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MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular ("**Management Information Circular**") is furnished in connection with the solicitation of proxies by the management and directors of **TALISKER RESOURCES LTD.** (the "**Company**") for use at the annual general meeting of the shareholders of the Company (the "**Meeting**") to be held at the head office of the Company, 350 Bay Street, Suite 400, Toronto, Ontario at 11:00 a.m. (Toronto time), on Thursday, November 5, 2020, and at all adjournments thereof for the purposes set forth in the accompanying notice of the Meeting (the "**Notice of Meeting**").

The solicitation of proxies will be made primarily by mail and may be supplemented by telephone or other personal contact by the directors, officers and employees of the Company. Directors, officers and employees of the Company will not receive any extra compensation for such activities. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice of Meeting. The Company may pay brokers or other persons holding common shares of the Company ("**Common Shares**") in their own names, or in the names of nominees, for their reasonable expenses for sending proxies and this Management Information Circular to beneficial owners of Common Shares and obtaining proxies therefrom. The cost of the solicitation will be borne directly by the Company.

No person is authorized to give any information or to make any representation other than those contained in this Management Information Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Company. The delivery of this Management Information Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

This Management Information Circular is being sent to both registered and non-registered owners of the Common Shares. If you are a non-registered owner, and the Company or its agent has sent this Management Information Circular directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Non-Registered Shareholders

Only registered shareholders of the Company, or the persons they appoint as their proxies, are entitled to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Non-Registered Shareholder**") are registered either:

- (a) in the name of an intermediary (an "**Intermediary**") with whom the Non-Registered Shareholder deals in respect of the Common Shares (Intermediaries include, among others: banks, trust companies, securities dealers or brokers, trustees or administrators of a self-administered registered retirement savings plan, registered retirement income fund, registered education savings plan and similar plans); or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited, in Canada, and the Depository Trust Company, in the United States) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Management Information Circular and its form of proxy (collectively the "**Meeting Materials**") to the Intermediaries and clearing agencies for onward distribution to Non-Registered Shareholders. Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless the Non-Registered Shareholders have waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "voting instruction form") which the Intermediary must follow. Typically, the voting instruction form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of 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 Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada M5H 4H1.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives either a voting instruction form or a form of proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons named in the form of proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the directions indicated on the form. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including those regarding when and where the voting instruction form or the proxy is to be delivered.**

Appointment and Revocation of Proxies

The persons named in the form of proxy accompanying this Management Information Circular are directors and/or officers of the Company. A shareholder of the Company has the right to appoint a person or company (who need not be a shareholder), other than the persons whose names appear in such form of proxy, to attend and act for and on behalf of such shareholder at the Meeting and at any adjournment thereof. Such right may be exercised by either striking out the names of the persons specified in the form of proxy and inserting the name of the person or company to be appointed in the blank space provided in the form of proxy, or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to TSX Trust Company in time for use at the Meeting in the manner specified in the Notice of Meeting.

A registered shareholder of the Company who has given a proxy may revoke the proxy at any time prior to use by: (a) depositing an instrument in writing, including another completed form of proxy, executed by such registered shareholder or by his or her attorney authorized in writing or by electronic signature or, if the registered shareholder is a corporation, by an officer or attorney thereof properly authorized, either: (i) at the principal office of the Company, 350 Bay Street, Suite 400, Toronto, Ontario, Canada M5H 2S6, at any time prior to 11:00 a.m. (Toronto time) on the second last business day preceding the day of the Meeting or any adjournment thereof, (ii) with TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada M5H 4H1, at any time prior to 11:00 a.m. (Toronto time) on the second last business day preceding the day of the Meeting or any adjournment thereof, or (iii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; (b) transmitting, by telephone or electronic means, a revocation that complies with paragraphs (i), (ii) or (iii) above and that is signed by electronic signature, provided that the means of electronic signature permits a reliable determination that the document was created or communicated

by or on behalf of such shareholder or by or on behalf of his or her attorney, as the case may be; or (c) in any other manner permitted by law including attending the Meeting in person.

A Non-Registered Shareholder who has submitted a proxy may revoke it by contacting the Intermediary through which the Non-Registered Shareholder's Common Shares are held and following the instructions of the Intermediary respecting the revocation of proxies.

Exercise of Discretion by Proxies

The Common Shares represented by an appropriate form of proxy will be voted or withheld from voting on any ballot that may be conducted at the Meeting, or at any adjournment thereof, in accordance with the instructions of the shareholder thereon. **In the absence of instructions, such Common Shares will be voted for each of the matters referred to in the Notice of Meeting as specified thereon.**

The enclosed form of proxy, when properly completed and signed, confers discretionary authority upon the persons named therein to vote on any amendments to or variations of the matters identified in the Notice of Meeting and on other matters, if any, which may properly be brought before the Meeting or any adjournment thereof. At the date hereof, management of the Company knows of no such amendments or variations or other matters to be brought before the Meeting. However, if any other matters which are not now known to management of the Company should properly be brought before the Meeting, or any adjournment thereof, the Common Shares represented by such proxy will be voted on such matters in accordance with the judgment of the person named as proxy therein.

Signing of Proxy

The form of proxy must be signed by the shareholder of the Company or the duly appointed attorney of the shareholder of the Company authorized in writing or, if the shareholder of the Company is a corporation, by a duly authorized officer of such corporation. A form of proxy signed by the person acting as attorney of the shareholder of the Company or in some other representative capacity, including an officer of a corporation which is a shareholder of the Company, should indicate the capacity in which such person is signing and should be accompanied by the appropriate instrument evidencing the qualification and authority to act of such person, unless such instrument has previously been filed with the Company. A shareholder of the Company or his or her attorney may sign the form of proxy or a power of attorney authorizing the creation of a proxy by electronic signature provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such shareholder or by or on behalf of his or her attorney, as the case may be.

Attendance at the Meeting

Given the rapidly evolving situation resulting from the COVID-19 outbreak, the Company asks that shareholders follow the current instructions and recommendations of federal, provincial and local health authorities when considering attending the Meeting. While it is not known what the situation with COVID-19 will be on the date of the Meeting, the Company will adhere to all government and public health authority recommendations and restrictions in order to support efforts to reduce the impact and spread of COVID-19. As such, in order to mitigate potential risks to the health and safety of our communities, shareholders, employees and other stakeholders, the Company is urging all shareholders to vote by proxy in advance of the Meeting and not attend the Meeting in person unless and until all social distancing recommendations or restrictions have been lifted. The Company will follow the guidance and orders of government and public health authorities in that regard, including those restricting the size of public gatherings and attendance at the Meeting may be limited to only the legal requirements for shareholder meetings.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Description of Share Capital

The Company is authorized to issue an unlimited number of Common Shares. Each Common Share entitles the holder of record thereof to one vote per Common Share at all meetings of the shareholders of the Company. As at the close of business on October 9, 2020, there were 212,823,420 Common Shares outstanding.

