vested \$	Market or pay-out value of vested share-based awards not paid out or distributed \$
Mark Frewin	750,000	0.17	October 9, 2024	243,750	Nil	Nil	Nil
	750,000	0.93	May 20, 2026	Nil	Nil	Nil	Nil
Miles Nagamatsu	500,000	0.17	October 9, 2024	162,500	Nil	Nil	Nil
	350,000	0.93	May 20, 2026	Nil	Nil	Nil	Nil
Richard Parkhouse	250,000	0.93	May 20, 2026	Nil	Nil	Nil	Nil

(1) This amount is based on the difference between the market price of the Company's common shares on the TSX as at December 30, 2022 being \$0.495 per share, and the exercise price of the option.

The following table sets out the award value vested or earned under incentive plans during the 12 months ending December 31, 2022 for each NEO:

Named Executive Officer	Option-based awards – Value vested during the period <sup>(1)</sup>	Share-based awards – Value vested during the period	Non-equity incentive plan compensation – Value earned during the period
N/A			

(1) The amount shown in this column would represent the grant date fair value of options and may not represent the amounts the NEO will actually receive from the awards. The grant date fair value of these options has been calculated using a Black-Scholes option pricing model which assumes that the option is exercised on the expiry date. The same assumptions are used under IFRS in the preparation of the Company's annual financial statements.

The following table sets out the value actually received upon exercise of options under incentive plans during the 12 months ending December 31, 2022 for each NEO:

Named Executive Officer	Securities Acquired on Exercise (#)	Exercise Price \$	Date of Exercise (m/d/y)	Aggregate Value Realized <sup>(1)</sup> \$
N/A	Nil	Nil	N/A	Nil

(1) This amount would be based on the difference between the market price of the underlying security on the date it was exercised and the exercise price of the option times the number of options that were exercised. No options were exercised during the 12 months ending December 31, 2022.

#### *Share-based Awards*

The Company does not have any share-based incentive plans.

#### **F. Retirement Benefit Plans**

The Company does not provide retirement or pension benefits for directors, officers or employees and does not have a deferred compensation plan.

#### **G. Termination and Change of Control Benefits**

The Company does not have written consulting contracts with its NEOs, directors or officers which set out the terms under which their consulting services are provided. Accordingly, there is no provision for the payment and provision of other benefits in the event of involuntary termination without cause, resignation for good reason and a change in control of the Company.

The following table sets forth the estimated incremental payments that would have been required to have been made to each NEO had such individual been terminated for other than just cause on December 31, 2022:

Named Executive Officer	Estimated Cash Payout on Termination		Estimated Value Vested Share Awards on Termination without Cause <sup>(1)</sup>
	By Company Without Cause \$	Change of Control \$	
Mark Frewin	Nil	Nil	243,750
Miles Nagamatsu	Nil	Nil	162,500
Richard Parkhouse	Nil	Nil	Nil

<sup>(1)</sup> This amount is based on the difference between the market price (\$0.495) per Common Share on the TSX as at December 30, 2022, and the exercise price of the option.

#### H. Directors' Compensation

The compensation provided to each director, excluding any director who is included in disclosure for a NEO, for the 12 months ended December 31, 2022 is as follows:

Name	Fees earned \$	Share-based Awards \$	Option-based awards <sup>(1)</sup> \$	Non-equity incentive plan compensation \$	All other compensation \$	Total \$
Martin Rowley	97,864	Nil	Nil	Nil	Nil	97,864
Jorge Estepa <sup>(2)</sup>	137,009	Nil	Nil	Nil	Nil	137,009
Paul Matysek	97,864	Nil	Nil	Nil	Nil	97,864
Jeremy Hangula <sup>(3)</sup>	97,864	Nil	Nil	Nil	Nil	97,864

<sup>(1)</sup> The amount shown in this column represents the grant date fair value of options and may not represent the amounts the individual will actually receive from the awards. The grant date fair value of these options has been calculated in accordance using the Black-Scholes option pricing model. The same assumptions are used under IFRS in the preparation of the Company's financial statements.

<sup>(2)</sup> Represents director fees and consulting fees earned in the capacity as Corporate Secretary of the Company.

<sup>(3)</sup> Compensation represents director fees and consulting fees as a director of the Company's Namibian subsidiaries.

Compensation of directors is reviewed at least once annually by the Company's Compensation Committee which makes recommendations to the Board which approves changes to Director's Compensation.

During the recently completed fiscal year, the Company had a total of four non-executive directors being Messrs. Rowley, Matysek, Parkhouse, and Hangula. As non-executive directors Messrs. Rowley, Matysek, Parkhouse and Hangula earned fees of US\$75,000 per annum. Mr. Estepa received director fees of US\$75,000 per annum and consulting fees of US\$30,000 per annum in his capacity as Corporate Secretary. Mr. Parkhouse received director fees of US\$75,000 per annum and consulting fees as Director, Investor Relations. Mr. Hangula received director fees of US\$75,000 per annum. Committee members receive no fees for attending Committee meetings. All annual directors' fees are prorated. Directors are also reimbursed for out-of-pocket expenses incurred in attending director and committee meetings. Directors also participate in the Omnibus Incentive Plan.

The following table sets out the value of stock options held by each director, excluding any director who is included in disclosure for a NEO, as at December 31, 2022:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price \$	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> \$	Number of shares or units of shares that have not vested (#)	Market or pay-out value of share-based awards that have not vested \$	Market or pay-out value of vested share-based awards not paid out or distributed \$
Martin Rowley	750,000	0.17	October 9, 2024	243,750	Nil	Nil	Nil
	750,000	0.93	May 20, 2026	Nil	Nil	Nil	Nil
Jorge Estepa	750,000	0.17	October 9, 2024	243,750	Nil	Nil	Nil
	750,000	0.93	May 20, 2026	Nil	Nil	Nil	Nil
Paul Matysek	750,000	0.17	October 9, 2024	243,750	Nil	Nil	Nil
	750,000	0.93	May 20, 2026	Nil	Nil	Nil	Nil
Jeremy Hangula	250,000	0.93	May 20, 2026	Nil	Nil	Nil	Nil

<sup>(1)</sup>Based on the difference between the market price of the Common Shares on the TSX as at December 30, 2022, being \$0.495 per share, and the exercise price

of the stock option.

The following table sets out the stock options exercised by each director who was not a NEO during the year ended December 31, 2022:

Name	Securities Acquired on Exercise (#)	Exercise Price \$	Date of Exercise	Aggregate Value Realized \$
N/A	Nil	Nil	-	Nil

The following table sets out the option-based awards granted to each director during the year ended December 31, 2022, excluding the directors who are already set out in the disclosure for NEOs.

Name	Date of Grant	Number of Option-based Awards Granted	Exercise Price \$	Expiration Date
N/A	N/A	Nil	-	N/A

The following table sets out the value vested or earned under incentive plans during the year ended December 31, 2022, for each director, excluding the directors who are already set out in disclosure for NEOs:

Name	Option-based awards – Value vested during the year <sup>(1)</sup>	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
Martin Rowley	Nil	Nil	Nil
Paul Matysek	Nil	Nil	Nil
Jorge Estepa	Nil	Nil	Nil
Jeremy Hangula	Nil	Nil	Nil

<sup>(1)</sup> The amount shown in this column represents the grant date fair value of options and may not represent the amounts the individual will actually receive from the awards. The grant date fair value of these options has been calculated in accordance using the Black-Scholes option pricing model. The same assumptions are used under IFRS in the preparation of the Company's financial statements.

#### ***I. Directors' and Officers' Liability Insurance***

In 2022, the Company maintained Directors' and Officers' Liability Insurance with a \$5,000,000 combined aggregate limit per occurrence. The annual premium for the period September 20, 2021 to September 20, 2022 was \$19,000. It was renewed for the period September 20, 2022 to September 20, 2023 at an annual premium of \$20,000. Generally, under this insurance, the Company would be reimbursed for payments made under corporate indemnity provisions on behalf of its directors and officers and individual directors and officers would be reimbursed for losses arising during the performance of their duties for which they are not indemnified by the Company. Excluded from coverage are illegal acts and those acts which would result in personal profit. Retention under the Company's directors' and officers' insurance policy is \$25,000. No amounts were paid by individual directors and officers for this coverage.

#### ***SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS***

The following table sets out those securities of the Company which have been authorized for issuance under the Omnibus Incentive Plan as at December 31, 2022:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(2)</sup>
	(a)	(b)	(c)
Equity compensation plans approved by securityholders <sup>(1)</sup>	7,700,000	\$0.56	
Equity compensation plans not approved by securityholders	Nil	\$Nil	Nil
Total	7,700,000	\$0.56	

<sup>(1)</sup> Reference is made to the disclosure regarding the Omnibus Incentive Plan in Note 13 to the Consolidated Financial Statements for the Year Ended December 31, 2022 available on the Company's filings on the SEDAR website at [www.sedar.com](http://www.sedar.com).

<sup>(2)</sup> The Omnibus Incentive Plan approved by the Shareholders on June 30, 2022 allows for the issue of a maximum of 10% of the issued Common Shares of the Company as stock options, DSUs, RSUs, and PSUs. At December 31, 2022 an aggregate of 7,700,000 options have been granted (net of forfeitures and cancellations) under this plan.

The Omnibus Incentive Plan is currently the only equity-based compensation arrangement pursuant to which securities may be issued from the treasury of the Company. The major features of the Omnibus Incentive Plan are summarized in Item 4 under “Particulars of Matters to be Acted Upon at the Meeting” in this Circular.

There are no stock options held by NEOs or Directors that were re-priced downward during the year. The Company provides no financial assistance to facilitate the purchase of Common Shares of directors, officers or employees who hold options granted under the Omnibus Incentive Plan.

The annual burn rate for the Omnibus Incentive Plan for the fiscal year 2022 was 0.0% as there were no stock options, DSUs, RSUs or PSUs granted during 2022. The annual burn rate for 2021 was 2.2% as there were 4,000,000 stock options granted during that year. The annual burn rate is calculated by dividing the number of options and awards granted during the applicable fiscal year by the weighted average number of Common Shares for the applicable fiscal year. The annual burn rate for the fiscal year 2020 was 0.0% as there were no stock options granted during 2020.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at May 26, 2023 no individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, and no proposed nominee for election as a director for the Company, and no associate of any such director, executive officer or proposed nominee is, or at any time in the most recently completed financial year, has been indebted to the Company or any of its subsidiaries.

