



SOURCE ROCK

ROYALTIES LTD.

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

OF

SOURCE ROCK ROYALTIES LTD.

to be held on

September 21, 2023

at 11:00 a.m. (Calgary time)

**at Dentons Canada LLP
15th Floor, Bankers Court
850 – 2nd Street S.W.
Calgary, Alberta T2P 0R8**

This Management Information Circular and Proxy Statement is furnished in connection with the solicitation of proxies by the management of Source Rock Royalties Ltd. to be voted at the Annual General and Special Meeting to be held on September 21, 2023 at the time and place and for the purposes set out in the accompanying Notice of Annual General and Special Meeting and at any adjournments thereof.

SOURCE ROCK ROYALTIES LTD.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE THAT an annual general and special meeting (the “**Meeting**”) of the shareholders of Source Rock Royalties Ltd. (the “**Corporation**”) will be held at 11:00 a.m. (Calgary time) on Thursday, September 21, 2023 at the offices of Dentons Canada LLP, 15th Floor, Bankers Court, 850 – 2nd Street S.W., Calgary, Alberta T2P 0R8 for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial years ended December 31, 2022 and 2021 and the report of the auditor thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at eight (8);
3. to elect the board of directors of the Corporation to serve until the next annual meeting of the shareholders or until their successors are duly elected or appointed;
4. to appoint the auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to determine the remuneration to be paid to the auditor;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution, as more particularly set forth in the accompanying Management Information Circular, relating to the approval of the stock option plan of the Corporation; and
6. to transact such other business as may properly come before the Meeting.

Information relating to matters to be acted upon by the shareholders at the Meeting is set forth in the accompanying Management Information Circular.

Only shareholders of record as at the close of business on August 14, 2023 are entitled to receive notice of the Meeting.

DATED at Calgary, Alberta as of the 14th day of August, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Brad Docherty*”

Brad Docherty

President, Chief Executive Officer and Chairman

IMPORTANT

It is desirable that as many shares as possible be represented at the Meeting. We encourage all shareholders to vote their shares prior to the Meeting by completing the enclosed instrument of proxy and returning it as soon as possible in the envelope provided for that purpose. To be effective, an instrument of proxy must be delivered to TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1 (Attention: Proxy Tabulation Group), or by facsimile to the Proxy Tabulation Group’s attention at (416) 595-9593, so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or an adjournment or postponement thereof. As an alternative to completing and submitting an instrument of proxy, you may vote electronically through the internet at www.voteproxyonline.com by following the instructions on-screen. To vote through the internet, you will require your control number found on your instrument of proxy. All instructions are listed in the enclosed instrument of proxy.

SOURCE ROCK ROYALTIES LTD.

MANAGEMENT INFORMATION CIRCULAR

INFORMATION REGARDING PROXIES AND VOTING AT THE MEETING

Solicitation of Proxies

This management information circular and proxy statement ("**Management Information Circular**") is furnished in connection with the solicitation of proxies by the management of Source Rock Royalties Ltd. (the "**Corporation**") for use at the annual general and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares ("**Common Shares**") of the Corporation to be held at 11:00 a.m. (Calgary time) on Thursday, September 21, 2023, for the purposes set forth in the Notice of Annual General and Special Meeting (the "**Notice**") accompanying this Management Information Circular. Proxies may be solicited by mail, telephone, email, facsimile or other electronic means. Proxies may be solicited personally by directors or officers of the Corporation. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of solicitation of proxies will be paid by the Corporation.

Unless otherwise stated, information contained herein is given as of August 14, 2023 (the "**Effective Date**").

Appointment of Proxyholders

Accompanying this Management Information Circular is an instrument of proxy for use at the Meeting. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are required to date and sign the enclosed instrument of proxy and return it in the enclosed return envelope. **All properly executed instruments of proxy must be delivered to the Corporation's registrar and transfer agent, TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1 (Attention: Proxy Tabulation Group), or by facsimile to the Proxy Tabulation Group's attention at (416) 595-9593, so that they are received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or an adjournment or postponement thereof. As an alternative to completing and submitting an instrument of proxy, you may vote electronically through the internet at www.voteproxyonline.com by following the instructions on-screen. To vote through the internet, you will require your control number found on your instrument of proxy.**

The persons designated in the instrument of proxy are officers and/or directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the management designees to attend at and represent the Shareholder at the Meeting.** To exercise this right, a Shareholder should insert the name of the designated representative in the blank space provided on the instrument of proxy. Alternatively, a Shareholder may complete another appropriate instrument of proxy.

Signing of Proxy

The instrument of proxy must be signed by the Shareholder or the Shareholder's duly appointed attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney of the corporation. An instrument of proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with the Corporation).

Revocability of Proxies

A Shareholder who has submitted an instrument of proxy may revoke it at any time prior to the exercise thereof. In addition to any manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her duly authorized attorney or, if the Shareholder is a corporation, under its corporate seal or executed by a duly authorized officer or attorney of the corporation and deposited either: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting or an adjournment thereof; or (ii) with the Chairman of the Meeting on the day of the Meeting or an adjournment thereof. In addition, an instrument of proxy may be revoked: (i) by the Shareholder personally attending the Meeting and voting the securities represented thereby or, if the Shareholder is a corporation, by a duly authorized representative of the corporation attending at the Meeting and voting such securities; or (ii) in any other manner permitted by law.

Voting of Proxies and Exercise of Discretion by Proxyholders

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the instrument of proxy will be voted in accordance with such instructions. The management designees named in the accompanying instrument of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing them on any ballot that may be called for at the Meeting. **In the absence of such direction, such Common Shares will be voted FOR the proposed resolutions at the Meeting. The accompanying instrument of proxy confers discretionary authority upon the persons named therein with respect to amendments of or variations to the matters identified in the accompanying Notice and with respect to other matters that may properly be brought before the Meeting.** In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the management designees to vote in accordance with their best judgment on such matters or business. At the time of printing this Management Information Circular, the management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the accompanying Notice.

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

Except as disclosed in this Management Information Circular, none of the directors or executive officers of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any matter to be acted on, other than the election of directors or the appointment of auditor.

QUORUM

The by-laws of the Corporation provide that a quorum of Shareholders is present at a meeting of Shareholders if at least two (2) persons are present who hold or represent by proxy not less than twenty-five percent (25%) of the shares entitled to be voted at the meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting Shares and Record Date

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares issuable in series (the “**Preferred Shares**”). The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is August 14, 2023 (the “**Record Date**”). Shareholders are entitled to one vote per Common Share. As at the Record Date, there are 44,946,645 Common Shares and no Preferred Shares issued and outstanding.

Voting of Common Shares – General

Only Shareholders whose names are entered in the Corporation’s 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; provided that, to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the list of Shareholders eligible to vote at the Meeting, the transferee shall be entitled to vote his or her Common Shares at the Meeting.

Voting of Common Shares – Advice to Beneficial Shareholders

Only registered holders of Common Shares, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder (a “**Beneficial Shareholder**”) are registered either:

- (a) in the name of an intermediary (an “**Intermediary**”) that the Beneficial Shareholder deals with in respect of the Common Shares (Intermediaries include 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).

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Notice, this Management Information Circular and the instrument of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Beneficial Shareholders.

Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial 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 Beneficial Shareholders.

Generally, Beneficial Shareholders who have not waived the right to receive the Meeting Materials will:

- (a) have received as part of the Meeting Materials a voting instruction form which must be completed, signed and delivered by the Beneficial Shareholder in accordance with the directions on the voting instruction form (voting instruction forms sent by Broadridge permit

the completion of the voting instruction form by telephone or through the Internet at www.proxyvotecanada.com); or

- (b) less typically, be given a proxy which 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 Beneficial Shareholder but which is otherwise uncompleted. This form of proxy need not be signed by the Beneficial Shareholder. In this case, the Beneficial Shareholder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with TSX Trust Company at the address referred to above.

The purpose of these procedures is to permit Beneficial Shareholders to direct the voting of the Common Shares they beneficially own. Should a Beneficial Shareholder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Beneficial Shareholder), the Beneficial Shareholder should strike out the names of the persons named in the proxy and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. **In either case, Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Only registered Shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set forth above.

Principal Shareholders

To the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation, as at the date hereof, except as follows:

Name	Approximate Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly	Percentage of Holder's Common Shares to all Common Shares Outstanding
CN Canadian Master Trust Fund	9,354,400 ⁽¹⁾	20.8%

Note:

- (1) The information as to Common Shares beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Corporation, has been derived from sources available to the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Corporation (the "**Board**"), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice.

1. Financial Statements

The audited financial statements of the Corporation for the financial years ended December 31, 2022 and 2021 and the report of the auditor thereon (the "**Financial Statements**") will be placed before the Meeting.

The Board has approved all of the information in the Financial Statements, copies of which are delivered herewith. The approval of the Shareholders is not required in relation to the Financial Statements.

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

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

At the Meeting, it will be proposed that eight (8) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at eight (8).**

3. Election of Directors

The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by such nominee, the nominee's province and country of residence, principal occupation at present and during the preceding five (5) years, the period during which the nominee has served as a director, and the number and percentage of Common Shares that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Effective Date. **Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote for the election of the persons named in the following table to the Board.**

Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by management designees will be voted for another nominee in their discretion unless the Shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual general meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Business Corporations Act* (Alberta), to which the Corporation is subject.