Record Date

The directors of the Company have fixed September 21, 2020 as the record date for the determination of the shareholders of the Company entitled to receive notice of the Meeting. Shareholders of the Company of record at the close of business on September 21, 2020, will be entitled to vote at the Meeting and at all adjournments thereof.

Ownership of Securities of the Company

As at October 9, 2020, to the knowledge of the directors and officers of the Company, no other person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Company carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

(1) Presentation of Financial Statements

At the Meeting, the Chairman of the Meeting will present to Shareholders the audited consolidated financial statements of the Company for the year ended December 31, 2019 and the auditor's report thereon and the unaudited interim consolidated financial statements of the Company for the three and six months ended June 30, 2020.

(2) Election of Directors

The Board of Directors currently consists of six directors; however, management has proposed increasing the number of directors to seven and seven directors have been nominated for election as directors at the Meeting. The table below and the notes thereto state the names of all persons nominated by management for election as directors, all other positions and offices with the Company now held by them, their principal occupations or employment, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as of the date hereof. Each director of the Company holds office until his or her successor is elected at the next meeting of the Company, or any adjournment thereof, or until his or her successor is elected or appointed.

Name, Province or State and Country of Residence	Position with the Company	Director of the Company Since	Principal Occupation for Five Preceding Years	# of Common Shares Owned or Controlled ⁽¹⁾
Brent Gilchrist ⁽²⁾ British Columbia, Canada	Director	April 18, 2019	President, JDS Resources Inc. and JDS Group of Companies, a venture capital and private equity company responsible for investment management, acquisitions and project financing since 2012; President and Co-founder, JDS Silver Inc., the owner and operator of the Silvertip Mine located in Northern British Columbia sold to Coeur Mining in 2018; Director, Sable Resources Ltd. since November 2016.	5,316,354
Terence Harbort ⁽⁴⁾ Ontario, Canada	Director, President and CEO	April 18, 2019	CEO of the Company since April 18, 2019; Founder and Vice President, Exploration, Talisker Exploration Services Inc., an exploration management company providing international exploration consulting in M&A and exploration strategy, project evaluation, target generation and exploration program design and implementation for Osisko Gold Royalties and related companies since 2010; Director and Vice-President, Corporate Development, Sable Resources Ltd. since March 2017; former Director, IDM Mining Ltd. (October 2017 to March 2019).	5,087,003

Name, Province or State and Country of Residence	Position with the Company	Director of the Company Since	Principal Occupation for Five Preceding Years	# of Common Shares Owned or Controlled ⁽¹⁾
Morris Prychidny ⁽²⁾ Ontario, Canada	Director	January 13, 2020	Chairman, Nighthawk Gold Corp. since February 2013; current Director, Northfield Capital Corporation since June 2008 and Fountain Asset Corp. since March 2014; former Director, Barkerville Gold Mines Ltd. (May 2015 to November 2019); Globalive Technology Inc. (December 2012 to June 2018) and Goldstone Resources Inc. (September 2010 to June 2011).	483,696
Susan J. Mitchell New York, USA	Nominee	N/A	President, S. Mitchell & Associates, LLC, a private corporate finance and strategy advisory company since 2004; Senior Managing Director, Mid-Market Securities, LLC since 2012; former Director, Redstar Gold Corp. (June 2018 to October 2019).	5,000
Andres Tinajero Ontario, Canada	Director and CFO	April 18, 2019	Chief Financial Officer of the Company since August 2012; Director, Sable Resources Ltd. since July 2017; former CFO, Barkerville Gold Mines Ltd. (July 2015 to November 2019). Mr. Tinajero holds a degree in Business Administration and an MBA and is also a Member of the Chartered Professional Accountants Canada, the Certified Practicing Accountants of Australia and he is a Certified member of the Institute of Corporate Directors.	3,047,789
Eric Tremblay Ontario, Canada	Nominee	N/A	Chief Operating Office, Dalradian Resources Inc. since 2015; Director, Nighthawk Gold Corp. since September 2020; former Director, Barkerville Gold Mines Ltd. (June 2019 to November 2019).	Nil
Blair Zaritsky ⁽²⁾⁽³⁾ Ontario, Canada	Director	April 18, 2019	Chief Financial Officer of O3 Mining Inc. since July 2019 and Osisko Mining Inc. since June 2011; Director, Manitou Gold Inc. since January 2020; former Director, Barkerville Gold Mines Ltd. (August 2016 to November 2019) and IDM Mining Ltd. (December 2015 to November 2016). Mr. Zaritsky possesses over 10 years of Canadian public practice experience with exposure to various types of engagements and clients, gained through managing audit engagements of publicly listed companies traded on the Toronto Stock Exchange, TSX Venture Exchange, and Canadian Securities Exchange. He obtained his Chartered Professional Accountant designation in 2003 and holds dual Bachelor of Arts degrees in accounting and economics from Brock University and Western University, respectively.	171,460

Notes:

- (1) The information as to Common Shares beneficially owned, not being within the knowledge of the Company, has been furnished by the nominees individually.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Health, Safety & Environment Committee.

As at the date of this Management Information Circular, the directors and senior officers of the Company as a group, directly and indirectly, beneficially own or exercise control or direction over 16,432,382 Common Shares, representing approximately 7.7% of the issued and outstanding Common Shares.