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

No director, proposed director, executive officer or beneficial holder of more than 10% of the issued and outstanding Common Shares, or any director, executive officer of such beneficial holder, or any associate or affiliate of the foregoing have had or has any material interest, direct or indirect, in any transaction since the beginning of the Company’s last financial year or any completed or currently proposed transaction that has materially or would materially affect the Company or its subsidiaries.

### **CORPORATE GOVERNANCE PRACTICES**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are responsible for the day to day management of the Company. The Board is committed to sound corporate governance practices which are both in the interests of its Shareholders and contribute to effective and efficient decision making. The Company believes that its corporate governance practices ensure that the business and affairs of the Company are effectively managed so as to enhance Shareholder value. Set out below is a description of the corporate governance practices of the Company as required by National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) concerning corporate governance disclosure.

#### *Composition of the Board of Directors and Board Independence*

Pursuant to NI 58-101, a director is independent if the director has no direct or indirect material relationship with the issuer which could, in the view of the issuer’s Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. Certain directors are deemed to have a material relationship with the issuer by virtue of their position or relationship with the Company.

The Board is currently comprised of six members, three of whom the Board has determined are independent. In assessing whether a director is independent for these purposes, the circumstances of each director have been examined in relation to a number of factors.

Messrs. Rowley, Matysek, Parkhouse and Hangula are independent directors. Mr. Frewin is not considered an independent director as he is Chief Executive Officer of the Company. Mr. Estepa is not considered to be an independent director as he is the Corporate Secretary of the Company.

Since a majority vote is necessary to approve matters before the Board, the support of at least one independent director is required.

The following table sets out details of directorships held by each director or nominee in other public issuers:

<b>Name of Director or Nominee</b>	<b>Name of Issuer</b>
Martin Rowley	N/A
Mark Frewin	N/A
Paul Matysek	Nano One Materials Corp., Nevada King Gold Corp., Klimat X Developments Inc., Freeman Gold Corp., LithiumBank Resources Corp., Planet X Capital Corp., Planet X II Capital Corp.
Jorge Estepa	N/A
Richard Parkhouse	N/A
Jeremy Hangula	N/A

The Board supervises the management of the business and affairs of the Company and is mandated to act with a view to the best interests of the Company. The Board holds regular meetings to review the business and affairs of the Company and to make any decisions relating thereto. The Board believes that it functions independently of management. To enhance its ability to act independently of management, the Board reviews its procedures on an ongoing basis to ensure that it can function independently of management. The Board is comprised of two non-independent and four independent directors including the Chairman and meets, as required, without management present. If conflicts arise, interested parties would be precluded from voting on matters in which they may have an interest. In light of the suggestions contained in NI 58-101, the Board would convene meetings, as deemed necessary, of the independent directors, at which non-independent directors and members of management would not be in attendance.

The Chairman of the Board, Martin Rowley, is an independent director. Currently, the Board is satisfied that it exercises its responsibilities for independent oversight of management. The independent Chairman and the ability to establish ad hoc committees comprised solely of independent directors provides the Board with the ability to meet independently of management whenever deemed necessary or appropriate and the chair of each such ad hoc committee provides the leadership for such committee.

The following table provides the record of attendance for each director at Board and Audit Committee meetings between January 1, 2022 and May 26, 2023, the date of this Circular.	<b>Board Meetings</b>	<b>Audit Committee Meetings</b>
Mark Frewin	6 of 6 100%	N/A
Paul Matysek	6 of 6 100%	6 of 6 100%
Martin Rowley	6 of 6 100%	6 of 6 100%
Jorge Estepa	6 of 6 100%	N/A
Richard Parkhouse	6 of 6 100%	6 of 6 100%
Jeremy Hangula	5 of 6 83%	N/A

#### *Board of Directors Mandate*

The Board supervises the management of the business and affairs of the Company. The frequency of the meetings of the Board, as well as the nature of agenda items, changes depending upon the state of the Company's affairs and in light of opportunities which arise or risks which the Company faces. A minimum of four meetings of the Board are held in each financial year. The Board has responsibility for overseeing a strategic planning process, reviewing and approving the Company's strategic plan developed and proposed by management and monitoring performance against the plan. The Board is responsible for evaluating the principal business risks of the Company and oversees the implementation of appropriate systems to manage these risks. The Board, through its Audit Committee, is also responsible for developing, adopting and reviewing the adequacy of policies and procedures to ensure the integrity of the internal controls and management information systems of the Company. Matters that require Board approval include, among other things: (i) the approval of the quarterly and annual

financial statements, management's discussion and analysis and the Annual Information Form; (ii) the issuance of securities; (iii) the approval of acquisitions and divestitures; (iv) the approval of all other material contracts and business transactions; (v) the approval of the Company's strategic plan and annual financial budget; (vi) the approval of all borrowing and other financing; and (vii) the approval of any other matters as appropriate.

#### *Position Descriptions*

The Board has developed a written position description for each of the Chairman, the Chief Executive Officer and the Chief Financial Officer. The charter of each Board committee sets out the role of the committee's chairman.

The Board appoints the Chief Executive Officer ("CEO") of the Company and approves the appointment of other members of senior management. The Board reviews the Company's succession plan and the annual performance of senior management.

The positions of the Chairman and the CEO are separate. The Chairman, Mr. Rowley is independent of management. The Board is currently of the view that the respective corporate governance role of the Board and management, as represented by the Chairman and the CEO, are clear and that the limits to the responsibility and authority of the Chairman and CEO are reasonably well understood.

#### *Orientation and Education*

The Board reviews its own composition on an annual basis. The Board expect that a prospective candidate will fully understand the role of the Board and the contribution expected of him or her. The Company does not have a formal written process of orientation for new directors. However, the Board conducts a discussion of the business of the Company at its Board meetings to ensure new directors are provided with an overview of the Board's role and the Company's operations. From time to time, corporate officers and legal, financial and other experts are invited to attend Board meetings to provide detailed presentations to the Board on significant developments and topics within their area of expertise. The Company Board Manual, which includes information on committee charters and corporate governance policies, is provided to new directors. Given the size of the Company and the in-depth experience of the current directors, there has been no formal continuing education program. Board members are entitled to attend seminars that they determine necessary to keep themselves up-to-date with current issues relevant to their services as directors of the Company.

#### *Shareholder Feedback and Concerns*

The Company manages a shareholder relations program under the direction of its Chief Executive Officer, Mr. Frewin. The program involves meetings with a broad spectrum of investors, including briefing sessions for analysts, investment fund managers and the public to discuss financial results and announcements by the Company. Shareholders, other stakeholders and the public are informed of developments in the Company by the issuance of news releases, all of which are approved by the Board Chairman and in most cases by the Board.

Management of the Company is available routinely to Shareholders to respond to questions and concerns. Shareholder concerns are dealt with on an individual basis. The responses will depend on the kind of information requested. Significant concerns are brought to the attention of the Company or the Board.

#### *Ethical Business Conduct*

The Board has approved a code of ethical business conduct code for directors, officers and employees of the Company. In circumstances where a director or executive officer has a material interest in a transaction or agreement which the Company is considering entering into, the individual is required to fully disclose his or her interest therein and an ad hoc committee of disinterested directors is appointed for review purposes to confirm, among other things, that such transaction or agreement, as applicable, is being entered into on arm's length commercially reasonable terms. Such committee has the right to obtain advice from the Company's counsel and other professional advisors and/or appoint independent counsel and/or advisors.

#### *Board Committees*

The Board currently has four standing committees: the Audit Committee, the Compensation Committee, the Health, Safety and Environment Committee and the Nomination and Governance Committee.

#### *Assessments*

Based upon the Company's size, its current state of development and the number of individuals on the Board, the Board considers a formal process for assessing regularly the effectiveness and contribution of the Board, as a whole, its committee or individual directors to be unnecessary at this time. In light of the fact that the Board and its committees meet on numerous occasions and engage in informal discussions amongst themselves during each year, each director has significant opportunity to assess other directors to ensure that the Board as a whole, and its individual directors, are performing effectively.

### **AUDIT COMMITTEE**

During the most recently completed financial year, the Audit Committee consisted of three members, Messrs. Rowley, Matysek and Mr. Parkhouse, all of whom are "independent". The Audit Committee reviews the annual and quarterly financial statements of the Company and recommends these to the Board for approval, oversees the annual audit process and the Company's internal accounting controls and the

resolution of issues identified by the Company's auditors. It recommends to the Board a firm of independent auditors to be nominated for appointment by the Shareholders at the Company's next annual general meeting and reviews their audit plan and compensation. In addition, the Audit Committee meets on a quarterly basis with the external auditors of the Company. Further information on the Audit Committee, including a copy of its Charter, can be found in the Company's AIF, which is available on the Company's filings on SEDAR at [www.sedar.com](http://www.sedar.com) as required by National Instrument 52-110 -*Audit Committees*.

#### **COMPENSATION COMMITTEE**

The composition and roles and responsibilities of the Compensation Committee are discussed earlier in this Circular. During the most recently completed financial year, the Compensation Committee consisted of two members, Messrs. Matysek and Hangula, both whom are "independent". See the section titled "Compensation Discussion and Analysis".

#### **HEALTH, SAFETY AND ENVIRONMENT COMMITTEE**

In 2010 the Company established a Health, Safety and Environment Committee. During the most recently completed financial year, the Health, Safety and Environment Committee consisting of four directors, two of whom are independent within the meaning of the Governance Guidelines. Mr. Frewin, the Company's Chief Executive Officer is a member of this committee as the Board has determined that it is appropriate for members of management to sit on this committee to assist the committee in discharging its responsibilities. The current members of this committee are Mr. Frewin, who acts as committee chairman together with Messrs. Matysek, Estepa and Hangula. The Health Safety and Environment Committee has been established to oversee the development and implementation and best practices relating to health, safety and environment issues, in order to ensure compliance with applicable laws, regulations and policies in jurisdictions in which the Company carries on business.