Name, Province and Country of Residence	Position(s) Held	Director Since	Principal Occupation at Present and During the Last Five Years	Common Share Ownership ⁽¹⁾
Brad Docherty Alberta, Canada	President, Chief Executive Officer & Chairman	October 11, 2012	Mr. Docherty has been the President, Chief Executive Officer & Chairman of the Corporation since the date of incorporation. Mr. Docherty is also President and the sole Director of B.D. Corporate Services Inc., a management services company. Mr. Docherty is also Managing Director of Capitalize Consulting Corp., a private investment and business advisory company.	2,288,757 ⁽²⁾

Name, Province and Country of Residence	Position(s) Held	Director Since	Principal Occupation at Present and During the Last Five Years	Common Share Ownership ⁽¹⁾
John Bell ⁽³⁾⁽⁴⁾ Alberta, Canada	Director	May 30, 2013	Mr. Bell has been the President and Chief Financial Officer of WCSB Blockchain Infrastructure Ltd. since February 2018. Mr. Bell was formerly Director of Finance of Tidewater Midstream and Infrastructure Ltd. since March 2015.	45,029
June-Marie Innes ⁽³⁾ Alberta, Canada	Director	July 19, 2023	Ms. Innes has been Director, Finance & Sustainability of Tamarack Valley Energy Ltd. (" Tamarack ") since March 2020. Prior thereto, Ms. Innes was also previously Treasurer and Supervisor, Production Accounting at Tamarack, with her tenure at the company commencing in October 2012.	Nil
Jordan Kevol ⁽⁴⁾ Alberta, Canada	Director	January 29, 2014	Mr. Kevol was the President and Chief Executive Officer of Blackspur Oil Corp. from May 2012 to July 2023. Mr. Kevol was also the Chief Executive Officer of Calima Energy Limited from April 2021 to July 2023.	1,125,089
Gary McMurren ⁽³⁾⁽⁵⁾ Alberta, Canada	Director	May 30, 2013	Mr. McMurren is the Chief Operating Officer of Southern Energy Corp. and has been with the company since December 2018. Mr. McMurren was formerly the Vice President, Engineering of Gulf Pine Energy Partners, LP from its inception to December 2018.	123,390 ⁽⁶⁾
Dean Potter ⁽⁵⁾ Alberta, Canada	Director	July 5, 2018	Mr. Potter has been the Chief Executive Officer of Burgess Creek Exploration Inc. (" Burgess Creek ") since November 1, 2019. Mr. Potter was formerly the Executive Chairman of Burgess Creek, beginning September 2015. Mr. Potter is also the President of DPX Inc., a private company active in petroleum exploration and development.	45,882
Scott Rideout ⁽⁴⁾ Alberta, Canada	Director	May 30, 2013	Mr. Rideout has been the Vice President, Land of Headwater Exploration Inc. since March 2020. Mr. Rideout was formerly the Vice President, Land of Baytex from August 2018 to February 2020. Prior thereto, Mr. Rideout was Vice President, Land of Raging River from July 2014 to August 2018.	123,183 ⁽⁷⁾

Name, Province and Country of Residence	Position(s) Held	Director Since	Principal Occupation at Present and During the Last Five Years	Common Share Ownership ⁽¹⁾
Shaun Thiessen ⁽⁴⁾⁽⁵⁾ Alberta, Canada	Director	December 15, 2015	Mr. Thiessen has been Vice President, Land and Business Development of Astara Energy Corp. since its inception in January 2022. Prior thereto, Mr. Thiessen was the Vice President, Land and Business Development of Astra Oil Corp. from January 2015 until its sale in August 2021.	87,306

Notes:

- (1) Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the Effective Date, based on information furnished to the Corporation by the above individuals.
- (2) Includes Common Shares held by B.D. Corporate Services Inc., an Alberta corporation wholly owned by Mr. Docherty.
- (3) Member of the Audit Committee. Mr. Bell is the Chair of the Audit Committee.
- (4) Member of the Compensation and Corporate Governance Committee. Mr. Rideout is the Chair of the Compensation and Corporate Governance Committee.
- (5) Member of the Reserves Committee. Mr. McMurren is the Chair of the Reserves Committee.
- (6) Includes Common Shares held by an Alberta corporation wholly owned by Mr. McMurren's spouse.
- (7) Includes Common Shares held by Mr. Rideout's spouse.

Cease Trade Orders or Bankruptcies

Other than as disclosed below, to the knowledge of the Corporation, no proposed director, within 10 years before the date of this Management Information Circular, has been a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of 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 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 such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

John Bell was an officer of Artisan Energy Corporation ("**Artisan**") when the Alberta Securities Commission issued a cease trade order against Artisan on May 5, 2016. Artisan subsequently made an assignment into bankruptcy on June 22, 2016.

Personal Bankruptcies

No proposed director has, within 10 years before the date of this Management Information Circular, become 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 the assets of such person.

Penalties and Sanctions

No proposed director has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

4. Appointment of Auditor

Shareholders will be asked to vote for the appointment of MNP LLP, Chartered Professional Accountants, as auditor of the Corporation. MNP has served as auditor to the Corporation since January 27, 2014. **Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote in favour of the ordinary resolution appointing MNP LLP as auditor of the Corporation for the next ensuing year,** to hold office until the close of the next annual general meeting of Shareholders or until MNP LLP is removed from office or resigns as provided by the Corporation's by-laws, and the management designees also intend to vote the Common Shares represented by any such proxy in favor of a resolution authorizing the Board to fix the compensation of the auditor.

5. Approval of Stock Option Plan

The Corporation is proposing to approve the stock option plan (the "**Option Plan**") of the Corporation adopted in 2013. The Option Plan was previously approved by the Shareholders on June 22, 2022. A copy of the Option Plan is attached as Schedule "A" to this Management Information Circular.

The text of the ordinary resolution to be considered at the Meeting will be substantially as follows:

"BE IT HEREBY RESOLVED as an ordinary resolution of the Corporation that:

- (a) the stock option plan of the Corporation (the "**Option Plan**"), substantially in the form attached as Schedule "A" to the Management Information Circular of the Corporation, be and is hereby ratified, approved and adopted as the stock option plan of the Corporation;
- (b) the form of the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation;
- (c) all issued and outstanding stock options previously granted are hereby continued under and governed by the Option Plan;
- (d) the shareholders of the Corporation hereby expressly authorize the Board of Directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
- (e) any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such

other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote in favour of the ordinary resolution approving the Option Plan. In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by Shareholders who vote in respect to the resolution.

STATEMENT OF EXECUTIVE COMPENSATION

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

Named Executive Officers

For the purpose of this Statement of Executive Compensation, a named executive officer (“**NEO**”) of the Corporation means each of the following individuals:

- (a) each individual who served as chief executive officer (“**CEO**”) of the Corporation during any part of the most recently completed financial year, including an individual performing functions similar to a CEO;
- (b) each individual who served as chief financial officer (“**CFO**”) of the Corporation during any part of the most recently completed financial year, including an individual performing functions similar to a CFO; and
- (c) the Corporation’s most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, including each individual who would be a NEO under this paragraph but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of that financial year.

The NEOs of the Corporation for the financial year ended December 31, 2022 were Brad Docherty, CEO, Sean Clausen, former CFO (until September 1, 2022) and Cheryne Lowe, CFO (effective September 1, 2022).

During the financial year ended December 31, 2022, the Board was comprised of Brad Docherty, John Bell, Jordan Kevol, Brody Loster, Gary McMurren, Dean Potter, Scott Rideout and Shaun Thiessen. Brody Loster resigned from the Board effective October 14, 2022.

Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth information concerning the total compensation, excluding options and compensation securities, paid to each director and NEO by the Corporation for the financial years ended December 31, 2022 and 2021.

Total compensation includes all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation to each NEO and each director of the Corporation, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and

indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Corporation.

Name and Position	Year Ended Dec 31	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$) ⁽¹⁾	Value of All Other Compensation (\$)	Total Compensation (\$)
Brad Docherty <i>President, CEO and Director</i>	2022	180,000 ⁽²⁾	80,000	Nil	Nil	Nil	260,000
	2021	240,000 ⁽³⁾	200,000 ⁽⁴⁾	Nil	Nil	Nil	440,000
Sean Clausen ⁽⁵⁾ <i>Former CFO</i>	2022	48,500	6,500	Nil	Nil	Nil	55,000
	2021	78,000 ⁽⁶⁾	25,000 ⁽⁷⁾	Nil	Nil	Nil	103,000
Cheryne Lowe ⁽⁸⁾ <i>CFO</i>	2022	33,125	Nil	Nil	Nil	Nil	33,125
	2021	N/A	N/A	N/A	N/A	N/A	N/A
John Bell <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Jordan Kevol <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Brody Loster ⁽⁹⁾ <i>Former Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Gary McMurren <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Dean Potter <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Scott Rideout <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Shaun Thiessen <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are greater than: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.
- (2) Mr. Docherty elected to receive a grant of deferred share units in lieu of his cash salary for the fourth quarter of 2022. See "Stock Options and Other Compensation Securities" below for details concerning the grant, effective October 31, 2022.
- (3) Represents consulting fees paid to B.D. Corporate Services Inc., an Alberta corporation wholly owned by Mr. Docherty, of which \$15,000 was settled in Common Shares on March 25, 2021 at an issuance price of \$0.80 per Common Share.
- (4) Represents discretionary consulting fees paid to B.D. Corporate Services Inc., an Alberta corporation wholly owned by Mr. Docherty, of which \$150,000 was settled in Common Shares on July 1, 2021 at an issuance price of \$1.00 per Common Share.
- (5) Mr. Clausen served as CFO of the Corporation until September 1, 2022.
- (6) Represents consulting fees paid to Mr. Clausen, of which \$2,250 was settled in Common Shares on March 25, 2021 at an issuance price of \$0.80 per Common Share.
- (7) Represents discretionary consulting fees paid to Mr. Clausen, of which \$18,750 was settled in Common Shares on July 1, 2021 at an issuance price of \$1.00 per Common Share.
- (8) Ms. Lowe was appointed as CFO of the Corporation effective September 1, 2022.
- (9) Mr. Loster resigned from the Board effective October 14, 2022.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Corporation in the financial year ended December 31, 2022 for services provided, or to be provided, directly or indirectly, to the Corporation.