None of the directors or executive officers of the Company:

- (a) is, as at the date of this Management Information Circular, or was within 10 years before the date of this Management Information Circular, a director or chief executive officer or chief financial officer of any company that:
 - (i) was the subject of an order (as defined in National Instrument 51-102) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

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

None of the directors, executive officers or a shareholder of the Company holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is at the date hereof, or has been within 10 years before the date of this Management Information Circular, a director or executive officer of any company that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before this Management Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Majority Voting for Directors

The Board has adopted a majority voting policy (the “**Majority Voting Policy**”) stipulating that each director nominee must be elected by a majority of the votes cast by shareholders with respect to his or her election. If a director nominee is not elected by at least a majority of the votes cast, the nominee will submit his or her resignation promptly after the shareholders’ meeting to the Chairman of the Board, which will become effective only upon acceptance by the Board. The Board will consider such resignation, all factors considered relevant by the Board, including without limitation, the stated reasons (if any) why Shareholders withheld votes from the election of that director nominee, the effect such resignation may have on the Company’s ability to comply with applicable corporate or securities law requirements, the Company’s other corporate governance policies, applicable regulations or commercial agreements regarding the composition of the Board, the dynamics of the Board and any applicable stock exchange’s listing standards. Within 90 days of the shareholders’ meeting, the Board will decide whether or not to accept the resignation. A director who tenders a resignation pursuant to the Majority Voting Policy is not permitted to participate in any meetings of the Board or committee of the Board at which his or her resignation is being considered. Once the Board has decided whether to accept a resignation pursuant to the Majority Voting Policy, the Company will promptly issue a news release with the Board’s decision and provide a copy to the Toronto Stock Exchange (the “**TSX**”). In the event the Board does not accept a resignation, it will include full reasons for its decision in the news release. The Majority Voting Policy does not apply in circumstances involving contested director elections.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management has no reason to believe that any of the nominees will be unable to serve as a director but, if a nominee is for any reason unavailable to serve as a director, proxies in favour of management will be voted in favour of the remaining nominees and may be voted for a substitute nominee unless the shareholder has specified in the proxy that the Common Shares are to be withheld from voting in respect of the election of directors.

(3) Appointment of Auditor

Shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution to appoint the firm of PricewaterhouseCoopers LLP (“**PwC**”), to serve as the auditor of the Company until the next annual meeting of shareholders and to authorize the directors of the Company to fix the auditor’s remuneration as such. PwC was retained as auditor of the Company on January 10, 2020.

Unless the shareholder directs that his or her Common Shares are to be withheld from voting in connection with the appointment of the auditor, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of PwC to serve as auditor of the Company until the next annual meeting of shareholders and to authorize the Directors to fix their remuneration.

OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

Management of the Company knows of no matters to come before the Meeting other than as set forth in the Notice of Meeting. However, if other matters which are not known to management should properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

For the purposes of this Management Information Circular, a Named Executive Officer (“NEO”) of the Company means each of the following individuals:

- 1) a chief executive officer (“CEO”) of the Company;
- 2) a chief financial officer (“CFO”) of the Company;
- 3) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year; and
- 4) each individual who would be a NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

For the year ended December 31, 2019, the Company had two NEOs: Terence Harbort, Director, President and CEO and Andres Tinajero, Director and CFO.

Director and Named Executive Officer Compensation

Director and named executive officer compensation, excluding compensation securities

The following table sets forth a summary of the compensation paid to the NEOs and the directors for the two most recently completed financial years:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Stock option ⁽¹⁾ /RSU ⁽²⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Terence Harbort ⁽³⁾ <i>Director and CEO</i>	2019	135,000	Nil	N/A	390,000	Nil	525,000
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Paul Wood ⁽⁴⁾ <i>Former Director and CEO</i>	2019	68,307	Nil	Nil	29,000	Nil	97,307
	2018	158,333	Nil	25,417	29,500	Nil	213,250
Andres Tinajero ⁽⁵⁾⁽⁶⁾ <i>Director and CFO</i>	2019	110,000	Nil	Nil	215,000	Nil	325,000
	2018	100,000	Nil	N/A	20,500	Nil	120,500
Brent Gilchrist ⁽⁶⁾ <i>Director</i>	2019	N/A	N/A	Nil	95,000	Nil	95,000
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Dennis Logan ⁽⁷⁾ <i>Former Director</i>	2019	N/A	N/A	4,500	N/A	N/A	4,500
	2018	Nil	Nil	59,000	4,000	Nil	63,000

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Stock option ⁽¹⁾ /RSU ⁽²⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Christine Macqueen ⁽⁸⁾ <i>Former Director</i>	2019	N/A	N/A	Nil	N/A	N/A	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Tom Obradovich ⁽⁶⁾ <i>Director</i>	2019	80,000	Nil	Nil	132,000	Nil	212,000
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Morris Prychidny ⁽⁹⁾ <i>Director</i>	2019	N/A	N/A	N/A	N/A	N/A	N/A
	2018	N/A	N/A	N/A	N/A	N/A	N/A
Kenneth Wawrew ⁽¹⁰⁾ <i>Former Director</i>	2019	N/A	N/A	4,500	Nil	Nil	4,500
	2018	Nil	Nil	54,000	4,000	Nil	58,000
Blair Zaritsky ⁽⁶⁾ <i>Director</i>	2019	N/A	Nil	Nil	95,000	Nil	95,000
	2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The "grant date fair value" has been determined by using the Black-Scholes model. The Company has calculated the "grant date fair value" amounts for option values using the Black-Scholes model, a mathematical valuation model that ascribes a value to a stock option based on a number of factors in valuing the option-based awards, including the exercise price of the option, the price of the underlying security on the date the option was granted and assumptions with respect to the volatility of the price of the underlying security and the risk-free rate of return. The grant date fair value of the Options granted in 2019 was estimated using the Black-Scholes valuation model with the following assumptions: a five year expected term; expected volatility of 100% (119% in 2018); risk free interest rate of 1.32% for the options granted June 14, 2019 and 1.62% for the options granted December 27, 2019 (2.18% in 2018) per annum and a dividend yield of nil. The assumptions used in the pricing model are highly subjective and can materially affect the estimated fair value. In 2019, the Company granted a total of 5,650,000 options to directors and NEOs, 2,350,000 exercisable at \$0.20 and 3,300,000 exercisable at \$0.295, all of which are exercisable for a period of five years with the exception of 300,000 options that are exercisable for a period of two years. Calculating the value of options using this methodology is very different from a simple "in-the-money" value calculation. In fact, options that are out-of-the-money can still have a significant "grant date fair value" based on a Black-Scholes valuation, especially where, as in the case of the Company, the price of the shares underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.
- (2) RSUs (as defined below) have been valued on the closing price of the Company's shares on the date of issuance being \$0.13 on June 14, 2019.
- (3) Terence Harbort was appointed Director, President and CEO on April 18, 2019. The amount included in column 1 represents compensation for the period April 18, 2019 through December 31, 2019. In the year ended December 31, 2019, Mr. Harbort received 2,100,000 options, 600,000 options with a value of \$59,000 and 1,500,000 options with a value of \$331,000, based on notes (1) and (2).
- (4) Paul Wood was appointed interim President and CEO on March 15, 2018 and resigned as interim President and CEO on April 18, 2019 and he did not stand for re-election at the shareholders' meeting held June 27, 2019. The amounts included in column 1 represent fees for interim CEO services for the period January 1 through April 17, 2019.
- (5) In the year ended December 31, 2019, Mr. Tinajero received 1,200,000 options, 400,000 options with a value of \$39,000 and 800,000 options with a value of \$176,000, respectively based on notes (1) and (2).
- (6) Brent Gilchrist, Tom Obradovich, Andres Tinajero and Blair Zaritsky were appointed as Directors on April 18, 2019. Mr. Obradovich is not standing for re-election as a director at the Meeting.
- (7) Dennis Logan resigned as a Director effective April 18, 2019.
- (8) Christine Macqueen resigned as a Director effective April 18, 2019.
- (9) Morris Prychidny was appointed as a Director effective January 13, 2020.
- (10) Kenneth Wawrew resigned as a Director effective April 18, 2019.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out for each NEO and director of the Company all compensation securities granted or issued to such NEO and director in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities ⁽¹⁾	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
Terence Harbort <i>Director and CEO</i>	Stock Option Stock Option	600,000 1,500,000	Jun14-19 Dec27-19	\$0.20 \$0.295	\$0.13 \$0.295	\$0.33	Jun14-24 Dec27-24
Paul Wood ⁽¹⁾ <i>Former Director and Interim CEO</i>	Stock Option	300,000	Jun14-19	\$0.20	\$0.13	\$0.33	Jun14-21
Andres Tinajero ⁽²⁾ <i>Director and CFO</i>	Stock Option Stock Option	400,000 800,000	Jun14-19 Dec27-19	\$0.20 \$0.295	\$0.13 \$0.295	\$0.33	Jun14-24 Dec27-24
Brent Gilchrist <i>Director</i>	Stock Option Stock Option	300,000 300,000	Jun14-19 Dec27-19	\$0.20 \$0.295	\$0.13 \$0.295	\$0.33	Jun14-24 Dec27-24
Dennis Logan ⁽³⁾ <i>Former Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Christine Macqueen ⁽³⁾ <i>Former Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Tom Obradovich ⁽⁴⁾ <i>Director</i>	Stock Option Stock Option	450,000 400,000	Jun14-19 Dec27-19	\$0.20 \$0.295	\$0.13 \$0.295	\$0.33	Jun14-24 Dec27-24
Morris Prychidny ⁽⁵⁾ <i>Director</i>		N/A	N/A	N/A	N/A	N/A	N/A
Kenneth Wawrew ⁽³⁾ <i>Former Director</i>		Nil	N/A	N/A	N/A	N/A	N/A
Blair Zaritsky <i>Director</i>	Stock Option Stock Option	300,000 300,000	Jun14-19 Dec27-19	\$0.20 \$0.295	\$0.13 \$0.295	\$0.33	Jun14-24 Dec27-24