#### **NOMINATION AND GOVERNANCE COMMITTEE**

During the financial year ended December 31, 2022, the Nomination and Governance Committee consisted of the Chairman of the Board and Mr. Parkhouse. The Nomination and Governance Committee is responsible for developing and monitoring the Company's approach to corporate governance issues. The committee is also responsible for assessing the effectiveness of the Board as a whole and ensuring that the Board can function independently of management. In addition, the committee is responsible for making recommendation on new director nominees at each annual meeting of Shareholders. In 2022, the full Board performed the role of the Nomination and Governance Committee.

#### **TERM LIMITS**

The Company has not adopted term limits for directors because the risk profile of the Company makes it more difficult for the Company to attract and to retain highly qualified board members than other companies. The Company seeks to avoid losing the services of a qualified director with knowledge of its business through the imposition of an arbitrary term limit.

#### **POLICIES REGARDING THE REPRESENTATION OF WOMEN ON THE BOARD**

The Company has not adopted written policies relating to the identification and nomination of women directors and the representation of women on the Company's Board. However, at the Company's current stage of development, while gender diversity is taken into account, the primary focus of the Company's Board and its Nomination and Governance Committee is the identification and selection of directors who have the expertise and required skills necessary for a uranium development company.

Due to the current size and scale of the Company's activities, the Board does not foresee the adoption of policies relating to the identification and nomination of women directors in the near future. As the size and scale of the Company grows, the Board will adopt policies to achieve gender diversity as director positions become vacant and appropriately qualified candidates become available.

#### **CONSIDERATION OF THE REPRESENTATION OF WOMEN IN THE DIRECTOR IDENTIFICATION AND SELECTION PROCESS**

The Company's Committee, while conducting its mandate, has the responsibility to take gender into consideration as part of its overall recruitment and selection process. While gender diversity is taken into account, the primary focus of the Committee is the identification and selection of directors who have the expertise and required skills necessary for a uranium development company.

#### **CONSIDERATION OF THE REPRESENTATION OF WOMEN IN EXECUTIVE OFFICER APPOINTMENTS**

While gender diversity is taken into account, the Company's primary focus is the identification and selection of Executive Officers with the industry knowledge, experience, expertise and required skills necessary for a uranium development company.

## **COMPANY'S TARGETS FOR WOMEN ON THE BOARD**

The Company has not adopted targets regarding the representation of women on the Board. While gender diversity is taken into account, the primary focus of the Board and the Committee is the identification and selection of directors who have the expertise and required skills necessary for a uranium development company.

## **COMPANY'S TARGETS FOR WOMEN IN EXECUTIVE OFFICER POSITIONS**

The Company has not adopted targets for women in Executive Officer positions. Due to the current size and scale of the Company's activities, the Board does not foresee the adoption of targets in the near future. As the size and scale of the Company grows, the Board will adopt policies to achieve gender diversity as new employee positions are created or become vacant and appropriately qualified candidates become available. In addition, the Company's risk profile and amount of resources limits its ability to make appointments on any basis other than finding, often on short notice, the most qualified person who is willing to accept the risks inherent in the Company's current stage of development.

## **NUMBER AND PROPORTION OF WOMEN ON THE COMPANY'S BOARD AND IN EXECUTIVE OFFICER POSITIONS**

As at the date hereof, there are no women on the Company's Board or in Executive Officer positions.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on the Company's filings on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.forsysmetals.com](http://www.forsysmetals.com). Financial information about the Company is provided in the Company's audited consolidated financial statements for the year ended December 31, 2021 together with the Management Discussion and Analysis thereon. Copies of the Company's financial statements and its Management Discussion and Analysis for the year ended December 31, 2021 may also be obtained by any Shareholder of the Company free of charge by request to the Company at 20 Adelaide Street East, Suite 200, Toronto, Ontario M5C 2T6.

## **DIRECTORS APPROVAL**

Except where otherwise indicated, information contained herein is provided as at May 26, 2023.

The contents of this Management Proxy Circular and its distribution to Shareholders have been approved by the Board of Directors of the Company.

DATED at Toronto, Ontario, as of May 26, 2023.

ON BEHALF OF THE BOARD OF DIRECTORS

*(Signed) Mark Frewin*

Mark Frewin  
Chief Executive Officer

## SCHEDULE "A"

### AMENDED AND RESTATED OMNIBUS INCENTIVE PLAN RESOLUTION

#### WHEREAS:

1. The Board Of Directors of Forsys Metals Corp. (the "**Company**") on May 26, 2023 approved the adoption of an amended and restated omnibus incentive plan (the "**Amended and Restated Omnibus Incentive Plan**"), as set out in Schedule "B" to the management information circular of the Company dated May 26, 2023 in respect of the annual meeting of shareholders of the Company held on June 30, 2023 (the "**Meeting**");
2. The Amended and Restated Omnibus Incentive Plan removed the Eligible Director Participation Limit (the "**Proposed Plan Amendment**") as defined in the Company's Management Information Circular (the "**Circular**") dated May 26, 2023;
3. The Amended and Restated Omnibus Incentive Plan does not have a fixed maximum number of common shares issuable and the rules of Toronto Stock Exchange ("**TSX**") provide that all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed number of maximum securities issuable, be approved every three (3) years;

#### BE IT RESOLVED THAT:

1. Subject to the final approval of the TSX, the Proposed Plan Amendment, be and is hereby approved;
2. All unallocated options and other incentive awards under the Amended and Restated Omnibus Incentive Plan be and are hereby approved;
3. The Company has the ability to continue granting options and other awards under the Amended and Restated Omnibus Incentive Plan until June 30, 2026, which is the date that is three (3) years from the date of the Meeting at which shareholder approval is being sought;
4. The total number of Common Shares issuable pursuant to the Amended and Restated Omnibus Incentive Plan, together with all other share based compensation arrangements of the Company shall be 10% of the Company's issued shares outstanding at the time of any option or other award grant, subject to adjustment as set forth in the Amended and Restated Omnibus Incentive Plan, and further subject to the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the TSX;
5. Subject to the effectiveness of the Amended and Restated Omnibus Incentive Plan, the existing omnibus incentive plan of the Company approved by the Shareholders on June 30, 2022 (the "**Omnibus Incentive Plan**") shall be replaced in its entirety by the Amended and Restated Omnibus Incentive Plan and all outstanding stock options of the Company granted under the Amended and Restated Stock Option Plan shall be amended such that they are governed by the terms of the Amended and Restated Omnibus Incentive Plan and no longer governed by the terms of the Omnibus Incentive Plan and no further stock options shall be issued under the Omnibus Incentive Plan;
6. Any officer or director of the Company be, and each is hereby, authorized and directed, for and on behalf of the Company, to sign and execute all documents, to conclude any agreements and to do and perform all acts and things deemed necessary or advisable in order to give effect to this resolution;
7. The Board of Directors of the Company be, and it is hereby, authorized to cause all measures to be taken, such further agreements to be entered into and such further documents to be executed as may be deemed necessary or advisable to give effect to and fully carry out the intent of this resolution;
8. Notwithstanding that this resolution be passed by the shareholders of the Company, the adoption of the proposed Amended and Restated Omnibus Incentive Plan is conditional upon receipt of any applicable regulatory approvals including acceptance by the TSX, and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable to the directors.

**SCHEDULE "B"**

**AMENDED AND RESTATED OMNIBUS INCENTIVE PLAN**

**AMENDED AND RESTATED**  
**OMNIBUS INCENTIVE PLAN**  
**EFFECTIVE [●], ~~2022~~2023**

## TABLE OF CONTENTS

Article 1 Definitions.....	1
1.1 Definitions.....	1
Article 2 Purpose and Administration of the Plan; Granting of Awards.....	5
2.1 Purpose of the Plan.....	5
2.2 Successor Plan.....	5
2.3 Implementation and Administration of the Plan.....	<del>56</del>
2.4 Eligible Participants.....	6
2.5 Shares Subject to the Plan.....	7
2.6 Granting of Awards.....	8
Article 3 Options.....	8
3.1 Nature of Options.....	8
3.2 Option Awards.....	8
3.3 Option Price.....	<del>98</del>
3.4 Option Term and Vesting.....	9
3.5 Exercise of Options.....	<del>109</del>
3.6 Method of Exercise and Payment of Purchase Price.....	10
3.7 Option Agreements.....	11
Article 4 Deferred Share Units.....	<del>1211</del>
4.1 Nature of DSUs.....	<del>1211</del>
4.2 DSU Awards.....	12
4.3 Participation.....	12
4.4 Settlement of DSUs.....	<del>1413</del>
Article 5 Performance Share Units.....	14
5.1 Nature of PSU.....	14
5.2 PSU Awards.....	<del>1514</del>
5.3 Performance Criteria and Performance Period.....	15
5.4 PSU Vesting Determination Date.....	15
5.5 Settlement of PSUs.....	16
5.6 Determination of Amounts.....	16
5.7 PSU Agreements.....	17
Article 6 Restricted Share Units.....	17

6.1	Nature of RSUs	17
6.2	RSU Awards	17
6.3	Settlement of RSUs	18
6.4	Determination of Amounts	18
6.5	RSU Agreements	19
Article 7 General Conditions		19
7.1	General Conditions applicable to Awards	19
7.2	General Conditions applicable to Awards	20
7.3	Unfunded Plan	21
Article 8 Adjustments and Amendments		<del>21</del> <u>22</u>
8.1	Adjustment to Common Shares Subject to Outstanding Awards	<del>21</del> <u>22</u>
8.2	Amendment or Discontinuance of the Plan	23
8.3	Change of Control	25
8.4	Settlement of the DSUs	26
<u>8.5</u>	<u>Settlement of the PSUs and RSUs</u>	<u>27</u>
<del>8.5</del> <u>8.6</u>	Settlement of PSUs and RSUs during a <del>Back-Out</del> <u>Black-Out</u> Period	<del>26</del> <u>27</u>
<u>8.7</u>	<u>Expiry Date during a Black-Out Period</u>	<u>27</u>
Article 9 Miscellaneous		<del>26</del> <u>27</u>
9.1	Use of an Administrative Agent and Trustee	<del>26</del> <u>27</u>
9.2	Tax Withholding	27
9.3	Reorganization of the Corporation	<del>27</del> <u>28</u>
9.4	Governing Laws	<del>27</del> <u>28</u>
9.5	Severability	<del>27</del> <u>28</u>
9.6	Language	28
9.7	Effective Date of the Plan	<del>28</del> <u>29</u>

**FORSYS METALS CORP.**  
**AMENDED AND RESTATED OMNIBUS INCENTIVE PLAN**

Forsys Metals Corp. (the “**Corporation**”) hereby establishes an Omnibus Incentive Plan for certain eligible directors, officers, employees and consultants providing ongoing services to the Corporation and its Subsidiary (as defined herein).