Compensation Securities							
Name and Position	Type of Compensation Security ⁽¹⁾	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class ⁽²⁾	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Brad Docherty ⁽³⁾ <i>President, CEO and Director</i>	Deferred share units	350,000 (350,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
	Deferred share units	80,000 (80,000 Common Shares, <1%)	October 31, 2022	\$0.72	\$0.72	\$0.76	N/A
Sean Clausen ⁽⁴⁾ <i>Former CFO</i>	Deferred share units	20,000 (20,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
Cheryne Lowe ⁽⁵⁾ <i>CFO</i>	Options	200,000 (200,000 Common Shares, <1%)	September 1, 2022	\$0.90	\$0.76	\$0.76	September 1, 2027
John Bell ⁽⁶⁾ <i>Director</i>	Deferred share units	15,000 (15,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
	Restricted share units	45,000 (45,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
Jordan Kevol ⁽⁷⁾ <i>Director</i>	Deferred share units	12,500 (12,500 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
	Restricted share units	37,500 (37,500 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
Brody Loster ⁽⁸⁾ <i>Former Director</i>	Deferred share units	10,000 (10,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
	Restricted share units	30,000 (30,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
Gary McMurren ⁽⁹⁾ <i>Director</i>	Deferred share units	15,000 (15,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
	Restricted share units	45,000 (45,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A

Compensation Securities

Name and Position	Type of Compensation Security ⁽¹⁾	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class ⁽²⁾	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Dean Potter ⁽¹⁰⁾ <i>Director</i>	Deferred share units	12,500 (12,500 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
	Restricted share units	37,500 (37,500 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
Scott Rideout ⁽¹¹⁾ <i>Director</i>	Deferred share units	12,500 (12,500 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
	Restricted share units	37,500 (37,500 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
Shaun Thiessen ⁽¹²⁾ <i>Director</i>	Deferred share units	15,000 (15,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A
	Restricted share units	45,000 (45,000 Common Shares, <1%)	July 8, 2022	\$0.82	\$0.83	\$0.76	N/A

Notes:

- (1) Deferred share units ("DSUs") vest after one year following the grant date pursuant to the terms of the RSU/DSU Plan (as defined below). Restricted share units ("RSUs") vest evenly over three years commencing on the anniversary date of the grant pursuant to the terms of the RSU/DSU Plan. Refer to the disclosure under the heading "Stock Option Plan and Other Incentive Plans" below for additional information concerning the RSU/DSU Plan and RSU and DSU grants.
- (2) Percentage of class is based on 44,896,645 Common Shares issued and outstanding as at December 31, 2022.
- (3) As at December 31, 2022, Mr. Docherty held a total of: (i) 600,000 Options exercisable to purchase an aggregate of 600,000 Common Shares; and (ii) 437,192 DSUs (including dividend equivalents) and nil RSUs, representing the right to acquire an aggregate of 437,192 Common Shares.
- (4) Mr. Clausen served as CFO of the Corporation until September 1, 2022. As at December 31, 2022, Mr. Clausen held: (i) a total of 225,000 Options exercisable to purchase an aggregate of 225,000 Common Shares; and (ii) 20,411 DSUs (including dividend equivalents) and nil RSUs, representing the right to acquire an aggregate of 20,411 Common Shares.
- (5) Ms. Lowe was appointed as CFO of the Corporation effective September 1, 2022. As at December 31, 2022, Ms. Lowe held: (i) a total of 200,000 Options exercisable to purchase an aggregate of 200,000 Common Shares; and (ii) nil DSUs and nil RSUs.
- (6) As at December 31, 2022, Mr. Bell held a total of: (i) 140,000 Options exercisable to purchase an aggregate of 140,000 Common Shares; and (ii) 15,308 DSUs and 45,925 RSUs (including dividend equivalents on each) representing the right to acquire an aggregate of 61,233 Common Shares.
- (7) As at December 31, 2022, Mr. Kevol held a total of: (i) 70,000 Options exercisable to purchase an aggregate of 70,000 Common Shares; and (ii) 12,757 DSUs and 38,271 RSUs (including dividend equivalents on each) representing the right to acquire an aggregate of 51,028 Common Shares.
- (8) Mr. Loster resigned from the Board effective October 14, 2022. Following his resignation, Mr. Loster has been retained to provide geological consulting services to the Corporation on a periodic basis. As at December 31, 2022, Mr. Loster held a total of: (i) 100,000 Options exercisable to purchase an aggregate of 100,000 Common Shares; and (ii) 10,205 DSUs and 30,615 RSUs (including dividend equivalents on each) representing the right to acquire an aggregate of 40,820 Common Shares.
- (9) As at December 31, 2022, Mr. McMurren held a total of: (i) 140,000 Options exercisable to purchase an aggregate of 140,000 Common Shares; and (ii) 15,308 DSUs and 45,925 RSUs (including dividend equivalents on each) representing the right to acquire an aggregate of 61,233 Common Shares.
- (10) As at December 31, 2022, Mr. Potter held a total of: (i) 175,000 Options exercisable to purchase an aggregate of 175,000 Common Shares; and (ii) 12,757 DSUs and 38,271 RSUs (including dividend equivalents on each) representing the right to acquire an aggregate of 51,028 Common Shares.

- (11) As at December 31, 2022, Mr. Rideout held a total of: (i) 120,000 Options exercisable to purchase an aggregate of 120,000 Common Shares; and (ii) 12,757 DSUs and 38,271 RSUs (including dividend equivalents on each) representing the right to acquire an aggregate of 51,028 Common Shares.
- (12) As at December 31, 2022, Mr. Thiessen held a total of: (i) 100,000 Options exercisable to purchase an aggregate of 100,000 Common Shares; and (ii) 15,308 DSUs and 45,925 RSUs (including dividend equivalents on each) representing the right to acquire an aggregate of 61,233 Common Shares.

Exercise of Compensation Securities by Directors and NEOs

No director or NEO exercised any compensation securities during the financial year ended December 31, 2022.

Stock Option Plan and Other Incentive Plans

The Corporation has two incentive plans: an Option Plan adopted by the Board on July 2, 2013 and an RSU/DSU Plan adopted by the Board on May 17, 2022. The Corporation is seeking Shareholder approval of the Option Plan. The following is a summary of the material terms of the Option Plan and the RSU/DSU Plan.

Option Plan

The Option Plan is a “rolling” 10% stock option plan that permits the granting of stock options (“**Options**”) to purchase Common Shares. The Option Plan is administered by the Compensation and Corporate Governance Committee pursuant to rules of procedure fixed by the Board. A copy of the Option Plan is attached as Schedule “A” to this Management Information Circular.

Eligibility to Participate

The Compensation and Corporate Governance Committee has the authority to designate existing or proposed directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (each, a “**Participant**”) to be eligible for selection to participate in the Option Plan. Subject to compliance with applicable requirements of the TSXV, Participants may elect to hold Options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Option Plan in the same manner as if the options were held by the Participant.

Granting of Options

The Option Plan limits the aggregate number of Common Shares issuable upon the exercise of all Options granted under the Option Plan to 10% of the issued and outstanding Common Shares from time to time, subject to the following additional limitations:

- (a) the number of Common Shares subject to an Option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an Option which exceeds the maximum number permitted by the TSXV, regardless of whether the Corporation is listed on the TSXV at the time of grant;
- (b) no single Participant may be granted Options to purchase a number of Common Shares equaling more than 5% of the issued Common Shares in any one 12-month period unless the Corporation has obtained disinterested Shareholder approval in respect of such grant and otherwise meets any applicable TSXV requirements;

- (c) Options shall not be granted if the exercise thereof would result in the issuance of more than 10% of the issued Common Shares at any point in time to insiders of the Corporation (as defined by applicable Canadian securities laws), as a group, unless the Corporation has obtained disinterested Shareholder approval;
- (d) Options shall not be granted if the exercise thereof would result in the issuance of more than 10% of the issued Common Shares in any 12-month period to insiders of the Corporation (as defined by applicable Canadian securities laws), as a group, unless the Corporation has obtained disinterested Shareholder approval;
- (e) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Common Shares in any 12-month period to any one consultant of the Corporation (or any of its subsidiaries); and
- (f) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Common Shares in any 12-month period to persons employed to provide investor relations activities. Options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than $\frac{1}{4}$ of the options vesting in any three month period.

Maximum Term of Options

Each Option and all rights thereunder will expire on the date set out in the applicable Option agreement and will be subject to the earlier termination provisions of the Option Plan, provided that in no circumstances will the duration of an Option exceed the maximum term prescribed by the TSXV of 10 years.

In addition, each Option provides that:

- (a) Subject to certain exceptions contained in the Option Plan, if a Participant ceases to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be an employee of a person or company which provides management services to the Corporation or its subsidiaries, for any reason (other than death), such Participant may exercise his Option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the date of the cessation, subject to extension at the discretion of the Board; and
- (b) Notwithstanding certain provisions contained in the Option Plan, in the event of the death of a Participant, the Option previously granted to him shall be exercisable only within one year after such death and then only: (i) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or the laws of descent and distribution; and (ii) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

Exercise Price

The exercise price of the Common Shares subject to each Option (the "**Exercise Price**") is determined by the Board, subject to any applicable TSXV approval, at the time any Option is granted. The Option Plan provides that the Exercise Price must not be lower than the exercise price permitted by the TSXV.

Vesting

Subject to any vesting restrictions imposed by the TSXV, if applicable, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.

Transferability

Pursuant to the Option Plan, all benefits, rights and options accruing to any Participant are non-assignable and non-transferrable unless in the event of the death of a Participant.

Blackout Provision

The Option Plan includes a blackout provision. Pursuant to the policies of the Corporation respecting restrictions on trading, there are a number of periods each year during which directors, officers and certain employees are precluded from trading in the Corporation's securities. These periods are referred to as "blackout periods". A blackout period is designed to prevent a person from trading while in possession of material information that is not yet available to other shareholders. The TSXV recognizes that these blackout periods might result in an unintended penalty to employees who are prohibited from exercising their Options during that period because of their company's internal trading policies. As a result, the TSXV provides a framework for extending options that would otherwise expire during a blackout period. The Option Plan includes a provision that should an Option expiry date fall within a blackout period or within nine business days following the expiration of a blackout period, the expiry date will automatically be extended without any further act or formality to that date which is the 10th business day after the end of the blackout period, and the 10 business day period may not be further extended by the Board.

Amendment and Termination of Option Plan

Based on the policies of the TSXV, the Option Plan specifies the types of amendments to the Option Plan and the Options granted thereunder that can be made by the Board without the approval of the Shareholders. The Option Plan allows the Board to suspend or terminate the Option Plan at any time. The Option Plan also allows the Board to, at any time, amend or revise the terms of the Option Plan or any Option granted thereunder without the consent of the Option holders, provided that no such amendment or revision shall result in a material adverse change to the terms of any Options previously granted under the Option Plan.

The only amendments to the Option Plan that would be subject to Shareholder approval are any amendments or modifications that would:

- (a) increase the number of Common Shares reserved for issuance under the Option Plan;
- (b) reduce the exercise price of an Option held by an insider of the Corporation;
- (c) extend the term of an Option beyond the expiry date;
- (d) extend eligibility to participate in the Option Plan to persons not currently eligible to participate;
- (e) extend the expiry date of an Option beyond 10 years from its grant date (other than as provided for in the black-out provision of the Option Plan);

- (f) permit awards, other than options, to be made under this Option Plan; or
- (g) require Shareholder or disinterested Shareholder approval as determined by the TSXV.

Shareholder Approval

The Option Plan was previously approved by the Shareholders on June 22, 2022. In accordance with Policy 4.4 of the TSXV, as the Option Plan is a “rolling” stock option plan, it must receive Shareholder approval yearly at the Corporation’s annual general meeting. In accordance with Policy 4.4 of the TSXV, Shareholders will be asked to consider and if thought fit, approve an ordinary resolution approving, adopting and ratifying the Option Plan as the Corporation’s stock option plan.

RSU/DSU Plan

The RSU/DSU Plan is a “fixed” 10% security-based compensation plan that permits the granting of RSUs and DSUs. The RSU/DSU Plan was approved by the Shareholders on June 22, 2022.