Notes:

- (1) In addition to the 300,000 options outlined in the above table, Paul Wood also holds 131,250 options, 81,250 exercisable at \$0.60 until February 19, 2021 and 50,000 exercisable at \$0.24 until August 22, 2023.
- (2) In addition to the 1,200,000 options outlined in the above table, Andres Tinajero also holds 112,500 options, 87,500 exercisable at \$0.60 until February 19, 2021 and 25,000 exercisable at \$0.24 until August 22, 2023.
- (3) Dennis Logan, Christine Macqueen and Kenneth Wawrew resigned as directors effective April 18, 2019.
- (4) Tom Obradovich is not standing for re-election as a director at the Meeting.
- (5) Morris Prychidny was appointed as a director on January 13, 2020. He holds 400,000 options exercisable at \$0.39 until February 12, 2025.

Exercise of Share-Based Awards and Option-Based Awards

The following table sets out for each NEO and director of the Company all compensation securities exercised in the most recently completed financial year.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised ⁽¹⁾	Exercise price per security (\$)	Date of Exercise	Closing price per security on date of exercise (\$) ⁽¹⁾	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$) ⁽¹⁾
Terence Harbort <i>Director and CEO</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Paul Wood ⁽¹⁾ <i>Former Director and Interim CEO</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Andres Tinajero <i>CFO</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brent Gilchrist <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dennis Logan ⁽²⁾ <i>Former Director</i>	Stock Options	37,500	\$0.24	April 17, 2020	\$0.35	\$0.11	\$4,125
Christine Macqueen ⁽²⁾ <i>Former Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tom Obradovich ⁽³⁾ <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Morris Prychidny ⁽⁴⁾ <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kenneth Wawrew ⁽²⁾ <i>Former Director</i>	Stock Options	37,500	\$0.24	April 17, 2020	\$0.35	\$0.11	\$4,125
Blair Zaritsky <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Paul Wood did not stand for re-election at the Company's shareholder meeting held June 27, 2019.
- (2) Dennis Logan, Christine Macqueen and Kenneth Wawrew resigned as directors on April 18, 2019.
- (3) Tom Obradovich is not standing for re-election as a director at the Meeting.
- (4) Morris Prychidny was elected as a director on January 13, 2020.

External Management Companies

Terence Harbort

Terence Harbort, the Company's President and CEO, provides his services to the Company pursuant to the terms of an independent contractor agreement through his holding company, Cangeroo Capital Inc. ("Cangeroo"). The agreement was formalized on December 31, 2019 and was amended April 1, 2020. Under the terms of the agreement, Cangeroo is paid a monthly retainer of \$20,000 (plus HST) for the services of Mr. Harbort. The agreement includes a termination clause that provides for a termination payout equal to two times the greater of the average of: (a) (i) the sum of the monthly retainer and all bonuses paid in the complete fiscal year immediately preceding termination, and (ii) the sum of the monthly retainer and all bonuses paid in the complete fiscal year prior to the termination notice; and (b) the sum of the annual amount (12 months) of the monthly retainer in effect at the time of the notice of termination and any annual target bonus amount in effect at the time of the notice of termination. In the event of a change of control, the agreement provides for a buy-out equal to 1.25 times the termination payment. The agreement also includes confidentiality obligations during the length of the contract period and following termination or resignation from the Company.

Andres Tinajero, CFO

Andres Tinajero, the Company's CFO, provides his services to the Company in accordance with the terms of an independent contractor agreement through his holding company 2222263 Ontario Ltd. ("222"). The

agreement was formalized on December 31, 2019 and was amended April 1, 2020. Under the terms of the agreement, 222 is paid a monthly retainer of \$15,000 (plus HST) for the services of Mr. Tinajero. The agreement includes a termination clause that provides for a termination payout equal to two times the greater of the average of: (a) (i) the sum of the monthly retainer and all bonuses paid in the complete fiscal year immediately preceding termination, and (ii) the sum of the monthly retainer and all bonuses paid in the complete fiscal year prior to the termination notice; and (b) the sum of the annual amount (12 months) of the monthly retainer in effect at the time of the notice of termination and any annual target bonus amount in effect at the time of the notice of termination. In the event of a change of control, the agreement provides for a buy-out equal to the termination payment. The agreement also includes confidentiality obligations during the length of the contract period and following termination or resignation from the Company.