**ARTICLE 1**  
**DEFINITIONS**

**1.1 Definitions.**

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

“**Associate**”, where used to indicate a relationship with a Participant, means (i) any partner of that Participant and (ii) the spouse of that Participant and that Participant’s children, as well as that Participant’s relatives and that Participant’s spouse’s relatives, if they share that Participant’s residence;

“**Awards**” means Options, DSUs, PSUs and RSUs granted to a Participant pursuant to the terms of the Plan;

“**Black-Out Period**” means a period of time when pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons designated by the Corporation;

“**Board**” means the Board of Directors of the Corporation;

“**Board Retainer**” means the retainer fees payable to a Participant as a member of the Board, chair of the Board and as a member or chair of a committee of the Board;

“**Canadian Participant**” has the meaning set forth in Section 7.3;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, that is a Trading Day and a day when banks are generally open for business in Toronto, Ontario, Canada, for the transaction of banking business;

“**Cash Equivalent**” means (i) with respect to PSUs, the amount of money equal to the Market Value multiplied by the number of vested PSUs in the Participant’s Account, net of any applicable taxes in accordance with Section 9.2, on the applicable PSU Settlement Date, (ii) with respect to RSUs, the amount of money equal to the Market Value multiplied by the number of vested RSUs in the Participant’s Account, net of any applicable taxes in accordance with Section 9.2, on the applicable RSU Settlement Date; and (iii) with respect to DSUs, the amount of money equal to the Market Value

multiplied by the number of vested DSUs in the Participant's Account, net of any applicable taxes in accordance with Section 9.2 on the applicable DSU Settlement Date;

**"Change of Control"** shall mean (i) the sale of all or substantially all of the assets of the Corporation on a consolidated basis, in one transaction or a series of related transactions, to a Person that is not a Subsidiary, (ii) a merger, reorganization, acquisition or consolidation pursuant to which a Person, or any associate or affiliated corporation of such Person hereafter acquires the direct or indirect "beneficial ownership" (as defined in the OBCA) of securities of the Corporation representing 50% or more of the aggregate voting power of all of the Corporation's then issued and outstanding securities, (iii) a transaction pursuant to which the Corporation goes out of existence, (iv) the dissolution or liquidation of the Corporation except in connection with the distribution of assets of the Corporation to its Subsidiary prior to such event; or (iv) the occurrence of a transaction requiring approval of the Corporation's shareholders involving the acquisition of the Corporation by an entity through purchase of assets, by amalgamation, arrangement or otherwise;

**"Class B Shares"** means the redeemable, voting non-participating class B shares in the capital of the Corporation;

**"Class C Shares"** means the class C shares in the capital of the Corporation;

**"Code of Ethics"** means the Corporation's ethical business conduct code for directors, officers and employees or any other code of ethics or code of conduct adopted by the Corporation or a Subsidiary, as modified from time to time;

**"Committee"** means the Compensation Committee of the Board;

**"Common Shares"** means the class A common shares in the capital of the Corporation;

**"DSU"** means a deferred share unit, which is a bookkeeping entry equivalent in value to a Common Share credited to a Participant's Account in accordance with Article 4;

**"DSU Expiry Date"** means the business day preceding December 31 of the calendar year following the calendar year during which a Participant (i) ceases to be a director of the Corporation; (ii) ceases to be employed by the Corporation or its Subsidiary; or (iii), in the case that the Participant is a consultant to the Corporation or a Subsidiary of the Corporation (and not a director of the Corporation or employed by the Corporation or such Subsidiary), ceases to provide services to the Corporation or its Subsidiary, as applicable;

**"DSU Settlement Date"** means the date of receipt of a DSU settlement request in accordance with Paragraph 4.4.1 or the date of automatic settlement of a DSU pursuant to Paragraph 4.4.2, as applicable;

**"Election Notice"** has the meaning set forth in Paragraph 4.3.3;

“**Eligible Director**” means members of the Board who, subject to Section 2.4.1, at the time of execution of a Grant Agreement, and at all times thereafter while they continue to serve as a member of the Board, receives a Board Retainer;

“**Eligible Participants**” has the meaning ascribed thereto in Section 2.4.1;

“**Employment Agreement**” means, with respect to any Participant, any written agreement regarding a Participant’s employment or engagement with the Corporation or a Subsidiary and that is between the Corporation or a Subsidiary and such Participant;

“**Exchange**” means the TSX or, if the Common Shares are not listed on the TSX, the stock exchange on which the Common Shares are then principally listed from time to time;

“**Exercise Notice**” means a notice in writing signed by a Participant and stating the Participant’s intention to exercise a particular Award, if applicable;

“**Grant Agreement**” means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement, a PSU Agreement, and a RSU Agreement;

“**Insider**” has the meaning given to the term in Part I of the TSX Company Manual, as same may be amended, supplemented or replaced from time to time;

“**Market Value**” means, (A) if the Common Shares of the Corporation are listed on an Exchange, (i) with respect to Options, at any date when the market value of Common Shares of the Corporation is to be determined, the closing price of the Common Shares on the Trading Day prior to the date of grant on the Exchange, (ii) with respect to Units, the volume weighted average trading price of the Common Shares on the TSX for the five trading days preceding the date on which the Market Value is to be determined, or, (B) if the Common Shares of the Corporation are not listed on any Exchange, the value as is determined solely by the Board, acting reasonably and in good faith;

“**OBCA**” means the *Business Corporations Act* (Ontario);

“**Option**” means an option granted by the Corporation to a Participant entitling such Participant to acquire one Common Share from treasury at the Option Price, but subject to the provisions hereof;

“**Option Agreement**” means a written letter agreement between the Corporation and a Participant evidencing the grant of Options and the terms and conditions thereof, in such form as may be determined by the Board from time to time in accordance with Section 3.7.

“**Option Price**” has the meaning ascribed thereto in Section 3.3;

“**Option Term**” has the meaning ascribed thereto in Section 3.4;

“**Participants**” means Eligible Participants that are granted Awards under the Plan;

**“Participant’s Account”** means an account maintained for each Participant’s participation in DSUs, PSUs and/or RSUs under the Plan;

**“Performance Criteria”** means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance and/or the financial performance of the Corporation and/or of its Subsidiary, and that may be used to determine the vesting of the Awards, when applicable;

**“Performance Period”** means the period determined by the Board pursuant to Section 5.3.1;

**“Person”** means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

**“Plan”** means this Omnibus Incentive Plan, as amended and/or restated from time to time;

**“Predecessor Plan”** means the stock option plan of the Corporation as amended effective May 15, 2008 and approved by the Corporation’s shareholders on June 24, 2008;

**“PSU”** means a right awarded to a Participant to receive a payment in the form of Common Shares as provided in Article 5 and subject to the terms and conditions of this Plan;

**“PSU Agreement”** means a written letter agreement between the Corporation and a Participant evidencing the grant of PSUs and the terms and conditions thereof, in such form as may be determined by the Board from time to time in accordance with Section 5.7;

**“PSU Settlement Date”** has the meaning determined in Section 5.5.1(a);

**“PSU Vesting Determination Date”** has the meaning described thereto in Section 5.4;

**“Retainer DSU Portion”** has the meaning set forth in Paragraph 4.3.1;

**“RSU”** means a right awarded to a Participant to receive a payment in the form of Common Shares as provided in Article 6 and subject to the terms and conditions of this Plan;

**“RSU Agreement”** means a written letter agreement between the Corporation and a Participant evidencing the grant of RSUs and the terms and conditions thereof, in such form as may be determined by the Board from time to time in accordance with Section 6.5;

**“RSU Settlement Date”** has the meaning determined in Section 6.3.1(a);

**“RSU Vesting Date”** has the meaning described thereto in Section 6.2.2;

“**Shares**” means, collectively, the Common Shares, Class B Shares and Class C Shares;

“**Security Based Compensation Arrangement**” means an arrangement that is a security based compensation arrangement for the purposes of the TSX Company Manual, including the Plan;

“**Subsidiary**” has the meaning given to this term in the *Securities Act (Ontario)*, as such legislation may be amended, supplemented or replaced from time to time;

“**Successor Corporation**” has the meaning ascribed thereto in Section 8.1.3;

“**Surrender**” has the meaning ascribed thereto in Section 3.6.3;

“**Surrender Notice**” has the meaning ascribed thereto in Section 3.6.3;

“**Tax Act**” means the *Income Tax Act (Canada)* and its regulations thereunder, as amended from time to time.

“**Termination Date**” means the date on which a Participant ceases to be an Eligible Participant;

“**Trading Day**” means any day on which the Exchange is opened for trading;

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

“**Unit**” means a PSU, a RSU or a DSU;

“**Unit Restriction Period**” means, subject to Section 8.3.1, the applicable restriction period in respect of a particular PSU or RSU, which period shall end on the Business Day preceding December 31 of the calendar year which is three (3) years after the calendar year in which the services in relation to which the PSU or RSU is granted were performed, or such shorter period as may be determined by the Board at the time at which the PSU or RSU is granted; and

“**Unit Settlement Notice**” means a notice by a Participant to the Corporation electing to settle the vested Units.