The following is a summary of the material terms of the RSU/DSU Plan. It is not a comprehensive discussion of all of the terms and conditions of the RSU/DSU Plan and is qualified in its entirety by reference to the full text of the RSU/DSU Plan. A copy of the RSU/DSU Plan is attached as Schedule “B” to the Management Information Circular dated May 17, 2022 and filed on SEDAR on June 1, 2022. Readers are advised to review the full text of the RSU/DSU Plan to fully understand all terms and conditions of the RSU/DSU Plan.

Purpose

The RSU/DSU Plan is intended to bring the Corporation’s compensation policies in line with trends in industry practice. The RSU/DSU Plan will advance the interests of the Corporation by encouraging directors, employees, consultants and other persons or companies engaged to provide ongoing services to the Corporation and its affiliates, other than persons involved in investor relations activities relating to the Corporation (each, an “**Eligible Person**”) to receive equity-based compensation and incentives, thereby (i) increasing the proprietary interests of such persons in the Corporation, (ii) aligning the interests of such persons with the interests of Shareholders generally, (iii) encouraging such persons to remain associated with the Corporation, and (iv) furnishing such persons with additional incentive in their efforts on behalf of the Corporation. The Board also contemplates that through the RSU/DSU Plan, the Corporation will be better able to compete for and retain the services of the individuals needed for the continued growth and success of the Corporation.

Administration

Under the RSU/DSU Plan, the Board may, at any time, appoint a committee to, among other things, interpret, administer and implement the RSU/DSU Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with the RSU/DSU Plan.

Eligibility to Participate

The Board (or a committee thereof) has the authority to designate the persons who are eligible to participate in the RSU/DSU Plan (each, a “**Grantee**”) and to grant one or more Awards to Grantees.

Granting of Awards

Subject to the adjustment provisions provided for in the RSU/DSU Plan and applicable rules and regulations of all regulatory authorities to which the Corporation is subject (including the TSXV), the maximum aggregate number of Common Shares that may be reserved for issuance in connection with the Awards granted under the RSU/DSU Plan is 4,489,664, which represents 10% of the number of issued and outstanding Common Shares as at the date of approval of the RSU/DSU Plan by the Board.

If any Award is cancelled in accordance with the terms of the RSU/DSU Plan or the agreements evidencing the grant, the Common Shares reserved for issue pursuant to such Award will, upon cancellation of such Awards, revert to the RSU/DSU Plan and will be available for other Awards. Any Award that is settled through the issuance of Common Shares from treasury shall not be considered cancelled, and that number of Shares issued shall not be available for other Awards.

The issue of Awards to Grantees is subject to, among other things, the following restrictions:

- (a) the number of Common Shares which may be reserved for issue pursuant to the RSU/DSU Plan together with the Common Shares which may be reserved for issue pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation, including the Option Plan, to any one Eligible Person within a 12-month period may not exceed in the aggregate 5% of the number of Common Shares issued and outstanding on a non-diluted basis on the date of the grant of the Award unless the Corporation has received disinterested Shareholder approval;
- (b) the number of Common Shares which may be reserved for issue pursuant to the RSU/DSU Plan together with the Common Shares which may be reserved for issue pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation, including the Option Plan, to all insiders of the Corporation (as defined by applicable Canadian securities laws) shall not exceed 10% of the number of Common Shares issued and outstanding on a non-diluted basis at any point in time unless the Corporation has received disinterested Shareholder approval;
- (c) the number of Common Shares which may be reserved for issue pursuant to the RSU/DSU Plan together with the Common Shares which may be reserved for issue pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation, including the Option Plan, to all insiders of the Corporation (as defined by applicable Canadian securities laws) within a 12-month period may not exceed in the aggregate 10% of the number of Common Shares issued and outstanding on a non-diluted basis on the date of the grant of the Award unless the Corporation has received disinterested Shareholder approval; and
- (d) the number of Common Shares which may be reserved for issued pursuant to the RSU/DSU Plan together with the Common Shares which may be reserved for issue pursuant to any other employee-related plan of the Corporation, including the Option Plan, to any one consultant in any 12-month period may not exceed 2% of the number of Common Shares issued and outstanding on a non-diluted basis on the date of the grant of the Award.

Vesting of RSUs

The Board may determine the vesting schedule of any RSUs at the time of grant. Notwithstanding such determination and provided that no RSUs may vest within one year of the date of grant except in the event of the death of the Grantee or if the Grantee ceases to be an Eligible Person in connection with a Change of Control (as such term is defined in the RSU/DSU Plan), takeover bid, reverse takeover or similar transaction, in the event that the Grantee ceases to be an Eligible Person in connection with a Change of Control (as such term is defined in the RSU/DSU Plan), upon the death of the Grantee, in the case of eligible retirement of the Grantee, in the case of total Disability of the Grantee or in the case of termination without cause of the Grantee by the Corporation (each, an “**Accelerated Vesting Event**”), the Grantee’s non-vested RSUs will (i) in the case of a Change of Control (as such term is defined in the RSU/DSU Plan), eligible retirement or death being the Accelerated Vesting Event, immediately become 100% vested, or (ii) in the case of total disability being the Accelerated Vesting Event, vest within 60 days following the date on which the Grantee is determined to be totally disabled.

If the Grantee’s employment with the Corporation is terminated for any reason whatsoever other than death, total disability, eligible retirement or termination without cause by the Corporation, subject to the provisions of the RSU/DSU Plan governing a Change of Control (as such term is defined in the RSU/DSU Plan), any non-vested RSUs granted thereunder will be immediately cancelled without liability or compensation therefor and be of no further force and effect. For clarity, where the Grantee voluntarily terminates his/her employment with the Corporation or is otherwise terminated by the Corporation for cause, all non-vested RSUs of the Grantee shall be immediately cancelled without compensation or liability therefor and be of no further force and effect.

The term of RSUs shall be determined by the Board on the date of the award of RSUs, provided that the term shall not exceed ten years from the date the RSUs are awarded. Each RSU outstanding and all rights thereunder shall expire at the expiry time determined by the Board, subject to earlier termination in accordance with the RSU/DSU Plan.

Vesting of DSUs

The Board may determine the vesting schedule of any DSUs at the time of grant. Notwithstanding such determination, no DSUs may vest within one year of the date of grant except in the event of the death of the Grantee or if the Grantee ceases to be an Eligible Person in connection with a Change of Control (as such term is defined in the RSU/DSU Plan), takeover bid, reverse takeover or similar transaction.

If the Grantee’s employment with the Corporation is terminated for any reason whatsoever other than death, total disability, eligible retirement or termination without cause by the Corporation, subject to the provisions of the RSU/DSU Plan governing a Change of Control (as such term is defined in the RSU/DSU Plan), any non-vested DSUs granted thereunder will be immediately cancelled without liability or compensation therefor and be of no further force and effect. For clarity, where the Grantee voluntarily terminates his/her employment with the Corporation or is otherwise terminated by the Corporation for cause, all non-vested DSUs of the Grantee shall be immediately cancelled without compensation or liability therefor and be of no further force and effect.

Subject to the above, in the event of a Change of Control (as such term is defined in the RSU/DSU Plan), all non-vested DSUs of the Grantee will immediately become 100% vested.

Settlement of RSUs and DSUs

Payment to the Grantee to settle vested RSUs and DSUs will be made in respect of the number of vested RSUs and DSUs recorded in the Grantee's notional account (rounded down to the nearest whole number) in the form of (i) fully paid and non-assessable Common Shares issued from treasury, (ii) Common Shares purchased in the open market, (iii) a cash equivalent, or (iv) a combination of (i), (ii) and (iii). The decision as to the mode of payment shall be made by the Board in its sole discretion.

Vested RSUs will be settled as soon as reasonably practicable following the vesting thereof and in any event within 30 days thereof, but in no event later than December 31 of the third calendar year following the year in which the services giving rise to the Award were rendered. Vested DSUs will be settled as soon as reasonably practicable following the eligible retirement of a Grantee, the death of a Grantee or the time the Grantee otherwise ceases to hold office, and in any event within 30 days thereof. Notwithstanding any other provision of the RSU/DSU Plan, all amounts payable to, or in respect of a Grantee in respect of DSUs including, without limitation, the delivery of Common Shares, shall not be made prior to the date the Grantee ceases to be an Eligible Person and shall be paid or delivered on or before December 31 of the calendar year commencing immediately following the date the Grantee ceases to be an Eligible Person.

The settlement of Awards will be subject to payment or other satisfaction of all related withholding obligations in accordance with the provisions of the RSU/DSU Plan.

Transferability

Awards granted under the RSU/DSU Plan are non-transferable and non-assignable except upon the death of a Participant.

Amendment and Termination of RSU/DSU Plan

The RSU/DSU Plan allows the Board to suspend or terminate the RSU/DSU Plan at any time. Subject to the terms of the RSU/DSU Plan and any applicable requirements of the TSXV, the Board has the right at any time to amend the RSU/DSU Plan, provided that the requisite Shareholder approval has been obtained by ordinary resolution. Notwithstanding the foregoing, Shareholder approval is not required for the amendments set out below:

- (a) amendments of a technical, clerical or "housekeeping" nature including, without limiting the generality of the foregoing, any amendments for the purpose of curing any ambiguity, error or omission in the RSU/DSU Plan or to correct or supplement any provision of the RSU/DSU Plan that is inconsistent with any other provision of the RSU/DSU Plan;
- (b) amendments necessary to comply with the provisions of applicable law and the applicable rules of the TSXV;
- (c) amendments necessary in order for the Awards to qualify for favourable treatment under the *Income Tax Act* (Canada) or under the United States Internal Revenue Code;
- (d) amendments respecting administration of the RSU/DSU Plan; and
- (e) any other amendment, whether fundamental or otherwise, not requiring Shareholder approval under applicable law or the rules of the TSXV.

Adjustments

Appropriate adjustments to the RSU/DSU Plan and to Awards granted thereunder will be made by the Corporation to give effect to adjustments in the number and type of Common Shares (or other securities or other property) resulting from subdivisions, consolidations, substitutions, or reclassifications of Common Shares, payment of stock dividends or other prescribed changes in the Corporation's capital. Any such adjustment other than a Common Share consolidation or Common Share split shall be subject to approval of the TSXV. In the event of any merger, acquisition, amalgamation, arrangement or other scheme of reorganization that results in a Change of Control (as such term is defined in the RSU/DSU Plan), the Board may take whatever action with respect to the Awards outstanding that it deems necessary or desirable including accelerating the vesting date of Awards to the date which is immediately preceding the change of control. If approved by the Board prior to or within 30 days after such time as a Change of Control (as such term is defined in the RSU/DSU Plan) is deemed to have occurred, the Board has the right to require that all or any portion of the Awards be settled and discharged in cash based on the "cash value" of such Awards in lieu of settlement by issue of Common Shares.