NEO Employment and Consulting Agreements

Other than outlined above under External Management Companies, the Company has no other arrangements that provide for payments to any of its NEOs.

Compensation Discussion and Analysis

Director and NEO Compensation

The Compensation Committee of the Company's Board of Directors is responsible for ensuring that the Company has in place an appropriate plan for executive compensation and for making recommendations to the Board of Directors with respect to the compensation of the Company's executive officers.

Compensation for the executive officers is composed primarily of three components: base fees, performance bonuses and the granting of stock options and restricted share units. Performance bonuses are considered from time to time. The determination of each component is based upon formal meetings of the Compensation Committee. In establishing the levels of base fees, the award of stock options, restricted share units and performance bonuses, the Company looks to consider individual performance, responsibilities and length of service. The compensation determination process is not based on formal benchmarks.

The Compensation Committee reviews and makes recommendations to the Board of Directors concerning the compensation of directors and the Company's executive officers. The Compensation Committee also has the responsibility of making recommendations concerning annual bonuses and grants to eligible persons under the Company's Stock Option Plan (the "**Stock Option Plan**") and Restricted Share Unit Plan (the "**RSU Plan**"). The directors of the Company, in consultation with the Compensation Committee, determine the level of compensation in respect of the executive officers of the Company.

In the most recently completed financial year, 3,300,000 options and nil RSUs were granted to the NEOs.

Pension Plan Benefits

There are no pension plan benefits in place for NEOs.

Termination and Change of Control Benefits

Compensation plans with NEOs resulting from the termination of employment of such NEO or a change of control of the Company are described under the heading "External Management Companies" in this Management Information Circular.

Gender Diversity in Executive Officer Positions

The Company has not adopted a formal policy which specifies targets regarding the representation of women in executive officer positions or on its Board of Directors. While the Company believes that diversity, including gender diversity, is an important consideration in determining the makeup of its executive team, it is only one of a number of factors (which include merit, talent, experience, expertise, leadership capabilities, innovative thinking and strategic agility) that are considered in selecting the best candidates for executive positions. At the present time, the Company has one woman on its executive team and one standing for election as a director at the Meeting.

Compensation of Directors

During the year ended December 31, 2019, former non-executive directors of the Company were paid a quarterly fee of \$4,500 for their services as directors of the Company and for members of the Special Committee of the Board of Directors, a retainer of \$20,000 for each member, an additional fee of \$5,000 for the Chairman of the Special Committee and \$1,000 for each day in excess of 15 days.

During the financial year of the Company ended December 31, 2019, 2,350,000 stock options and nil RSUs were granted to non-executive directors.

In addition, non-executive directors of the Company are entitled to receive compensation to the extent that they provide services (other than in their capacity as a director) to the Company at rates that would be charged by such directors for such services to arm's length parties.

Equity Compensation Plan Information

Stock Option Plan

On March 29, 2019, the shareholders of the Company approved the Stock Option Plan in connection with approving the transaction that resulted in the Company being listed on the Canadian Securities Exchange (the "CSE"). The Stock Option Plan, which conformed with the policies of the CSE, was effective on April 26, 2019 and amendments to the Stock Option Plan to conform with the policies of the TSX were approved by the Board on October 9, 2020. The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any (each, an "Eligible Person"), to acquire Common Shares, thereby increasing their respective proprietary interests in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentives in their efforts on behalf of the Company in the conduct of its affairs.

The following is a summary of the Stock Option Plan (including the amendments approved by the Board of Directors to conform to the policies of the TSX), which is subject to the specific provisions of the Stock Option Plan. Capitalized terms used by not defined in this section of the Management Information Circular shall have the meaning ascribed to such terms in the Stock Option Plan, which is also attached as Schedule "B".

Under the terms of the Stock Option Plan, the aggregate number of securities reserved for issuance under the Stock Option Plan and all share-based compensation plans of the Company is equal to 10% of the number of the Common Shares issued and outstanding from time to time. As a result, should the Company issue additional Common Shares in the future, the number of Shares issuable under the Stock Option Plan and all share-based compensation arrangements of the Company will increase accordingly.

The Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all options thereunder and no options will be granted to any Eligible Person except upon the recommendation of the Board.

The Stock Option Plan provides that the exercise price of options will be determined by the Board and shall be the market price (being the closing price of the Common Shares on the TSX on the trading day before the date of grant of the option). The Board has the right to adjust the exercise price of outstanding Options if and whenever the Company declares a dividend. Where the expiry date of an Option occurs during or within two trading days of a Blackout Period, the expiry date of such Option shall be extended to the date that is the 10th trading day following the end of the Blackout Period.

The Stock Option Plan provides that the number of authorized but unissued Common Shares that may be issued upon the exercise or redemption, as applicable, of options and other securities granted under the Company's share-based compensation arrangements shall not exceed, in the aggregate, 10% of the issued and outstanding Common Shares, all of which may be granted under the Stock Option Plan. The options and other awards under the Company's share-based compensation arrangements shall not result in the number of Common Shares being reserved for issuance to insiders exceeding 10% of the issued and outstanding Common Shares or the grant to insiders within a 12 month period exceeding 10% of the issued and outstanding Common Shares. Further, the aggregate number of Common Shares reserved for issuance to any one individual under options and other securities awarded under the Company's share-based compensation arrangements in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares determined at the date of grant.

The Board will set the term of Options granted under the Stock Option Plan and such term cannot exceed 10 years. The Board also fixes the vesting terms it deems appropriate when granting Options under the Stock Option Plan. In the event of a change of control, the Stock Option Plan provides that the Company has the power to make arrangements for the exercise or continuance of outstanding Options prior to the completion of such transaction.

If an optionee ceases to be an Eligible Person for any reason other than death, the optionee may exercise all vested Options until the earlier of the end of the Option Period or 90 days from the date the optionee ceased to be an Eligible Person. In the event of the death of an optionee, the Options granted to such optionee shall be exercisable until the earlier of the end of the Option Period or one year following the death of the optionee, but only by the persons who inherited the Options. Options granted under the Stock Option Plan are not transferable or assignable other than by the laws of bequeath or the laws of descent or distribution or as otherwise allowed by the TSX.