## ARTICLE 2 PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS

### 2.1 Purpose of the Plan

The purpose of the Plan is to permit the Corporation to grant Awards to Eligible Participants, subject to certain conditions as hereinafter set forth, for the purposes of securing for the Corporation and its shareholders the benefits of incentive interest in Common Share ownership by the Eligible Participants.

## 2.2 Successor Plan

The Plan replaces the Predecessor Plan in its entirety and shall, in respect of Options previously granted under the Predecessor Plan, serve as the successor to the Predecessor Plan. From and after the effective date of the Plan, all Options previously granted under the Predecessor Plans shall be governed by the terms hereof and no further awards shall be made under the Predecessor Plan.

## 2.3 Implementation and Administration of the Plan

- 2.3.1 The Plan is under the direction of the Board. The Committee makes recommendations to the Board in relation to the Plan and to the grants of Awards.
- 2.3.2 The Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations for carrying out the provisions and purposes of the Plan, subject to any applicable rules of the TSX. Subject to the provisions of the Plan, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration of the Plan, as it may deem necessary or advisable. The interpretation, construction and application of the Plan and any provisions hereof made by the Board shall be final and binding on all Eligible Participants.
- 2.3.3 The Board may modify the terms and conditions of any Awards granted to Participants outside of Canada to comply with applicable foreign laws, and establish subplans and addendums and modify settlement procedures and other terms and procedures, to the extent the Board determines such actions to be necessary or advisable (and such subplans and addendums and/or modifications shall be attached to this Plan as addendums).
- 2.3.4 No member of the Board or of the Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder.
- 2.3.5 Any determination approved by a majority of the Board shall be deemed to be a determination of that matter by the Board.

## 2.4 Eligible Participants

- 2.4.1 The Persons who shall be eligible to receive Awards (“**Eligible Participants**”) shall be the Eligible Directors, officers and employees of the Corporation or a Subsidiary, as well as consultants providing ongoing services to the Corporation and its Subsidiary, as determined by the Board from time to time who the Board may determine from time to time, in its sole discretion. For greater certainty, a Person whose employment or engagement with the

Corporation or a Subsidiary has ceased for any reason, or who has given notice or been given notice of such cessation, whether such cessation was initiated by such Person, the Corporation or such Subsidiary, as the case may be, shall cease to be eligible to receive Awards hereunder as of the date on which such Person provides notice to the Corporation or the Subsidiary, as the case may be, in writing or verbally, of such cessation, or on the Termination Date for any cessation of a Participant's employment or engagement initiated by the Corporation.

- 2.4.2 Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's employment or engagement with the Corporation.
- 2.4.3 Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee of employment by the Corporation or a Subsidiary to the Participant or the commencement, extension, continuation or modification of any engagement between the Corporation or a Subsidiary and the Participant.
- 2.4.4 A Participant shall have no rights as a shareholder of the Corporation with respect to any Common Shares underlying his or her Awards until he or she shall have become the holder of record of such Common Shares.

## 2.5 Shares Subject to the Plan

- 2.5.1 Subject to adjustment pursuant to provisions of Article 8, the total number of Common Shares reserved and available for grant and issuance pursuant to Awards shall not exceed ten percent (10%) of the total issued and outstanding Shares of the Corporation (on a non-diluted basis) from time to time. Every three years after the effective date of the Plan, all unallocated Awards under the Plan shall be submitted for approval to the Board and the shareholders of the Corporation. ~~No more than one percent (1%) of the total issued and outstanding Shares of the Corporation (on a non-diluted basis) from time to time, shall be reserved and available for grant and issuance pursuant to Awards to the Eligible Directors, less the number of Common Shares reserved for issuance pursuant to awards under all other Security Based Compensation Agreements. For greater certainty, the Common Shares reserved and available for grant and issuance to the Eligible Directors, shall be included in the total number of Common Shares generally available for grant and issuance pursuant to Awards pursuant to this Section 2.5.1. In addition, the maximum annual grant of Awards to any one Eligible Director under the Plan shall not exceed \$150,000 in value, of which no more than \$100,000 of value may be comprised of Options. Notwithstanding the foregoing the aforementioned dollar limit shall not apply to (i) any one-time initial grants under the Plan to any new Eligible Director upon joining the Board; and (ii) any Awards received by an Eligible Director in lieu of his or her cash fees.~~

- 2.5.2 This Plan is considered an “evergreen” plan, since the Common Shares covered by grants which have been exercised, settled, expired, cancelled or forfeited shall be available for subsequent grants under the Plan and the number of Common Shares available to grant increases as the number of issued and outstanding Shares increases.
- 2.5.3 Common Shares in respect of which an Award is granted under the Plan, but not exercised prior to the termination of such Award or not vested or delivered prior to the termination of such Award due to the expiration, termination or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Common Shares issued pursuant to the exercise or the vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Common Shares.
- 2.5.4 Subject to adjustment pursuant to provisions of Article 8, the aggregate number of Common Shares (i) issued to Insiders under the Plan or any other proposed or established Security Based Compensation Arrangement of the Corporation within any one-year period and (ii) issuable to Insiders at any time under the Plan or any other proposed or established Security Based Compensation Arrangement of the Corporation, shall in each case not exceed ten percent (10%) of the total issued and outstanding Shares of the Corporation (on a non-diluted basis) from time to time.

## 2.6 Granting of Awards

- 2.6.1 Any Award granted under the Plan shall be subject to the requirement that, if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Common Shares subject to such Award, if applicable, upon any securities exchange (including the Exchange) or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange (including the Exchange) or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Common Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.
- 2.6.2 Any Award granted under the Plan shall be subject to the requirement that, the Corporation has the right to place any restriction or legend on any securities issued pursuant to this Plan including, but in no way limited to placing a legend to the effect that the securities have not been registered under the *United States Securities Act of 1933* and may not be offered or sold in the United States unless registration or an exemption from registration is available.

## **ARTICLE 3 OPTIONS**

### **3.1 Nature of Options**

An Option is an option granted by the Corporation to a Participant entitling such Participant to acquire, for each Option issued, one Common Share from treasury at the Option Price, but subject to the provisions hereof.

### **3.2 Option Awards**

Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted, (iii) determine the price per Common Share to be payable upon the exercise of each such Option (the “**Option Price**”) and the relevant vesting provisions (including Performance Criteria, if applicable) and Option Term, the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the TSX.

### **3.3 Option Price**

The Option Price for Common Shares that are the subject of any Option shall be fixed by the Board when such Option is granted but shall not be less than the Market Value of a Common Share on the date of grant.

### **3.4 Option Term and Vesting**

3.4.1 The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, commencing on the date such Option is granted to the Participant and ending as specified in this Plan, or in the Option Agreement, but in no event shall an Option expire on a date which is later than ten (10) years from the date the Option is granted (“**Option Term**”). Unless otherwise determined by the Board, all unexercised Options shall be cancelled at the expiry of such Options.

3.4.2 Should the expiration date for an Option fall within a Black-Out Period or within nine (9) Business Days following the expiration of a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth (10<sup>th</sup>) Business Day after the end of the Black-Out Period, such tenth (10<sup>th</sup>) Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding Section 8.2, the ten (10) Business Day-period referred to in this Section 3.4 may not be extended by the Board.

- 3.4.3 Unless otherwise specified by the Board at the time of granting the particular Option and except as otherwise provided in this Plan, each Option will vest and be exercisable as follows:

**Fraction of Total Number  
of Common Shares that  
may be Purchased**

**Exercise Period**

1/3

Shall vest on the first anniversary of the date of grant (the “**First Option Vesting Date**”); and

1/3

Shall vest on the date that is one year from the First Option Vesting Date;

1/3

Shall vest on the date that is two years from the First Option Vesting Date;

with the result that the entire Option subject to the grant shall be vested and exercisable as of the third anniversary of the date of grant.

- 3.4.4 Once a portion of an Option that has vested becomes exercisable in accordance with Section 3.5, it remains exercisable until expiration or termination of the Option, unless otherwise specified by the Board in connection with the grant of such Option.

### **3.5 Exercise of Options**

- 3.5.1 Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant at any time prior to the expiry of the Option Term, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.

- 3.5.2 Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Common Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, no Option shall be exercised by a Participant during a Black-Out Period.

### **3.6 Method of Exercise and Payment of Purchase Price**

- 3.6.1 Subject to the provisions of the Plan and the alternative exercise procedures set out herein, an Option granted under the Plan may be exercisable (from time to time as provided in Section 3.5) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) in such manner as the Board may determine from time to time and

in accordance with such rules and regulations as the Board may prescribe from time to time.

3.6.2 Pursuant to the Exercise Notice and subject to the approval of the Board, a Participant may choose to undertake a “cashless exercise” with the assistance of a broker in order to facilitate the exercise of such Participant’s Options. The “cashless exercise” procedure may include a sale of such number of Common Shares as is necessary to raise an amount equal to the aggregate Option Price for all Options being exercised by that Participant under an Exercise Notice. Pursuant to the Exercise Notice, the Participant may authorize the broker to sell Common Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Corporation to satisfy the Option Price, promptly following which the Corporation shall issue the Common Shares underlying the number of Options as provided for in the Exercise Notice.

3.6.3 In addition, in lieu of exercising any vested Option in the manner described in this Section 3.6, and pursuant to the terms of this Section 3.6.3, a Participant may, subject to the approval of the Board, by surrendering an Option (“**Surrender**”) with a properly endorsed notice of Surrender to the Secretary of the Corporation, substantially in the form that may be approved by the Board from time to time (a “**Surrender Notice**”), elect to receive that number of Common Shares calculated using the following formula:

$$X = Y * (A-B) / A$$

Where:

X = the number of Common Shares to be issued to the Participant

Y = the number of Common Shares underlying the Options to be Surrendered

A = the Market Value of the Common Shares as at the date of the Surrender

B = the Option Price of such Options

3.6.4 Where Common Shares are to be issued to the Participant pursuant to the terms of this Section 3.6, as soon as practicable following the receipt of the Exercise Notice and, if Options are exercised only in accordance with the terms of Section 3.6.1, the required bank draft, certified cheque or other acceptable form of payment, the Corporation shall duly issue such Common Shares to the Participant as fully paid and non-assessable.