Employment, Consulting and Management Agreements

The Corporation is party to an executive employment agreement with Brad Docherty dated effective January 1, 2022 (the "**Docherty Agreement**"), pursuant to which Mr. Docherty provides services as President and CEO. The Docherty Agreement currently provides for an annual salary of \$264,000, less statutory deductions, payable in accordance with the Corporation's usual payroll practices. Mr. Docherty is also eligible to participate in the Corporation's bonus program and long-term incentive plans, each as may be amended from time to time.

The Docherty Agreement continues for an indefinite term, until terminated either:

(a) by Mr. Docherty:

- (i) at any time and for any reason by providing a minimum of 30 days' advance written notice to the Corporation; or
- (ii) by providing 30 days' advance written notice to the Corporation within 90 days following a change of control ("**Change of Control Notice**"). Upon receipt of a Change of Control Notice by the Corporation and subject to the expiry of the 30 days' written notice, Mr. Docherty shall be entitled to receive the following payments within ten business days of the expiry of such written notice period:
 - A. payment of any remuneration that has accrued and is unpaid up to the date of termination (the "**Termination Date**");
 - B. payment of earned but unpaid bonus amounts;
 - C. all accrued vacation pay and reimbursable expenses owing up to and including the Termination Date; and
 - D. a lump sum payment representing: (1) Mr. Docherty's salary as at the time of the termination for a period of 24 months (the "**Severance Period Salary**"); and (2) an additional amount equal to 25% of the Severance Period Salary to compensate Mr. Docherty for the loss of eligibility for bonuses and benefits,

A, B, C and D collectively, the “**Termination Payments**”; or

(b) by the Corporation:

- (i) for just cause at any time, without notice and without any payment to Mr. Docherty whatsoever; or
- (ii) without just cause at any time by providing written notice of the Termination Date to Mr. Docherty, and in such event the Corporation shall pay Mr. Docherty the Termination Payments within ten business days of the Termination Date.

The Corporation is party to a management services agreement with Cheryne Lowe Consulting Ltd. (“**Lowe**”) (the “**Lowe Agreement**”), pursuant to which Ms. Lowe provides her services as CFO. The Lowe Agreement currently provides for a monthly consulting fee of \$7,150, however the Corporation has the right to review the Service Fee on a quarterly basis and if it determines that it is warranted based on performance, the Corporation is entitled to lower the Service Fee on thirty days’ written notice.

In the sole discretion of the Board, if a change of control is announced, agreed to by the Corporation or completed during the term of the Lowe Agreement, then Lowe shall be entitled to a success fee of up to 12 months of the Service Fee (the “**Success Fee**”) payable immediately prior to the closing of the transaction giving rise to the change of control.

The Lowe Agreement continues for an indefinite term, until terminated in one of the following ways:

- (a) by either the Corporation or Lowe upon giving 90 days’ written notice to the other party (the “**Notice Period**”), or as otherwise mutually agreed to between the parties, with such agreement to be evidenced in writing. Except for the payments described in (i) and (ii) below, Lowe shall not be entitled to any payments following the termination of the Clausen Agreement:
 - (i) the Service Fee during the Notice Period; and
 - (ii) the Success Fee in the event there is a change of control which is announced, agreed to by the Corporation or completed within the six months following the termination of the Clausen Agreement; or
- (b) by either the Corporation or Lowe being in default of the Lowe Agreement, being in the event of either:
 - (i) a breach or failure to observe or perform any of such party’s material obligations under the Lowe Agreement and, within 30 days after such party’s receipt of a notice from the other party specifying the nature of such breach or failure, such party failing to cure such breach or failure, or failing to provide satisfactory evidence that such breach or failure will be cured or remedied within a reasonable period of time or after providing such satisfactory evidence thereafter failing to diligently pursue such cure or remedy; or
 - (ii) such party:
 - A. becoming insolvent;

- B. being subject to any proceeding, voluntary or involuntary, with a view to postponing or rescheduling its debts generally or of distributing its assets among its creditors under the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors' Arrangement Act* (Canada), or any other applicable laws for the benefit of creditors;
- C. being liquidated;
- D. being wound up either voluntarily or under an order of a court of competent jurisdiction;
- E. making a general assignment for the benefit of its creditors; or
- F. otherwise taking any action that acknowledges that it is insolvent.

The Corporation was party to amended and restated management services agreement with Sean Clausen (the “**Clausen Agreement**”), pursuant to which Mr. Clausen provided his services as CFO. The Clausen Agreement provided for a monthly consulting fee of \$6,500. The Clausen Agreement terminated on September 1, 2022, as Mr. Clausen ceased to be the CFO of the Corporation. The Clausen Agreement contained substantially similar provisions with respect to change of control, success fee, term and termination as the Lowe Agreement, described above.

Oversight and Description of Director and NEO Compensation

To achieve the Corporation's strategic business and financial objectives, the Corporation needs to attract, retain and motivate a highly talented executive team.

The Corporation has designed its executive compensation program to achieve the following objectives:

- provide competitive compensation opportunities in order to attract and retain talented, high-performing and experienced executive officers, whose knowledge, skills and performance are critical to the Corporation's success;
- motivate the Corporation's executive team to achieve the Corporation's strategic business and financial objectives, including growing the Corporation's asset base through the acquisition of royalties that are intended to provide future cash flows, and maintaining strong financial capacity to fund asset growth;
- align the interests of the Corporation's executive officers with those of the Shareholders by tying a significant portion of compensation directly to the long-term value and growth of the Corporation's business;
- create a strong pay for performance relationship; and
- provide incentives that encourage appropriate levels of risk-taking by the Corporation's executive team.

Historically, the Corporation has offered its executive officers a base level of cash compensation and a variable annual discretionary amount paid in cash and shares. The Corporation has also offered its executive officers equity compensation in the form of incentive stock options. For its directors, the

Corporation has historically offered equity compensation in the form of stock options and other share compensation.

While the Corporation believes that its executive compensation program remains effective at attracting and maintaining executive officer and director talent, the Corporation intends to continue evaluating its compensation practices on an ongoing basis to ensure the Corporation is providing competitive compensation opportunities. The Corporation intends to review the compensation of its executive officers and directors on an annual basis. As part of this review process, the Corporation expects to be guided by the philosophy and objectives outlined above, as well as other factors that may become relevant as the Corporation competes in the market.

Compensation-Setting Process

The compensation payable to the Corporation's directors and NEOs is currently determined by the Board based on recommendations from the Compensation and Corporate Governance Committee. The Compensation and Corporate Governance Committee is comprised of Scott Rideout (Chair), John Bell, Jordan Kevol and Shaun Thiessen. All of the members of the Compensation and Corporate Governance Committee are independent.

In assessing the compensation of its NEOs, the Corporation sets qualitative goals relating to the business strategy and operations of the Corporation, which goals are re-evaluated on an annual basis. The Corporation's executive compensation program is based on comparisons of similar type and size companies. Both individual and corporate performances are also taken into account.

As of the date hereof, the Board has not established any peer group benchmark or performance goals to be achieved or met by the NEOs; however, such NEOs are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Corporation. The satisfactory discharge of such duties of the NEOs is subject to ongoing monitoring by the Board, at least annually.

Components of Compensation

The compensation of the NEOs consists of three main components: (i) base salary or fee; (ii) variable annual discretionary payments; and (iii) long-term equity incentives, historically in the form of incentive stock options granted from time to time under the Option Plan, and which may now include RSUs and DSUs awarded from time to time under the RSU/DSU Plan. Perquisites and benefits are not significant elements of compensation for the NEOs.

The compensation of the Corporation's directors consists of long-term equity incentives, historically in the form of incentive stock options granted from time to time under the Option Plan, and which may now include RSUs and DSUs awarded from time to time under the RSU/DSU Plan.

Base Salary

Base salary or fee is provided as a fixed source of compensation for the NEOs. Base salaries and fees are determined on an individual basis taking into account the scope of the NEO's responsibilities, prior experience and position relative to relevant peers in the market. Base salaries will be reviewed annually and may be increased if warranted, or necessary to maintain market competitiveness. In addition, base salaries can be adjusted upwards throughout the year to reflect promotions or other increases in the scope or breadth of an NEO's role or responsibilities.

Variable Annual Discretionary Payments

The variable annual discretionary payments made to the NEOs will be subject to various qualitative or quantitative performance criteria relating to the business strategy and operations of the Corporation, as determined by the Board. The amount awarded by the Board will be payable in cash, equity or a combination of cash and equity in the sole discretion of the Board.

Long-Term Equity Incentives

Refer to the disclosure under the heading “*Stock Option Plan and Other Incentive Plans*” for more information on the long-term equity incentives that may be awarded to NEOs and directors pursuant to the Option Plan and the RSU/DSU Plan.

Pension Plan Benefits

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at the end of the Corporation’s most recently completed financial year ended December 31, 2022 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	3,116,027 ⁽¹⁾	\$0.72 ⁽²⁾	5,863,301 ⁽³⁾
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	3,116,027	\$0.72	5,863,301

Notes:

- (1) As at December 31, 2022, the Corporation had 2,240,000 Options, 313,818 RSUs and 562,209 DSUs issued and outstanding.
- (2) Based on a weighted-average exercise price of \$0.67 for Options, a weighted-average grant price of \$0.85 for RSUs and a weighted-average grant price of \$0.83 for DSUs.
- (3) The aggregate number of Common Shares that may be reserved for issuance under the Option Plan shall not exceed 10% of the Corporation’s issued and outstanding Common Shares. As at December 31, 2022, the Corporation had 44,896,645 Common Shares issued and outstanding, leaving 2,249,664 Common Shares remaining available for issuance under the Option Plan. The aggregate number of Common Shares that may be reserved for issuance in connection with the Awards granted under the RSU/DSU Plan is 4,489,664 (being 10% of the issued and outstanding Common Shares as at May 17, 2022). As at December 31, 2022, the Corporation had 3,613,637 Common Shares remaining available for issuance under the RSU/DSU Plan.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any such person been indebted to any other entity where

such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation except as disclosed in the Financial Statements.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership or otherwise, of any director or executive officer, proposed nominee for election as a director or any Shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

MANAGEMENT CONTRACTS

There are no management functions of the Corporation that are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

AUDIT COMMITTEE

Pursuant to National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), the Corporation is required to disclose certain information regarding its Audit Committee, as summarized below.