Subject to the provisions of the Stock Option Plan, the Board may amend or discontinue the Stock Option Plan at any time. The Board has the discretion to make amendments to the Stock Option Plan which it may deem necessary, without having to obtain shareholder approval. Such changes include, without limitation: (a) minor changes of a "housekeeping nature"; (b) amending Options, including with respect to the Option Period (provided that the period during which an Option is exercisable does not exceed 10 years from the date the Option is granted and that such Option is not held by an insider), vesting period, exercise method and frequency, subscription price (provided that such Option is not held by an insider) and method of determining the subscription price, assignability and effect of termination of an Optionee's employment or cessation of the Optionee's directorship; (c) changing the class of participants eligible to participate under the Stock Option Plan; (d) accelerating vesting or extending the expiration date of any Option (provided that such Option is not held by an insider), provided that the period during which an Option is exercisable does not exceed 10 years from the date the Option is granted; (e) changing the terms and conditions of any financial assistance which may be provided by the Company to optionees to facilitate the purchase of Common Shares under the Stock Option Plan; and (f) adding a cashless exercise feature, payable in cash or securities, whether or not providing for a full deduction of the number of underlying Common Shares from the Stock Option Plan reserve. Shareholder approval will be required in the case of: (a) any amendment to the amendment provisions of the Stock Option Plan; (b) any increase in the maximum number of Common Shares issuable under the Stock Option Plan; and (c) any reduction in the exercise price or extension of the Option Period benefiting an optionee, in addition to such other matters that may require shareholder approval under the rules and policies of the TSX. The Board has the authority to make the following amendments to the Stock Option Plan, without requiring shareholder approval: (a) amendments of a "housekeeping" nature; (b) a change to the vesting provisions of Options granted pursuant to the Stock Option Plan; and (c) a change to the termination provisions of options granted under the Stock Option Plan which does not entail an extension beyond the original expiry date. All other amendment to the Stock Option Plan or Options granted pursuant to it will require the approval of the Company's shareholders.

As at October 9, 2020, the Company had 11,343,750 Common Shares reserved for issuance pursuant to options outstanding under the Stock Option Plan (representing approximately 5.3% of the Company's issued and outstanding Common Shares). For purposes of calculating the number of Common Shares reserved for issuance and which may be purchased upon the exercise of options granted under the Stock Option Plan, all issued and outstanding options under the Stock Option Plan are treated as if such options are issued and outstanding under the Stock Option Plan. Accordingly, options to purchase an aggregate of 21,282,342 Common Shares (being 10% of the current number of issued and outstanding Common Shares) will initially be available for issuance under the Stock Option Plan, less the 11,343,750 Common Shares currently reserved by the Company for issuance pursuant to options granted under the Stock Option Plan, leaving 9,838,592 Common Shares (representing approximately 4.6% of the Company's current issued and outstanding Common Shares) available for grant under the Stock Option Plan and the Company's other share-based compensation arrangements (which includes the RSU Plan).

Restricted Stock Unit Plan

On March 29, 2019, the shareholders of the Company approved the RSU Plan, which replaced the Company's previous plan governing RSUs, which was adopted by shareholders of the Company on June 26, 2017. Amendments to the RSU Plan to conform with the policies of the TSX were approved by the Board on October 9, 2020. The purpose of the RSU Plan is to advance the interests of the Company by attracting and retaining executive officers and key employees with experience and ability, allowing them to participate in the long-term

success of the Company and promoting a greater alignment of interests between the executive officers and key employees.

The following is a summary of the RSU Plan (including the amendments approved by the Board of Directors to conform to the policies of the TSX), which is subject to the specific provisions of the RSU Plan. Capitalized terms used by not defined in this section of the Management Information Circular shall have the meaning ascribed to such terms in the RSU Plan, which is also attached as Schedule "C".

The RSU Plan provides that RSUs may be granted by the Board, or a committee that administers the RSU Plan, to employees and consultants of the Company.

The number of RSUs awarded will be credited to the participant's account effective on the date of grant of the RSUs. An RSU represents a right to receive a Common Share issued from treasury on the Settlement Date, a lump sum cash payment equal to the market price of the Common Shares on the Settlement Date or a combination of both, less any applicable withholdings or other deductions. The Board may make issuance or payment on the Settlement Date subject to conditions, including in respect of performance and vesting. However, unless the Board determines otherwise, RSUs vest over three years from the date of grant (one-third on each of the first, second and third anniversaries of the date of grant). The Board may accelerate the terms of vesting in its discretion; however, upon a Change of Control all outstanding RSUs vest irrespective of any time or performance vesting conditions.

Under the terms of the RSU Plan, the maximum number of Common Shares made available for issuance under the RSU Plan and all share-based compensation plans of the Company shall not exceed 10% of the number of the Common Shares issued and outstanding. As a result, should the Company issue additional Common Shares in the future, the number of Shares issuable under the RSU Plan and all share-based compensation arrangements of the Company will increase accordingly. The RSU Plan is considered an "evergreen" plan under the TSX rules, since the RSUs which have been settled, cancelled or terminated in accordance with the terms of the RSU Plan will again be available for issuance under the RSU Plan. The TSX requires that such a plan be submitted to shareholders for ratification every three years.

The RSU Plan also provides that, within any 12-month period, the Company shall not issue to any one person under the RSU Plan and all other share-based compensation arrangements of the Company, a number of Common Shares exceeding 5% of the issued and outstanding Common Shares as at the date of such grant.

RSUs are not assignable. In the event a participant is terminated for cause or resigns, all outstanding RSUs are terminated, unless otherwise determined by the Board. If a participant ceases to be an employee as a result of death, termination not for cause, retirement or disability: (a) if there is a time vested component, then the RSUs subject to the time-vested component will be pro rated depending on whether the participant is entitled to a Benefits Extension Period; and (b) if there is a performance vesting component, then the RSUs subject to the performance vesting component will be pro rated depending on whether the participant is entitled to a Benefits Extension Period.

If cash or other dividends are paid on Common Shares, additional RSUs will be granted to each participant who holds RSUs equal to the value of the cash or other dividend that would have been paid on the Common Shares underlying the RSUs, divided by the market price of the Common Shares on the date such dividend is paid and shall have the same vesting or other conditions to which they relate.

The Board may amend, suspend or terminate the RSU Plan or amend the terms of outstanding RSUs. If such amendment, suspension or termination will materially or adversely affect the rights of a participant's RSU, the written consent of such participant shall be required, unless such amendment, suspension or termination is required in order to comply with applicable laws, regulations, rules, orders of government or regulatory authorities or the requirements of any stock exchange on which Common Shares are listed. The Board has the discretion to make amendments to the RSU Plan which it may deem necessary, without having to obtain shareholder approval. Such changes include, without limitation: (a) amendments of a "housekeeping nature"; and (b) a change to the vesting provisions of RSUs granted pursuant to the RSU Plan. However, shareholder approval will be required in the case of: (a) any amendment to the amendment provisions of the RSU Plan; and (b) any increase in the maximum number of Common Shares issuable under the RSU Plan.