3.6.5 Upon the exercise of an Option pursuant to Section 3.6.1 or Section 3.6.3, the Corporation shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Common Shares to either:

- (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Common Shares as the Participant (or to the

liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or

- (b) in the case of Common Shares issued in uncertificated form, cause the issuance of the aggregate number of Common Shares the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Common Shares.

### 3.7 Option Agreements

Options shall be evidenced by an Option Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article ~~3~~and 3 and Article 7 be included therein. The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in laws (including tax laws) in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

## ARTICLE 4 DEFERRED SHARE UNITS

### 4.1 Nature of DSUs

A DSU is an Award of phantom share units to a Participant, subject to restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on such factors as may be determined by the Board from time to time, including the achievement of pre-established vesting and performance goals and objectives.

### 4.2 DSU Awards

- 4.2.1 Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive DSUs under the Plan, (ii) fix the number of DSUs, if any, to be granted to each Eligible Participant and the date or dates on which such DSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions of such DSUs, the whole subject to the terms and conditions prescribed in this Plan.
- 4.2.2 The DSUs are structured so as to be considered to be a plan or arrangement described in paragraph 6801(d) of the *Income Tax Regulations (Canada)* or any successor to such provision except for the DSUs granted to any Eligible Participant who is a consultant to the Corporation or a Subsidiary of the

Corporation (and not a director of the Corporation or employed by the Corporation or such Subsidiary).

- 4.2.3 Subject to the vesting and other conditions and provisions set forth herein and in the DSU Agreement, the Board shall determine whether each DSU awarded to a Participant shall entitle the Participant: (i) to receive one (1) Common Share issued from treasury or purchased on the open market; (ii) to receive the Cash Equivalent of one (1) Common Share; or (iii) to elect to receive either one (1) Common Share from treasury or purchased on the open market, the Cash Equivalent of one (1) Common Share or a combination of cash and Common Shares.
- 4.2.4 DSUs will be credited in the registers maintained by the Corporation, but will not be represented by any certificate or other document.

### 4.3 Participation

- 4.3.1 Each Eligible Director may elect to receive up to 100% of his or her Board Retainer in the form of DSUs (the “**Retainer DSU Portion**”).
- 4.3.2 Each Eligible Director will receive such number of DSUs as is obtained by dividing the Retained DSU Portion payable quarterly to the Eligible Director by the Market Value on the date on which the DSUs are awarded. DSUs shall be awarded to Eligible Directors quarterly on the first day of each quarter (or, if not a business day, on the following business day), unless otherwise determined by the Board. Notwithstanding the foregoing, the Eligible Directors shall receive the first grant on the effective date of the Plan.
- 4.3.3 Each Participant who elects to participate in the Plan in respect of the Retainer DSU Portion for a given calendar year must send to the Corporate Secretary a written notice to that effect (an “**Election Notice**”) prior to December 31 of the previous calendar year. Each Participant who is a newly elected or appointed director and who elects to participate in the Plan in respect of the Retainer DSU Portion for the then current calendar year must send to the Corporate Secretary an Election Notice within 15 days of his or her election or appointment, but prior to the receipt of the first Board Retainer payment. For the calendar year ending December 31, 2021, each Participant who elects to participate in the Plan in respect of the Retainer DSU Portion must send to the Corporate Secretary an Election Notice within 15 days of the adoption of the Plan. The election made in an Election Notice in respect of the Board Retainer of a given calendar year will be irrevocable for that calendar year.
- 4.3.4 The Election Notice shall be deemed to apply to all subsequent calendar years until such time as the Participant shall send to the Corporate Secretary an Election Notice containing different instructions or a termination notice (in which case the new Election Notice or the termination notice, as applicable, shall apply to the calendar year following the calendar year during which it was sent to the Corporate Secretary).

- 4.3.5 If no Election Notice is received in accordance with Paragraph 4.3.3, and no prior Election Notice is deemed to apply in accordance with Paragraph 4.3.4, the Participant shall be deemed not to have elected to participate in the Plan in respect of the Retainer DSU Portion and the corresponding portion of his Board Retainer shall be paid in cash.
- 4.3.6 Each Participant is entitled to terminate his or her participation in the Plan in respect of the Retainer DSU Portion for a given calendar year by sending a written notice to that effect to the Corporate Secretary prior to December 31 of the previous calendar year.
- 4.3.7 No Election Notice, or amendment or termination of an election contemplated in this Section 4.3 shall be made during a Black-out Period, and any Election Notice sent by a Participant during a Black-out Period shall be null and void. To the extent that an Election Notice is sent during a Black-out Period, or cannot be made during the period set forth in this Section 4.3.7 as a result of the existence of a Black-out Period, the Participant shall continue to participate in the Plan in respect of a Retainer DSU Portion on the basis of the prior election made, or, if no prior election has been made, shall be deemed to have elected not to participate in the Plan in respect of a Retainer DSU Portion.

#### **4.4 Settlement of DSUs**

- 4.4.1 A Participant who (i) ceases to be a director of the Corporation; (ii) ceases to be employed by the Corporation or a Subsidiary of the Corporation; or, (iii) in the case of a Participant who is a consultant to the Corporation or a subsidiary of the Corporation (and not a director of the Corporation or employed by the Corporation or such Subsidiary), ceases to provide services to the Corporation or its Subsidiary, as applicable, (or, if deceased, his or her estate, succession, heirs or legal representatives) may request the settlement of all (but not less than all) of his or her DSUs at any time during the period that begins on the date immediately after the date on which he or she ceases to be a director of the Corporation, ceases to be employed by the Corporation or its Subsidiary, or ceases to provide services to the Corporation or its Subsidiary, as applicable, and ends on the DSU Expiry Date, in such manner as the Board may determine from time to time and in accordance with such rules and regulations as the Board may prescribe from time to time.
- 4.4.2 Any DSU which has not been settled prior to the DSU Expiry Date shall be automatically settled on the DSU Expiry Date.
- 4.4.3 Settlement of DSUs shall take place promptly following the DSU Settlement Date and, for greater certainty, on or before the DSU Expiry Date through:

- (a) in the case of the settlement of DSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
- (b) in the case of the settlement of DSUs for Common Shares, delivery of a share certificate to the Participant or the entry of the Participant's name on the share register for the Common Shares; or
- (c) in the case of settlement of the DSUs for a combination of Common Shares and the Cash Equivalent, a combination of 4.4.3(a) and 4.4.3(b) above.

4.4.4 Notwithstanding any other provision of this Plan, except Sections 8.4 and 8.7, in the event that a DSU Settlement Date occurs during a Black-Out Period imposed by the Corporation, then settlement of the applicable DSUs shall be automatically extended to the tenth (10<sup>th</sup>) Business Day following the date that such Black-Out Period is lifted, terminated or removed.

## **ARTICLE 5 PERFORMANCE SHARE UNITS**

### **5.1 Nature of PSU**

A PSU is an Award granted for services rendered in a particular year entitling the recipient to receive payment based on the value of one Common Share (or such reduced or increased number of Common Shares as shall be calculated by the Corporation depending on the level of attainment of relevant Performance Criteria) once such Award is earned and has vested, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions shall be based upon the achievement of pre-established Performance Criteria over the Performance Period as well as continuing employment (or engagement) with the Corporation or a Subsidiary.

### **5.2 PSU Awards**

- 5.2.1 Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive PSUs under the Plan for services rendered in a particular year, (ii) fix the number of PSUs, if any, to be granted to each Eligible Participant and the date or dates on which such PSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria) and Unit Restriction Period of such PSUs, the whole subject to the terms and conditions prescribed in this Plan and in any PSU Agreement.
- 5.2.2 Subject to the vesting and other conditions and provisions set forth herein and in the PSU Agreement, the Board shall determine whether each PSU awarded

to a Participant shall entitle the Participant: (i) to receive one (1) Common Share issued from treasury or purchased on the open market; (ii) to receive the Cash Equivalent of one (1) Common Share; or (iii) to elect to receive either one (1) Common Share from treasury or purchased on the open market, the Cash Equivalent of one (1) Common Share or a combination of cash and Common Shares.

- 5.2.3 PSUs shall be settled by the Participant at any time beginning on the first Business Day following their PSU Vesting Determination Date but no later than the last day of the Unit Restriction Period. Unless otherwise determined by the Board, all unvested PSUs shall be cancelled on the PSU Vesting Determination Date and, in any event, no later than the last day of the Unit Restriction Period.

### 5.3 Performance Criteria and Performance Period

- 5.3.1 For each award of PSUs, the Board shall establish the period (the “**Performance Period**”) in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Common Shares in exchange for all or a portion of the PSUs held by such Participant, provided that such Performance Period may not expire after the last day of the Unit Restriction Period.

- 5.3.2 For each award of PSUs, the Board shall establish any Performance Criteria and other vesting conditions which must be met during the Performance Period in order for a Participant to be entitled to receive Common Shares in exchange for his or her PSUs.

### 5.4 PSU Vesting Determination Date

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a PSU have been met (the “**PSU Vesting Determination Date**”), and as a result, establishes the number of PSUs that become vested, if any. For greater certainty, the PSUs Vesting Determination Date must fall after the end of the Performance Period, but no later than the last day of the Unit Restriction Period.

### 5.5 Settlement of PSUs

- 5.5.1 Except as otherwise provided in the PSU Agreement and subject to Section 8.3.1, in the event that the vesting conditions, the Performance Criteria and Performance Period of a PSU are satisfied:

- (a) all of the vested PSUs covered by a particular grant may, be settled on any day (each such day being a “**PSU Settlement Date**”) beginning on the PSUs Vesting Determination Date and ending on or before the last day of the Unit Restriction Period by delivering a Unit Settlement Notice in respect of any or all vested PSUs held by such Participant; and

- (b) any vested PSU for which no Unit Settlement Notice has been delivered prior to the last day of the Unit Restriction Period shall be automatically settled on the last day of the Unit Restriction Period.