Audit Committee Charter

The Board has adopted a written charter for the Audit Committee, which sets out the Audit Committee’s responsibility for, among other things, reviewing the Corporation’s financial statements and the Corporation’s public disclosure documents containing financial information and reporting on such review to the Board, ensuring the Corporation’s compliance with legal and regulatory requirements, overseeing qualifications, engagement, compensation, performance and independence of the Corporation’s external auditor, and reviewing, evaluating and approving the internal control and risk management systems that are implemented and maintained by management.

The text of the Corporation’s Audit Committee charter is attached as Schedule “B” to this Management Information Circular.

Audit Committee Composition

The Audit Committee consists of John Bell (Chair), Gary McMurren and June-Marie Innes. Each of the members of the Audit Committee is considered “financially literate” and “independent” within the meaning of NI 52-110.

Relevant Education and Experience

The following table sets out the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member and that provides each member with: (i) an understanding of the accounting principles used by the Corporation to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are

generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting.

Audit Committee Member	Relevant Education and Experience
John Bell, Chair	Mr. Bell is a Chartered Accountant and has been the President and Chief Financial Officer of WCSB Blockchain Infrastructure Ltd. since February 2018. Mr. Bell was formerly Director of Finance of Tidewater Midstream and Infrastructure Ltd. Prior thereto, Mr. Bell served as Chief Financial Officer for Artisan Energy Corp, Controller and Chief Financial Officer for Cirrus Energy Nederland BV and Assistant Controller for Zapata Energy Corporation. Mr. Bell has been a Chartered Accountant since 2005, after graduating from the University of Calgary with a Bachelor of Commerce degree.
Gary McMurren	Mr. McMurren is the Chief Operating Officer of Southern Energy Corp. and has been with the company since December 2018. Mr. McMurren has over 20 years of engineering, operational and management experience in the oil and gas industry and was formerly the Vice President, Engineering of Gulf Pine Energy Partners, LP from its inception to December 2018. Prior thereto, Mr. McMurren was the Director of Light Oil at Athabasca Oil Corp. and held senior engineering positions at Galleon Energy Inc., ARC Resources Ltd., and Talisman Energy Inc. Mr. McMurren holds a Bachelor of Science in Chemical Engineering degree and a Professional Engineer (P. Eng) designation.
June-Marie Innes	Ms. Innes is a Chartered Professional Accountant and has been Director, Finance & Sustainability of Tamarack since March 2020. Ms. Innes was previously Treasurer and Supervisor, Production Accounting at Tamarack, with her tenure at the company commencing in October 2012. Prior to Tamarack, Ms. Innes held finance and administration roles with Anderson Energy Inc., Highpine Oil & Gas Ltd., and Vaquero Energy Ltd., where she held senior finance and accounting positions. Ms. Innes holds a Bachelor of Science from Mount Royal University and a Master of Business Administration from Yale School of Management.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in section 2.4 of NI 52-110, the exemptions in subsections 6.1.1(4) to (6) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries by its external auditor, or the external auditor of subsidiaries of the Corporation. The Audit Committee may delegate to one or more members the authority to pre-approve non-audit services, subject to the overriding principle that the external auditor not be permitted to be retained by the Corporation to perform internal audit outsourcing services or financial information systems services; provided that

notwithstanding the above, the foregoing pre-approval of non-audit services may be delegated to a member of the Audit Committee, with any decisions of the member with the delegated authority presented to the Audit Committee at the next scheduled meeting.

External Audit Service Fees

The following table summarizes the fees billed by the Corporation's auditor, MNP LLP, for external audit and other services during the periods indicated.

Financial Year Ending	Audit Fees ⁽¹⁾ (\$)	Audit-Related Fees ⁽²⁾ (\$)	Tax Fees ⁽³⁾ (\$)	All Other Fees ⁽⁴⁾ (\$)
2022	35,310	Nil	7,298	12,499
2021	23,540	19,260	Nil	12,305

Notes:

- (1) Represents the aggregate fees billed by the Corporation's external auditor for audit fees.
- (2) Represents the aggregate fees by the Corporation's external auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not disclosed in the "Audit Fees" column.
- (3) Represents the aggregate fees billed by the Corporation's external auditor for tax compliance.
- (4) Represents all other fees billed by the Corporation's external auditor for other non-audit services.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

CORPORATE GOVERNANCE

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 charged with the day to day management of the Corporation. The Board is committed to sound corporate governance practices, which are both in the interest of its Shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, the Corporation is required to disclose its corporate governance practices as summarized below.

Board of Directors

Shareholders will be asked to fix the number of directors to be elected at the Meeting at eight (8). The Board is currently comprised of the following eight members: Brad Docherty, John Bell, June-Marie Innes, Jordan Kevol, Gary McMurren, Dean Potter, Scott Rideout and Shaun Thiessen. Each of the directors was elected at the Corporation's last annual meeting held on June 22, 2022, except for Ms. Innes, who was appointed by the Board effective July 19, 2023. All of the directors are being nominated for re-election at the Meeting.

All of the directors of the Corporation, other than Mr. Docherty, are independent. Mr. Bell, Ms. Innes, Mr. Kevol, Mr. McMurren, Mr. Potter, Mr. Rideout and Mr. Thiessen have no ongoing interest or relationship with the Corporation other than their security holdings in the Corporation and serving as directors.

The Board is responsible for determining whether a director is an independent director. An independent director is a director who has no direct or indirect material relationship with the Corporation. A material

relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director's independent judgment.

The Board has determined that Brad Docherty is not independent as he is the President and CEO of the Corporation. Mr. Docherty is also the Chairman of the Board. Although Mr. Docherty is not independent, the Board is of the view that the Board functions independently of management and that the Board is organized properly, functions effectively and meets its obligations and responsibilities.

The Corporation's independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, at the end of or during each Board meeting, the members of the Corporation's management who are present at such meeting may be asked to leave the meeting, as required, so that the independent directors can discuss any necessary matters without management being present.

Directorships

None of the directors of the Corporation are presently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction.

Orientation and Continuing Education

The Corporation does not currently have a formal orientation and educational program for new recruits to the Board; however, it provides such orientation and education on an informal basis. The Board believes that this is a practical and effective approach in light of its particular circumstances, including its size, the limited turnover of the directors and the experience and expertise of the members of the Board.

No formal continuing education program currently exists for the Corporation's directors; however, directors are encouraged to attend, enrol in or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters. Each director has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director.

The orientation and continuing education process will be reviewed on an annual basis by the Board and will be revised as necessary.

Ethical Business Conduct

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

Under such corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of such director in any material contract or material transaction, whether made or proposed to be made, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction: (i) is an arrangement by way of security for money lent to or obligations undertaken

by the director, or by a body corporate in which the director has an interest, for the benefit of the Corporation or an affiliate of the Corporation; (ii) relates primarily to their remuneration as a director, officer, employee or agent of the Corporation or an affiliate of the Corporation; (iii) is for indemnity or insurance for the benefit of the director in connection with the Corporation; or (iv) is with an affiliate of the Corporation. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Corporation at the time it was entered into, then the contract or transaction is not invalid and the director is not accountable to the Corporation for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Corporation and the contract or transaction must be approved by the Shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid liability or the contract or transaction being found invalid.

Nomination of Directors

The Compensation and Corporate Governance Committee is responsible for identifying and overseeing the recruitment of nominees for election to the Board. At present, the Board does not have a process by which it identifies new candidates for Board nomination but rather the identification of new candidates is done on an informal and ad hoc basis.

In addition, the Corporation's by-laws also include advance notice provisions (the "**Advance Notice Provisions**") designed to: (i) facilitate an orderly and efficient annual meeting or, where the need arises, special meeting, process; (ii) ensure that all Shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees; and (iii) allow Shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation. As a whole, the Advance Notice Provisions are intended to provide Shareholders, directors and management of the Corporation with a clear framework for nominating directors. In particular, under the Advance Notice Provisions, a Shareholder wishing to nominate a director is required to give the Corporation notice, in the prescribed form, within the prescribed notice periods. These notice periods include: (i) in the case of an annual meeting of Shareholders (including annual and special meetings), not less than 90 days nor more than 120 days prior to the first anniversary date of the Corporation's annual meeting of Shareholders for the preceding year; provided, however, that if an annual meeting of Shareholders is to be held on a date that is more than 30 days before or more than 60 days after such anniversary date, notice may be made not later than the 10th day following the date on which the first public announcement of the date of the meeting was made; and (ii) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for any purpose which includes electing directors, not later than the 15th day following the day on which the first public announcement of the date of the special meeting of Shareholders was made.

Compensation

Disclosure of compensation is made in accordance with Form 51-102F6V. Refer to the disclosure under the heading "*Statement of Executive Compensation*" for more information on compensation.

Other Board Committees

In addition to the Audit Committee and Compensation and Corporate Governance Committee, the Board has a Reserves Committee, as described below.

Reserves Committee

The members of the Reserves Committee are Gary McMurren (Chair), Dean Potter and Shaun Thiessen. All of the members of the Reserves Committee are independent. The Reserves Committee's mandate includes:

- considering the adequacy of procedures for disclosure of reserves related information to regulatory authorities and investors;
- reviewing the procedures for providing information to the independent reserves evaluators;
- ensuring that there is an avenue for communication between each of the independent reserves evaluators, senior management and the Board;
- maintaining a clear understanding with the independent reserves evaluators that they must maintain an open and transparent relationship with the Reserves Committee and that the ultimate accountability of the independent reserves evaluators is to the Reserves Committee for the reserves processes and related reserves disclosures;
- reviewing compliance with applicable securities laws, regulations and policies;
- making appropriate reports and recommendations to the Board concerning the disclosure of oil and gas reserves data;
- annually reviewing the selection and engagement of the independent reserves evaluators;
- annually reviewing and approving the expected fees of the independent reserves evaluators; and
- reviewing the annual reserves estimates of the Corporation and its affiliates prior to public disclosure, including: (i) reviewing the scope of work of the independent reserves evaluators, (ii) reviewing the reserves estimates of the independent reserves evaluators, (iii) reviewing any material change to the reserves of the Corporation, (iv) meeting separately with management and with the independent reserves evaluators with respect to such estimates, (v) determining whether any restrictions affect the ability of the independent reserves evaluators to report on the reserves data without reservation, (vi) determining whether appropriate written consents have been obtained from the independent reserves evaluators named in the disclosure documents, as applicable, (vii) conducting such interim reviews of internal reserves estimates as it sees fit to direct from time to time, (viii) reviewing all matters relating to the preparation, disclosure and/or filing of information related to the reserves, and (ix) making recommendations to the Board with respect to the content, filing and release of such disclosure, as applicable.