As at October 9, 2020, the Company had 100,000 Common Shares reserved for issuance pursuant to RSUs awarded under the RSU Plan (representing approximately 0.047% of the Company's issued and outstanding Common Shares). For purposes of calculating the number of Common Shares reserved for issuance under the RSU Plan, all issued and outstanding RSUs under the RSU Plan are treated as if such RSUs are issued and

outstanding under the RSU Plan. Accordingly, RSUs convertible into an aggregate of 21,282,342 Common Shares (being 10% of the current number of issued and outstanding Common Shares) will initially be available for issuance under the RSU Plan, less the 100,000 Common Shares currently reserved by the Company for conversion pursuant to RSUs granted under the RSU Plan and less the 11,343,750 Common Shares currently reserved by the Company for issuance pursuant to options granted under the Stock Option Plan, leaving 9,738,592 Common Shares (representing approximately 4.6% of the Company's current issued and outstanding Common Shares) reserved for issuance and available to be granted under the RSU Plan and the Company's other share-based compensation arrangements (which includes the Stock Option Plan).

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth aggregated information as at December 31, 2019 with respect to compensation plans of the Company under which equity securities of the Company are authorized for issuance.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights ⁽¹⁾ (#)	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights ⁽¹⁾ (\$)	Number of Securities remaining available for Future Issuance under Equity Compensation Plans (#)
Equity compensation plans approved by securityholders	8,743,750 (Options) ⁽²⁾ 100,000 (RSUs) ⁽³⁾	\$0.27	3,960,480
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	8,843,750	\$0.27	3,960,480

Notes:

- (1) On April 17, 2019, the Company's common shares were consolidated on the basis of one new common share for each four common shares held.
- (2) The Stock Option Plan is a "rolling" stock option plan whereby the maximum number of Common Shares that may be reserved for issuance pursuant to the Stock Option Plan (and all other share-based compensation arrangements of the Company) will not exceed 10% of the issued shares of the Company at the time of the stock option grant. As at October 9, 2020, 11,343,750 Common Shares have been reserved for issuance pursuant to the Stock Option Plan.
- (3) Under the RSU Plan, the maximum number of Common Shares that may be reserved for issuance pursuant to the RSU Plan (and all other share-based compensation arrangements of the Company) is up to 10% of the number of issued shares of the Company at the time of the RSU grant. As at October 9, 2020, 100,000 RSUs have been reserved for issuance pursuant to the RSU Plan.

Burn Rate

The Company's annual burn rate under the share-based payment compensation plans for each of the three most recently completed financial years are as follows:

	2017	2018	2019
Options	300,000	700,000	8,100,000
Options burn rate	0.33%	0.76%	12.76%
RSUs	Nil	1,700,000	100,000
RSUs burn rate	0.0%	1.85%	0.16%

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

There was no indebtedness of any director or officer of the Company or of any proposed nominee for election as a director of the Company to, or guaranteed or supported by, the Company or any subsidiary thereof either pursuant to an employee stock purchase program or any other programs of the Company or a subsidiary or otherwise during the financial year of the Company ended December 31, 2019.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or officer of the Company or any proposed nominee for election as a director of the Company or any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors and senior officers of the Company, nominees for director, who beneficially owns more than 10% of the outstanding shares of the Company, or any known

associate or affiliate of such persons in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction which has materially affected or would materially affect the Company other than as disclosed elsewhere herein.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors and senior management of the Company consider good corporate governance to be central to the effective and efficient operation of the Company.

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors, certain prescribed disclosure in respect of corporate governance matters be included in its management information circular.

The TSX also requires listed companies to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101.

The prescribed corporate governance disclosure for the Company is that contained in Form 58-101F2 – *Corporate Governance Disclosure* (“**Form 58-101F2**”) and is set out on the following pages.

National Policy 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board of Directors considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement the corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

Form 58–101F2 – Corporate Governance Disclosure

Board of Directors

The Board of Directors is currently composed of six directors; however, management of the Company has put forth seven nominees for directors at the Meeting. Form 58-101F2 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 58-101, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. A “material relationship” is defined as a relationship which could, in the view of the board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment. Of the proposed nominees, two nominees, Terence Harbort and Andres Tinajero, the current CEO and CFO, respectively, are considered non-independent directors. Messrs. Harbort and Tinajero are management directors and accordingly are not “independent”. Each of the remaining five director nominees: Brent Gilchrist, Susan Mitchell, Morris Prychidny, Eric Tremblay and Blair Zaritsky, are considered by the Board of Directors to be “independent”, within the meaning of NI 58-101.

The Board of Directors has determined that the current constitution of the Board of Directors is appropriate for the Company's current stage of development. The Board of Directors has free access to the Company's external auditors, legal counsel and to any of the Company's officers.

Directorships

The directors listed below are presently directors of other reporting issuers.

Director	Other Reporting Issuer(s)
Brent Gilchrist	Sable Resources Ltd.
Terence Harbort	Sable Resources Ltd.
Morris Prychidny	Fountain Asset Corp., Nighthawk Gold Corp., Northfield Capital Corp.
Andres Tinajero	Sable Resources Ltd.
Eric Tremblay	Nighthawk Gold Corp.
Blair Zaritsky	Manitou Gold Inc.

Participation of Directors in Board Meetings

In the year ended December 31, 2019, seven board meetings, four Audit Committee meetings and two Compensation Committee meetings were held. Two of the board meetings and one Audit Committee meeting were held between January 1 and April 17, 2019 by the board of the Company's predecessor company, Eurocontrol Technics Group Inc., with the balance of meetings, five board meetings, three Audit Committee meetings and two Compensation Committee meetings, being held between April 17, 2019 and December 31, 2019. The table below outlines attendance by each director nominated for election as a director at the Meeting.