5.5.2 Subject to Section 8.3.1, settlement of PSUs shall take place promptly following the PSU Settlement Date and, for greater certainty, on or before the last day of the Unit Restriction Period through:

- (a) in the case of the settlement of PSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
- (b) in the case of the settlement of PSUs for Common Shares, delivery of a share certificate to the Participant or the entry of the Participant's name on the share register for the Common Shares; or
- (c) in the case of settlement of the PSUs for a combination of Common Shares and the Cash Equivalent, a combination of 5.5.2(a) and 5.5.2(b) above.

## 5.6 Determination of Amounts

5.6.1 **Cash Equivalent of PSUs.** For purposes of determining the Cash Equivalent of PSUs to be made pursuant to Section 5.5, such calculation will be made on the PSU Settlement Date and shall equal the Market Value on the PSU Settlement Date multiplied by the number of vested PSUs in the Participant's Account which the Participant desires to settle in cash pursuant to the Unit Settlement Notice.

5.6.2 **Payment in Common Shares.** For the purposes of determining the number of Common Shares from treasury to be issued or purchased on the open market and delivered to a Participant upon settlement of a PSU pursuant to Section 5.5, such calculation will be made on the PSU Settlement Date and be the whole number of Common Shares equal to the whole number of vested PSUs then recorded in the Participant's Account which the Participant desires to settle pursuant to the Unit Settlement Notice. Common Shares issued from treasury or purchased on the open market, as applicable, will be issued or transferred, as applicable, in consideration for the past services of the Participant to the Corporation and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance or transfer of Common Shares.

## 5.7 PSU Agreements

PSUs shall be evidenced by a PSU Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 5 and Article 7 be included therein. The PSU Agreement or Employment Agreement, as applicable, shall contain such terms that may be considered

necessary in order that the PSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the corporation.

## **ARTICLE 6 RESTRICTED SHARE UNITS**

### **6.1 Nature of RSUs**

A RSU is an Award granted for services rendered in a particular year entitling the recipient to receive payment based on the value of one Common Share once such Award has vested, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or engagement) with the Corporation or a Subsidiary.

### **6.2 RSU Awards**

- 6.2.1 Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs under the Plan for services rendered in a particular year, (ii) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions and Unit Restriction Period of such RSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.
- 6.2.2 Unless otherwise set forth in the RSU Agreement, each RSU shall vest as to 1/3 on each of the first, second and third anniversary of the date of grant (each such date being a “**RSU Vesting Date**”).
- 6.2.3 Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement, the Board shall determine whether each RSU awarded to a Participant shall entitle the Participant: (i) to receive one (1) Common Share issued from treasury or purchased on the open market; (ii) to receive the Cash Equivalent of one (1) Common Share; or (iii) to elect to receive either one (1) Common Share from treasury or purchased on the open market, the Cash Equivalent of one (1) Common Share or a combination of cash and Common Shares.
- 6.2.4 RSUs shall be settled by the Participant at any time beginning on the first Business Day following the RSU Vesting Date but no later than the last day of the Unit Restriction Period.

### 6.3 Settlement of RSUs

6.3.1 Except as otherwise provided in the RSU Agreement and subject to Section 8.3.1:

- (a) all of the vested RSUs covered by a particular grant may be settled on any day (each such day being a “**RSU Settlement Date**”) on or before the last day of the Unit Restriction Period by delivering a Unit Settlement Notice in respect of any or all vested RSUs held by such Participant; and
- (b) any vested RSU for which no Unit Settlement Notice has been delivered prior to the last day of the Unit Restriction Period, shall be automatically settled on the last day of the Unit Restriction Period.

6.3.2 Subject to Section 4.4.4, settlement of RSUs shall take place promptly following the RSU Settlement Date and, for greater certainty, on or before the last day of the Unit Restriction Period through:

- (a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
- (b) in the case of settlement of RSUs for Common Shares, delivery of a share certificate to the Participant or the entry of the Participant’s name on the share register for the Common Shares; or
- (c) in the case of settlement of the RSUs for a combination of Common Shares and the Cash Equivalent, a combination of (a) and (b) above.

### 6.4 Determination of Amounts

6.4.1 **Cash Equivalent of RSUs.** For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 6.3, such calculation will be made on the RSU Settlement Date and shall equal the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant’s Account which the Participant desires to settle in cash pursuant to the Unit Settlement Notice.

6.4.2 **Payment in Common Shares.** For the purposes of determining the number of Common Shares from treasury to be issued or purchased on the open market and delivered to a Participant upon settlement of RSUs pursuant to Section 6.3, such calculation will be made on the RSU Settlement Date and be the whole number of Common Shares equal to the whole number of vested RSUs then recorded in the Participant’s Account which the Participant desires to settle pursuant to the Unit Settlement Notice. Common Shares issued from treasury or purchased on the open market, as applicable, will be issued or transferred, as applicable, in consideration for the past services of the

Participant to the Corporation and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance or transfer of Common Shares.

## 6.5 RSU Agreements

RSUs shall be evidenced by a RSU Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 6 and Article 7 be included therein. The RSU Agreement shall contain such terms that may be considered necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the corporation.

## ARTICLE 7 GENERAL CONDITIONS

### 7.1 General Conditions applicable to Awards.

Each Award, as applicable, shall be subject to the following conditions:

- 7.1.1 **Employment or Other Relationship.** The granting of an Award to a Participant shall not impose upon the Corporation or a Subsidiary any obligation to retain the Participant in its employ in any capacity or otherwise commence, extend, continue or modify any engagement between the Corporation or a Subsidiary and the Participant. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any awards in the future nor shall it entitle the Participant to receive future grants.
- 7.1.2 **Rights as a Shareholder.** Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Common Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such person's name on the share register for the Common Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued or entry of such person's name on the share register for the Common Shares.
- 7.1.3 **Conformity to Plan.** In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.

7.1.4 **Non-Transferability.** Other than by will or under the law of succession, or as expressly permitted by the Board, or as otherwise set forth herein, Awards are not assignable or transferable. Awards may be exercised only by:

- (a) the Participant to whom the Awards were granted; or
- (b) with the Corporation's prior written approval and subject to such conditions as the Corporation may stipulate, such Participant's family or retirement savings trust or any registered retirement savings plans or registered retirement income funds of which the Participant is and remains the annuitant; or
- (c) upon the Participant's death, by the legal representative of the Participant's estate; or
- (d) upon the Participant's incapacity, the legal representative having authority to deal with the property of the Participant;

provided that any such legal representative shall first deliver evidence satisfactory to the Corporation of entitlement to exercise any Award. A person exercising an Award may subscribe for Common Shares only in the person's own name or in the person's capacity as a legal representative.

## 7.2 General Conditions applicable to Awards

Each Award (other than DSUs granted to Eligible Directors) shall be subject to the following conditions:

7.2.1 **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for "Cause", all unexercised vested or unvested Awards granted to such Participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of the Plan, the determination by the Corporation that the Participant was discharged for cause shall be binding on the Participant. "Cause" shall include, among other things, a dishonest act such as gross misconduct, theft, fraud, embezzlement, misappropriation, breach of confidentiality, breach of loyalty or breach of duty of loyalty or placement in conflict of interest, or breach of the Corporation's Code of Ethics, and any reason determined by the Corporation to be cause for termination.

7.2.2 **Retirement.** In the case of a Participant's retirement, any unvested Awards held by the Participant as at the Termination Date will continue to vest in accordance with their vesting schedules, and all vested Awards held by the Participant at the Termination Date may be exercised until the earlier of the expiry date of the Awards or three (3) years following the Termination Date, provided that if the Participant is determined to have breached any post-employment restrictive covenants in favour of the Corporation, then any

Awards held by the Participant, whether vested or unvested, will immediately expire and the Participant shall pay to the Corporation any “in-the-money” amounts realized upon exercise of Awards following the Termination Date.

- 7.2.3 **Resignation.** In the case of a Participant ceasing to be an Eligible Participant due to such Participant’s resignation, subject to any later expiration dates determined by the Board, all Awards shall expire on the earlier of ninety (90) days after the effective date of such resignation, or the expiry date of the Award, to the extent such Awards were vested and exercisable by the Participant on the effective date of such resignation and all unexercised unvested Awards granted to such Participant shall terminate on the effective date of such resignation.
- 7.2.4 **Termination or Cessation.** In the case of a Participant ceasing to be an Eligible Participant for any reason (other than for “cause”, resignation or death) the number of Awards that may vest is subject to pro ration over the applicable vesting or performance period and shall expire on the earlier of ninety (90) days after the effective date of the Termination Date, or the expiry date of the Awards. For greater certainty, the pro ration calculation referred to above shall be net of previously vested Awards.
- 7.2.5 **Death.** If a Participant dies while in his or her capacity as an Eligible Participant, all unvested Awards will immediately vest and all Awards will expire one hundred eighty (180) days after the death of such Participant.

### 7.3 Unfunded Plan

Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation. Notwithstanding the foregoing, any determinations made shall be such that (i) subsection 7(1) of the Tax Act continues to apply to the Options granted to a Participant who is (a) a director of the Corporation or an employee or officer of the Corporation or a Subsidiary of the Corporation, and (b) resident in Canada or employed in Canada for purposes of the Tax Act (“**Canadian Participant**”); (ii) a Canadian Participant may claim the deduction under paragraph 110(1)(d) of the Tax Act (to the extent available), (iii) none of the DSUs, RSUs, nor PSUs granted to a Canadian Participant constitutes a “salary deferral arrangement” as defined in the Tax Act, and (iv) the DSUs granted to a Canadian Participant continuously meet the requirements of paragraph 6801(d) of the Income Tax Regulations (Canada).

## ARTICLE 8 ADJUSTMENTS AND AMENDMENTS

### 8.1 Adjustment to Common Shares Subject to Outstanding Awards

- 8.1.1 In the event of any subdivision of the Common Shares into a greater number of Common Shares at any time after the grant of an Award to a Participant

and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Common Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Common Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Common Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

8.1.2 In the event of any consolidation of Common Shares into a lesser number of Common Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Common Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Common Shares as such Participant would have held as a result of such consideration if on the record date thereof the Participant had been the registered holder of the number of Common Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

8.1.3 If at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Common Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Section 8.1.1 or Section 8.1.2 or, subject to the provisions of Section 8.3.1, the Corporation shall consolidate, merge or amalgamate with or into another corporation (the corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the “**Successor Corporation**”), the Participant shall be entitled to receive upon the subsequent exercise or vesting of Award, in accordance with the terms hereof and shall accept in lieu of the number of Common Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate class or other securities of the Corporation or the Successor Corporation (as the case may be) or other consideration from the Corporation or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of 8.3.1, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, such Participant had been the registered holder of the number of Common Shares to which such Participant was immediately theretofore entitled upon such exercise or vesting of such Award.