Assessments

The Compensation and Corporate Governance Committee is responsible for assessing the effectiveness of the Board as a whole, each committee of the Board, and the contribution of each individual director.

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice to be presented for action by the Shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

GENERAL

Unless otherwise directed, it is management's intention to vote proxies in favour of the resolutions set forth herein. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the Shareholders.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information for the Corporation's most recently completed financial year is provided in the Financial Statements and related management's discussion and analysis available on SEDAR+.

A Shareholder may contact the Corporation at Suite 3000, 421 – 7th Ave S.W., Calgary, Alberta T2P 4K9, Attn: Chief Financial Officer to obtain a copy of the Corporation's most recent financial statements and management's discussion and analysis.

BOARD APPROVAL

The contents and the sending of this Management Information Circular have been approved by the Board.

DATED this 14th day of August, 2023.

SCHEDULE A

**SOURCE ROCK ROYALTIES LTD.
STOCK OPTION PLAN**

1. Purpose

The purpose of the Stock Option Plan (the “**Plan**”) of **Source Rock Royalties Ltd.**, a corporation incorporated under the *Business Corporations Act* (Alberta) (the “**Corporation**”) is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the “**Shares**”), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the “**Board**”). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder shall be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

Each option granted by the Corporation prior to the date of the approval of the Plan by the shareholders of the Corporation, including options granted under previously approved stock option plans of the Corporation, be and are continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Corporation.

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the “**Exchange**”).

4. Shares Subject to Plan

Subject to adjustment as provided in Section 15 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation’s authorized but unissued common shares. The aggregate number of

Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. Eligibility and Participation

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, if applicable, be granted an additional option or options if the Board shall so determine.

7. Exercise Price

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to any applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange, if applicable.
- (b) Once the exercise price has been determined by the Board and the option has been granted, the exercise price of an option may be reduced upon receipt of Board approval, provided that in the case of options held by insiders of the Corporation (as defined by applicable Securities Laws), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

8. Number of Optioned Shares

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange, regardless of whether the Corporation

is listed on the Exchange at the time of grant. In this instance “the Exchange” shall refer to the TSX Venture Exchange (the “TSXV”) and its applicable policies.

- (b) No single Participant may be granted options to purchase a number of Shares equaling more than 5% of the issued common shares of the Corporation in any one 12 month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and otherwise meets any applicable Exchange requirements.
- (c) Options shall not be granted if the exercise thereof would result in the issuance of more than 10% of the issued common shares of the Corporation at any point in time to insiders of the Corporation (as defined by applicable Securities Laws), as a group, unless the Corporation has obtained disinterested shareholder approval.
- (d) Options shall not be granted if the exercise thereof would result in the issuance of more than 10% of the issued common shares of the Corporation in any 12 month period to insiders of the Corporation (as defined by applicable Securities Laws), as a group, unless the Corporation has obtained disinterested shareholder approval.
- (e) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any 12 month period to any one consultant of the Corporation (or any of its subsidiaries).
- (f) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any 12 month period to persons employed to provide investor relations activities. Options granted to Consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than $\frac{1}{4}$ of the options vesting in any three month period.

9. Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange, if applicable. For greater certainty, if the Corporation is listed on the TSXV, the maximum term may not exceed ten years.

Should the expiry date of an Option fall within a Black Out Period or within nine business days following the expiration of a Black Out Period, such expiry date of the Option shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the Black Out Period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan. The ten business day period referred to in this paragraph may not be extended by the Board.

“Black Out Period” means the period during which the relevant Participant is prohibited from exercising an Option due to trading restrictions imposed by the Corporation pursuant to any policy of the Corporation respecting restrictions on trading that is in effect at that time.

10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, if applicable, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, if applicable, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, if applicable, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

11. Ceasing To Be a Director, Officer, Consultant or Employee

Subject to Section 12, if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur (i) within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, subject to extension at the discretion of the Board, or (ii) the date that is 12 months from the completion of the Qualifying Transaction, whichever of such events in this is later, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation, subject to extension at the discretion of the Board.

Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

12. Death of Participant

Notwithstanding Section 11, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

13. Rights of Optionee

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

14. Proceeds from Sale of Shares

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

15. Adjustments

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, appropriate adjustments relating to the number of Shares optioned or issued on exercise of options, or the exercise price per share as set forth in the respective stock option agreements, may be made by the Board in its discretion to preserve the value of the option in relation to such events.

Subject to any applicable prior approval of the Exchange, adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

16. Transferability

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall be non-assignable and non-transferrable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

17. Amendment and Termination of Plan

Subject to any applicable approval of the Exchange, the Board may, at any time, suspend or terminate the Plan. Subject to any applicable approval of the Exchange and the provisions set out below, the Board may also at any time amend or revise the terms of the Plan or any option granted hereunder; provided that no such amendment or revision shall result in a material adverse change to the terms of any options theretofore

granted under the Plan, unless shareholder approval, or disinterested shareholder approval, as the case may be, is obtained for such amendment or revision.

Shareholder approval will not be required for any amendment to this Plan or any options granted hereunder except for any amendment or modification that:

- (i) increases the number of Shares reserved for issuance under this Plan;
- (ii) reduces the exercise price of an option held by an "insider" (as that term is defined in the *Securities Act* (Alberta)) of the Corporation other than as provided for in Section 15 of this Plan;
- (iii) extends the term of an option beyond the expiry date;
- (iv) extends eligibility to participate in this Plan to persons not currently eligible to participate;
- (v) extends the expiry date of an Option beyond 10 years from its grant date (other than as provided for in Section 9 of this Plan);
- (vi) permits awards, other than options, to be made under this Plan; or
- (vii) the Exchange, if applicable, determines requires shareholder or disinterested shareholder approval.

18. Necessary Approvals

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

19. Withholding of Tax

If the Corporation determines that under the requirements of applicable taxation laws it is obliged to withhold for remittance to a taxing authority any amount upon exercise of an Option, the Corporation may, prior to and as a condition of issuing the Option Shares, require the optionee exercising the Option to pay to the Corporation, in addition to and in the same manner as the exercise price for the Option Shares, such amount as the Corporation is obliged to remit to such taxing authority in respect of the exercise of the Option or, in order to satisfy the optionee's obligation to make such payment the optionee may request that the Corporation sell such number of shares purchasable under the optionee's Options as would render proceeds equal to that amount. Any such additional payment shall, in any event, be due no later than the date as of which any amount with respect to the Option exercised first becomes included in the gross income of the optionee for tax purposes. The Corporation and any of its Subsidiaries shall also be permitted, to the extent permitted by law, to deduct any such tax obligations from any payment of any kind otherwise due to the optionee.

20. Effective Date of Plan

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange, if applicable, and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

21. Governing Law

The Plan will be governed by and construed in accordance with the laws of the Province of Alberta.

22. Interpretation

A written agreement shall be entered into between the Corporation and each Participant to whom an option has been granted under this Plan, which such agreement shall set out the number of Shares under option, the exercise price, the vesting dates, the expiry date and such other terms as the Committee determine to be necessary or desirable, all of which shall be in accordance with the provisions of this Plan (the “**Stock Option Agreement**”). The Stock Option Agreement will be substantially in the form attached as Schedule “A” to this Plan or in such other form as the Board may from time to time approve and may be executed and delivered for and on behalf of the Corporation by any one of the President, Chief Financial Officer or Secretary of the Corporation or such other officer or director of the Corporation as the Board may authorize.

SCHEDULE B

AUDIT COMMITTEE CHARTER

SOURCE ROCK ROYALTIES LTD. (THE "CORPORATION")

1. Policy Statement

It is the policy of the Corporation to establish and maintain an Audit Committee (the "**Committee**") to assist the directors (individually a "**Director**" and collectively the "**Board**") of the Corporation in carrying out the Board's oversight responsibility for the accounting, internal controls, financial reporting, audits of financial statements and risk management processes of the Corporation.

The Committee shall be provided with resources commensurate with the duties and responsibilities assigned to it by the Board including appropriate administrative support. Without limiting the generality of the foregoing, the Corporation shall provide for appropriate funding, as determined by the Committee in its capacity as a committee of the Board, for payment of: (a) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for Corporation; (b) compensation to any advisers engaged by the Committee under section 4(c)(iii) of this charter; and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

If determined appropriate by the Committee, it shall have the discretion to institute investigations of improprieties, or suspected improprieties within the scope of its responsibilities, including the standing authority to retain special counsel or other experts. The Committee shall have unrestricted access to the Corporation's external auditors, is authorized to seek any information that it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

2. Composition of Committee

- (a) The Committee shall be established by a resolution of the Board. The Committee shall consist of a minimum of three (3) Directors. The Board shall appoint the members of the Committee and may seek the advice and assistance of the Compensation and Corporate Governance Committee in identifying qualified candidates. The Board shall appoint one member of the Committee to be the chair of the Committee (the "**Chair**").
- (b) A majority of the members of the Committee shall be Directors who are independent within the meaning of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), and the rules of any stock exchange or market on which the Corporation's shares are listed or posted for trading (collectively, "**Applicable Governance Rules**") and the Chair of the Committee shall be independent.
- (c) All members of the Committee must be able to read and understand fundamental financial statements (including a balance sheet, income statement and cash flow statement) and read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and level of complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.
- (d) A Director appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation.

3. **Meetings of the Committee**

- (a) The Committee shall convene a minimum of four times each year at such times and places as may be determined by the Chair of the Committee, and whenever a meeting is requested by the Board, a member of the Committee, the auditors or senior management of the Corporation. Scheduled meetings of the Committee shall correspond with the review of the quarterly and year-end financial statements and management's discussion and analysis.
- (b) Notice of each meeting of the Committee shall be given to each member of the Committee.
- (c) Notice of a meeting of the Committee shall:
 - (i) be in writing, which includes electronic communication facilities;
 - (ii) state the nature of the business to be transacted at the meeting in reasonable detail;
 - (iii) to the extent practicable, be accompanied by a copy of any documentation to be considered at the meeting; and
 - (iv) be given at least two business days prior to the time stipulated for the meeting or such shorter period as the members of the Committee may permit.
- (d) A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the members of the Committee. However, it shall be the practice of the Committee to require review, and, if necessary, approval of important matters by all members of the Committee.
- (e) A member or members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities as permits all persons participating in the meeting to communicate with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
- (f) In the absence of the Chair of the Committee, the members of the Committee shall choose one of the members present to chair the meeting. In addition, the members of the Committee shall choose one of the persons present to be the secretary of the meeting.
- (g) The Committee may invite such persons to attend meetings of the Committee as the Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this charter or by applicable laws.
- (h) The Committee may invite the external auditors to be present at any meeting of the Committee and to comment on any financial statements, or on any of the financial aspects, of the Corporation.
- (i) The Committee (i) shall meet with the external auditors separately from individuals other than the Committee and (ii) may meet separately with management of the Corporation.
- (j) Minutes shall be kept of all meetings of the Committee and shall be signed by the chair and the secretary of the meeting. The Chair of the Committee shall circulate the minutes of the meetings of the Committee (which may be in draft form) to all members of the Board.