- 8.1.4 If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall make a distribution to all holders of Common Shares or other securities in the capital of the Corporation, or cash, evidences of indebtedness or other assets of the Corporation (excluding an ordinary course dividend in cash or shares, but including for greater certainty shares or equity interests in a Subsidiary or business unit of the Corporation or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit), or should the Corporation effect any transaction or change having a similar effect, then the price or the number of Common Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.
- 8.1.5 No fractional Share shall be delivered to a Participant under the Plan. Any fractional Share entitlement, except for a fractional Share entitlement under an Option, shall be satisfied by the payment of an amount in cash equal to such fractional Share entitlement multiplied by the Market Value on the applicable Settlement Date. For greater certainty, a Participant holding an Option shall not receive any cash for a fractional Share entitlement on exercising the Option.

## **8.2 Amendment or Discontinuance of the Plan**

- 8.2.1 The Board may amend the Plan or any Award at any time without the consent of the Participants provided that such amendment shall:
- (a) not adversely alter or impair any Award previously granted except as permitted by the provisions of Article 8;
  - (b) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the Exchange; and
  - (c) be subject to shareholder approval, where required by law, the requirements of the Exchange or the provisions of the Plan, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
    - (i) any amendment to the vesting provisions, if applicable, or assignability provisions of Awards;

- (ii) any amendment to the expiration date of an award that does not extend the terms of the Award past the original date of expiration for such Award;
- (iii) any amendment regarding the effect of termination of a Participant's employment or engagement;
- (iv) any amendment which accelerates the date on which any Award may be exercised under the Plan;
- (v) any amendment to the definition of "Eligible Participant";
- (vi) any amendment necessary to comply with applicable law or the requirements of the Exchange or any other regulatory body;
- (vii) any amendment of a "housekeeping" nature, including, without limitation, to clarify the meaning of an existing provision of the Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan;
- (viii) any amendment regarding the administration of the Plan;
- (ix) any amendment to add or amend provisions permitting for the granting of cash-settled awards, a form of financial assistance or clawback;
- (x) any amendment to add any terms, conditions, rules or procedures to make the Plan applicable to Participants in one or more jurisdictions outside of Canada in accordance with the laws and practices of the particular jurisdiction; and
- (xi) any other amendment that does not require the approval of the holders of Common Shares pursuant to the amendment provisions of the Plan.

The Board may, by resolution, but subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment or engagement shall not apply for any reason acceptable to the Board.

8.2.2 Notwithstanding Section 8.2.1(c), the Board shall be required to obtain shareholder approval to make the following amendments:

- (a) any reduction in the exercise price of an Option held by an Insider;

(b) any amendment which extends the expiry date of any Award held by an Insider, or the Unit Restriction Period of any Units held by an Insider beyond the original expiry date, except in case of an extension due to a Black-Out Period;

(c) any amendment removing or exceeding the Insider participation limit;

~~(d) any amendment to remove or exceed the Eligible Director participation limit;~~

(d) ~~(e)~~ any change to the maximum number of Common Shares issuable from treasury under the Plan, except such increase by operation of Section 2.5 and in the event of an adjustment pursuant to Article 8; or

(e) ~~(f)~~ any amendment to the amendment provisions of the Plan,

provided that (i) Common Shares held directly or indirectly by Insiders benefiting from the amendments in Sections (a), (b) and (c) shall be excluded when obtaining such shareholder approval; and (ii) Common Shares held directly or indirectly by Insiders where the amendment will disproportionately benefit such Insiders over other Award holders shall be excluded when obtaining such shareholder approval.

8.2.3 Notwithstanding Section 8.2.1 and Section 8.2.2, the Board will only make amendments to the Plan in a manner consistent with: (i) the continued application of subsection 7(1) of the Tax Act to the Options granted to a Canadian Participant; (ii) the ability of a Canadian Participant to claim the deduction under paragraph 110(1)(d) of the Tax Act (to the extent available); (iii) the DSUs, granted to a Canadian Participant, meeting the requirements of paragraph 6801(d) of the *Income Tax Regulations* (Canada); and (iv) none of the DSUs, RSUs, nor PSUs granted to a Canadian Participant constituting “salary deferral arrangements” as defined in the Tax Act.

8.2.4 The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan.

### 8.3 Change of Control

8.3.1 **Change of Control.** In the event of and in connection with a transaction that would constitute a Change of Control, notwithstanding anything else in this Plan but subject to the specific terms of any Grant Agreement to the contrary and the approval of the Exchange, if required, the Board shall have the right, in its discretion, to deal with any or all Award (or any portion thereof) issued under this Plan in the manner it deems fair and reasonable in the circumstances of the Change of Control. Without limiting the generality of

the foregoing, in connection with a Change in Control, the Board, without any action or consent required on the part of any Participant, shall have the right to:

- (a) determine that the Awards, in whole or in part and whether vested or unvested, shall remain in full force and effect in accordance with their terms after the Change of Control;
- (b) provide for the conversion or exchange of any or all Awards (or any portion thereof, whether vested or unvested) into or for options, rights, units or other securities in any entity participating in or resulting from a Change of Control;
- (c) cancel any unvested Awards (or any portions thereof) without payment of any kind to any Participant;
- (d) accelerate the vesting of outstanding Awards;
- (e) provide for outstanding Awards to be purchased;
- (f) accelerate the date by which any or all Awards or any portion thereof, whether vested or unvested, must be exercised either in whole or in part;
- (g) deem any or all Awards or any portion thereof, whether vested or unvested (including those accelerated pursuant to this Plan) to have been exercised in whole or in part, tender, on behalf of the Participant, the underlying Common Shares that would have been issued pursuant to the exercise of such Awards to any third party purchaser in connection with the Change of Control, and pay to the Participant on behalf of such third party purchaser an amount per underlying Common Share equal to the positive difference between the Change of Control price of the Common Shares and the applicable exercise price;
- (h) cancel any or all outstanding Awards (including those accelerated under pursuant to this Plan) either in whole or in part and pay to the Participant an amount per underlying Common Share equal to the positive difference between the Change of Control price of the Shares and the applicable exercise price; or
- (i) take such other actions, and combinations of the foregoing actions or any other actions permitted under this Section 8.3.1, as it deems fair and reasonable under the circumstances.

#### **8.4 Settlement of the DSUs**

Notwithstanding any other provision of this Plan, the settlement of a Participant's DSU shall not occur prior to the date on which the Participant (i) ceases to be a director of the

Corporation; (ii) ceases to be employed by the Corporation or its Subsidiary; (iii) in the case of a Participant who is a consultant to the Corporation or a Subsidiary of the Corporation (and not a director of the Corporation or employed by the Corporation or such Subsidiary), ceases to provide services to the Corporation or its Subsidiary, as applicable; or (iv) dies, as applicable. For greater certainty, no amendment of the Plan or decision of the Board shall accelerate the settlement of a Participant's DSU prior to the aforementioned dates, as applicable.

### **8.5 Settlement of the PSUs and RSUs**

Notwithstanding any other provision of this Plan, the settlement of a Participant's PSU or RSU shall not occur after December 31 of the calendar year which is three (3) years after the calendar year in which the services in relation to which the PSU or RSU is granted were performed. For greater certainty, no amendment of the Plan or decision of the Board shall postpone the settlement of a Participant's PSU or RSU to after the aforementioned date.

### **8.6 Settlement of PSUs and RSUs during a Black-Out Period**

Notwithstanding any other provision of this Plan, in the event that a PSU Settlement Date or an RSU Settlement Date falls during a Black-Out Period imposed by the Corporation and the Participant has not delivered a Unit Settlement Notice, then such PSU Settlement Date or RSU Settlement Date shall be automatically extended to the tenth (10<sup>th</sup>) Business Day following the date that such Black-Out Period is lifted, terminated or removed.

### **8.7 Expiry Date during a Black-Out Period**

Notwithstanding any other provision of this Plan, except Sections 8.4 and 8.5, if: (i) the DSU Expiry Date in respect of a vested DSU held by a Participant occurs during a Black-Out Period, and the Participant has not settled the DSU immediately prior to the Black-Out Period, the DSU shall be automatically settled on the date immediately prior to the Black-Out Period; and (ii) the last day of a Unit Restriction Period in respect of a vested PSU or RSU held by a Participant occurs during a Black-Out Period, and the Participant has not settled the PSU or RSU (as the case may be) immediately prior to the Black-Out Period, the PSU or RSU (as the case may be) shall be automatically settled on the date immediately prior to the Black-Out Period.

## **ARTICLE 9 MISCELLANEOUS**

### **9.1 Use of an Administrative Agent and Trustee**

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Corporation and the administrative agent will maintain records showing the holdings of the respective Awards, vesting periods, Performance Criteria and Participants.

## **9.2 Tax Withholding**

9.2.1 Notwithstanding any other provision of this Plan, all distributions, delivery of Common Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Common Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Common Shares sold by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 9.1, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.

9.2.2 Notwithstanding the first paragraph of this Section 9.2, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.

## **9.3 Reorganization of the Corporation**

The existence of any Awards shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

## **9.4 Governing Laws**

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

## **9.5 Severability**

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

## 9.6 Language

Each Participant agrees with the Corporation that this Plan and all agreements, notices, declarations and documents accessory to the Plan be drafted in English only. *Chaque participant consent avec la société à ce que ce Plan ainsi que toutes conventions, avis, déclarations et documents afférents au Plan soient rédigés en anglais seulement.*

## 9.7 Effective Date of the Plan

The amended and restated Plan was approved by the Board on [●], ~~2022~~2023 and approved and ratified by the shareholders of the Corporation on [●], ~~2022~~2023 and became effective on the date of such shareholder approval.