4. Duties and Responsibilities of the Committee

- (a) The Committee, in its capacity as a committee of the Board, is directly responsible for recommending to the Board the public accounting firm to be nominated for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation (the “**external auditor**”) as well as the compensation of the external auditor. The Committee shall also be directly responsible for the oversight of the work of the external auditor (including resolution of disagreements between management and the auditor regarding financial reporting), and each such external auditor must report directly to the Committee.
- (b) The other primary duties and responsibilities of the Committee are to:
 - (i) identify and monitor the management of the principal risks that could impact the financial reporting of the Corporation;
 - (ii) monitor the integrity of the Corporation’s financial reporting process and system of internal controls regarding financial reporting and accounting compliance;
 - (iii) monitor the independence, objectivity and performance of the external auditors, including, without limitation: (A) ensuring the Committee’s receipt from the external auditors at least annually of a formal written statement delineating all relationships between the external auditors and the Corporation; (B) actively engaging in dialogue with the external auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the external auditor; and (C) taking, or recommending that the Board take, appropriate action to oversee the independence of the external auditors;
 - (iv) evaluate the performance of the external auditors at least annually;
 - (v) deal directly with the external auditors to approve external audit plans, other services (if any) and fees;
 - (vi) directly oversee the external audit process and results (in addition to items described in subsection 4(e) below);
 - (vii) provide an avenue of communication between the external auditors, management and the Board;
 - (viii) review annually with management of the Corporation the anti-fraud, anti-bribery, anti-corruption and risk assessment programs of the Corporation;
 - (ix) carry out a review designed to ensure that an effective “whistle blowing” procedure exists to permit stakeholders to express any concerns regarding accounting or financial matters to an appropriately independent individual; and
 - (x) oversee all pension and retirement benefit plans if and when established.
- (c) The Committee shall have the authority to:
 - (i) inspect any and all of the books and records of the Corporation and its subsidiaries;

- (ii) discuss with the management of the Corporation and its subsidiaries, any affected party and the external auditors, such accounts, records and other matters as any member of the Committee considers appropriate;
- (iii) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- (iv) set and pay the compensation for any advisors engaged by the Committee.

Relationship with the Board

- (d) The Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as considered appropriate.

Relationship with External Auditors

- (e) The Committee shall:
 - (i) review the audit plan with the external auditors and with management;
 - (ii) review with the external auditors the critical accounting policies and practices used by the Corporation, all alternative treatments of financial information within international financial reporting standards (“IFRS”) that the external auditors have discussed with management, the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the external auditors;
 - (iii) discuss with management and the external auditors any proposed changes in major accounting policies or principles, the presentation and impact of material risks and uncertainties and key estimates and judgments of management that may be material to financial reporting;
 - (iv) review with management and with the external auditors material financial reporting issues arising during the most recent financial period and the resolution or proposed resolution of such issues;
 - (v) review any problems experienced or concerns expressed by the external auditors in performing any audit, including any restrictions imposed by management or any material accounting issues on which there was a disagreement with management;
 - (vi) review with the external auditors any accounting adjustments that were noted or proposed by the independent auditor but that were “passed” (as immaterial or otherwise), any communications between the audit team and the external auditor’s national office respecting auditing or accounting issues presented by the engagement, any “management” or “internal control” letter or schedule of unadjusted differences issued, or proposed to be issued, by the external auditors to the Corporation, or any other material written communication provided by the external auditors to the Corporation’s management;
 - (vii) review with senior management the process of identifying, monitoring and reporting the principal risks affecting financial reporting;

- (viii) review and discuss with management and the external auditors any off-balance sheet transactions or structures and their effect on the Corporation's financial results and operations, as well as the disclosure regarding such transactions and structures in the Corporation's public filings;
- (ix) review the audited annual financial statements (including management's discussion and analysis) and related documents in conjunction with the report of the external auditors and obtain an explanation from management of all material variances between comparative reporting periods;
- (x) consider and review with management, the internal control memorandum or management letter containing the recommendations of the external auditors and management's response, if any, including an evaluation of the adequacy and effectiveness of the internal financial controls and procedures for financial reporting of the Corporation and subsequent follow-up to any identified weaknesses;
- (xi) review with financial management and the external auditors the quarterly unaudited financial statements and management's discussion and analysis before release to the public;
- (xii) periodically meet separately with management and the external auditors;
- (xiii) oversee the financial affairs of the Corporation and its subsidiaries, and, if deemed appropriate, make recommendations to the Board, external auditors or management;
- (xiv) discuss with management and the external auditors any correspondence with regulatory or governmental agencies that raise material issues regarding the Corporation's financial statements or accounting policies;
- (xv) consider the recommendations of management in respect of the appointment and terms of engagement of the external auditor;
- (xvi) pre-approve all audit and non-audit services to be provided to the Corporation or its subsidiaries by its external auditors, or the external auditors of subsidiaries of the Corporation, subject to the overriding principle that the external auditors not be permitted to be retained by the Corporation to perform internal audit outsourcing services or financial information systems services; provided that notwithstanding the above, the foregoing pre-approval of non-audit services may be delegated to a member of the Committee, with any decisions of the member with the delegated authority presented to the Committee at the next scheduled meeting;
- (xvii) approve the engagement letter for non-audit services to be provided by the external auditors or affiliates thereof together with estimated fees, and consider the potential impact of such services on the independence of the external auditors;
- (xviii) when there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the notice of change of auditors and documentation required pursuant to the then current legislation, rules, policies and instruments of applicable regulatory authorities and the planned steps for an orderly transition period; and

- (xix) review all reportable events, including disagreements, unresolved issues and consultations, as defined by applicable laws, on a routine basis, whether or not there is to be a change of the external auditors.
- (f) In connection with the public disclosure of financial information and other public disclosure, the Committee shall:
- (i) review the Corporation's financial statements, management's discussion and analysis, and annual and interim profit or loss press releases before the Corporation publicly discloses this information;
 - (ii) review with management its evaluation of the Corporation's procedures and controls designed to assure that information required to be disclosed in the Corporation's periodic public reports is recorded, processed, summarized and reported in such reports within the time periods specified by applicable securities laws for the filing of such reports ("**Disclosure Controls**"), and consider whether any changes are appropriate in light of management's evaluation of the effectiveness of such Disclosure Controls;
 - (iii) establish a policy, which may include delegation to an appropriate member or members of management, for release of earnings press releases as well as for the release of financial information and earnings guidance provided to analysts and rating agencies;
 - (iv) satisfy itself that adequate procedures are in place for the review of the Corporation's public information extracted from the Corporation's financial statements, other than the public information reviewed in accordance with section 4(f)(i), and periodically assess the adequacy of those procedures;
 - (v) to the extent deemed appropriate, review and supervise the preparation by management of:
 - A. the annual information forms, management information circulars and annual and interim financial statements of the Corporation and any other information of the Corporation filed by the Corporation with the applicable securities regulators;
 - B. press releases of the Corporation containing financial information, earnings guidance, forward-looking statements, information about operations or any other material information;
 - C. correspondence broadly disseminated to shareholders of the Corporation; and
 - D. other relevant written and oral communications or presentations;
 - (vi) before release, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including any prospectuses, annual reports, annual information forms, management's discussion and analysis, and press releases, focusing particularly on:
 - A. any changes in accounting policies and practices;
 - B. any important areas where judgment must be exercised;

- C. significant adjustments resulting from the audit;
 - D. the going concern assumption, if any;
 - E. compliance with accounting standards; and
 - F. compliance with stock exchange and legal requirements;
- (g) The Committee shall enquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters which are directed to the Committee by any member of the Board, a shareholder of the Corporation, the external auditors or senior management.
- (h) The Committee shall periodically review with management the need for an internal audit function.
- (i) The Committee shall review the accounting and reporting of costs, liabilities and contingencies of the Corporation.
- (j) The Committee shall periodically discuss with management the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- (k) The Committee shall establish, monitor and review policies and procedures for internal accounting, financial control and management information.
- (l) The Committee shall periodically discuss with management the Corporation's process for performing its quarterly certifications pursuant to National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*.
- (m) The Committee shall review with the Chief Executive Officer and Chief Financial Officer of the Corporation any report on significant deficiencies in the design or operation of the internal controls that could adversely affect the Corporation's ability to record, process, summarize or report financial data, any material weaknesses in internal controls identified to the auditors, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls.
- (n) The Committee shall establish and maintain procedures for:
- (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting practices, accounting controls, or auditing practices;
 - (ii) the confidential, anonymous submission by directors, officers, employees, consultants and contractors of the Corporation of concerns regarding questionable accounting or auditing matters; and
 - (iii) reviewing arrangements by which staff of the Corporation may, in confidence, raise concerns about possible improprieties in matters of financial reporting and ensuring that arrangements are in place for proportionate and independent investigation and follow-up action.
- (o) At each meeting of the Committee, the Committee shall review any complaints or concerns of employees of the Corporation regarding accounting, internal accounting controls, or

auditing matters relating to the Corporation and violations of any applicable law, rule or regulation.

- (p) The Committee shall review all related party transactions and discuss the business rationale for these transactions and determine whether appropriate disclosures have been made. For this purpose, the term “related party transactions” includes any “material transaction” required to be disclosed under Item 13 of Form 51-102F2 under National Instrument 51-102 – *Continuous Disclosure Obligations*.
- (q) The Committee shall review the Corporation’s compliance and ethics programs, including consideration of legal and regulatory requirements, and shall review with management its periodic evaluation of the effectiveness of such programs.
- (r) The Committee shall review and approve the Corporation’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditors.
- (s) The Committee shall receive any reports from legal counsel of evidence of a material violation of securities laws or breaches of fiduciary duty by the Corporation.
- (t) The Committee shall review with the Corporation’s legal counsel, on no less than an annual basis, any legal matter that could have a material impact on the Corporation’s financial statements and any enquiries received from regulators or government agencies.
- (u) The Committee shall assess, on an annual basis, the adequacy of this charter and the performance of the Committee.

Approved by the Board of
Directors on January 4, 2022.