Director	Attendance / Number of Board Meetings	Attendance / Number of Audit Committee Meetings	Attendance / Number of Compensation Committee Meetings
Brent Gilchrist ⁽¹⁾⁽²⁾	5 / 5	3 / 3	N/A
Terence Harbort ⁽¹⁾	5 / 5	N/A	0 / 0
Susan J. Mitchell ⁽³⁾	N/A	N/A	N/A
Morris Prychidny ⁽²⁾⁽⁴⁾	N/A	N/A	N/A
Andres Tinajero ⁽¹⁾	5 / 5	N/A	N/A
Eric Tremblay ⁽³⁾	N/A	N/A	N/A
Blair Zaritsky ⁽¹⁾⁽²⁾⁽⁵⁾	5 / 5	3 / 3	2 / 2

Notes:

- (1) Brent Gilchrist, Terence Harbort, Andres Tinajero and Blair Zaritsky were appointed as directors on April 18, 2019.
- (2) Member of Audit Committee.
- (3) Director nominee.
- (4) Morris Prychidny was appointed as a director on January 13, 2020.
- (5) Blair Zaritsky is Chair of the Audit Committee and the Compensation Committee.

Orientation and Continuing Education

The Board of Directors does not have a formal orientation or education program for its members. The Board of Directors' continuing education is typically derived from correspondence with the Company's legal counsel to remain up to date with developments in relevant corporate and securities' law matters. Additionally, historically, members of the Board of Directors who have been nominated and elected as directors are familiar with the Company and the nature of its business.

Ethical Business Conduct

The Board of Directors has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct, but does promote ethical business conduct through the nomination of directors it considers ethical, through avoiding or minimizing conflicts of interest, and by having a majority of its directors independent of corporate matters.

Nomination and Assessments

The recruitment of new directors has generally resulted from recommendations made by directors and shareholders. The assessment of the contributions of individual directors has principally been the responsibility of the Board of Directors. Prior to standing for election, new nominees to the Board of Directors are reviewed by the entire Board of Directors.

Compensation

During the year ended December 31, 2019, former non-executive directors of the Company were paid a quarterly fee of \$4,500 for their services as directors of the Company and for members of the Special Committee of the Board of Directors, a retainer of \$20,000 for each member, an additional fee of \$5,000 for the Chairman of the Special Committee and \$1,000 for each day in excess of 15 days. During the financial year of the Company ended December 31, 2019, 2,350,000 stock options were granted to non-executive directors. Effective April 1, 2020, non-executive directors of the Company receive committee compensation of \$3,000 per month with committee chairs receiving an additional \$5,000 in compensation per year.

Other Board Committees

In addition to the Audit Committee, the Board of Directors has also organized a Compensation Committee and a Health, Safety and Environment Committee. The Compensation Committee is comprised of two members, Blair Zaritsky (Chair) and Tom Obradovich and the Health, Safety and Environment Committee is also comprised of two members, Terence Harbort (Chair) and Tom Obradovich. With Tom Obradovich not standing for re-election, the Company plans to reconstitute the Compensation Committee and the Health, Safety and Environment Committee post the Meeting.

The mandate of the Compensation Committee is to review and make recommendations to the Board of Directors in respect of the level of remuneration and other compensation to be paid to the executive officers of the Company. The directors in consultation with the Compensation Committee determine the level of compensation in respect of the senior executive officers of the Company.

The mandate of the Health, Safety and Environment Committee is to ensure a safe and healthy work environment that is free from workplace injury and illness and to undertake socially responsible exploration activities ensuring preservation of the natural environment.

Assessment of Directors, the Board and Board Committees

Currently the Board of Directors has not implemented a formal process for assessing the performance of the Board of Directors, its committees, or its individual directors. At present, the Board of Directors monitors the adequacy of information provided to directors, the communications between the Board of Directors and management and the strategic direction and processes of the Board of Directors and its Audit Committee, to satisfy itself that the Board of Directors, its Audit Committee and its individual directors are performing effectively.

AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) requires that certain information regarding the Audit Committee of a “venture issuer” (as that term is defined in NI 52-110) be included in the management information circular sent to shareholders in accordance with a company’s annual meeting. The members of the Audit Committee are “independent” directors and all are financially literate for purposes of NI 52-110.

Audit Committee Charter

The full text of the charter of the Company’s Audit Committee is attached hereto as Schedule A.

Composition of the Audit Committee

The Company’s Audit Committee is comprised of three directors: Blair Zaritsky (Chair), Brent Gilchrist and Morris Prychidny.

Relevant Education and Experience

Blair Zaritsky – Mr. Zaritsky is a chartered professional accountant with more than 15 years of professional experience, which have been mostly in the mining sector. Mr. Zaritsky currently serves as the CFO of O3 Mining Inc. since July 2019 as well as the CFO of Osisko Mining Inc. since June 2011. Mr. Zaritsky possesses over 10 years of Canadian public practice experience with exposure to various types of engagements and clients, gained through managing audit engagements of publicly listed companies traded on the Toronto Stock Exchange, TSX Venture Exchange and Canadian National Stock Exchange. He obtained his Chartered Professional Accountant designation in 2003 and holds dual Bachelor of Arts degrees in accounting and economics from Brock University and Western University, respectively. Mr. Zaritsky is an independent director of the Company for the purpose of NI 52-110.

Brent Gilchrist – Mr. Gilchrist is a mine finance executive with extensive experience in the investment and banking sectors. He is currently the President of JDS Resources Inc., the JDS Group of Companies’ venture capital and private equity arm responsible for investment management, acquisitions, and project financing. Mr. Gilchrist was President and co-founder of JDS Silver Inc., the Company that purchased, constructed and operated the Silvertip Mine in Northern BC. Mr. Gilchrist successfully negotiated the sale of the Silvertip Mine to

Coeur Mining Inc. for US\$250 million. Mr. Gilchrist is an independent director of the Company for the purposes of NI 52-110.

Morris Prychidny – Mr. Prychidny is a Chartered Accountant with more than 35 years of experience in the mining and real-estate industries. Mr. Prychidny also holds a Bachelor of Economics from the University of Western Ontario. Mr. Prychidny brings strong portfolio management and financing expertise through his roles in a number of publicly-listed investment and mining companies. He is currently a Director and Secretary-Treasurer of Orion Capital Incorporated, a Toronto-based asset management company with a focus on investing in the junior mining and real estate sectors. Mr. Prychidny is also a director and an audit committee member of Northfield Capital Corporation, a public corporation. Additionally, he serves as a director on the board of a number of investment and exploration companies, including Woodbine Downs Limited and Fountain Asset Corp.

Audit Committee Oversight

Since the commencement of the Company's most recently completed fiscal year, the Company's Board of Directors has adopted all recommendations of the Audit Committee to nominate or compensate an external auditor.

Audit Fees

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Company for professional services rendered to the Company during the fiscal years ended December 31, 2019 and December 31, 2018:

Year Ended	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
December 31, 2019 ⁽¹⁾	48,150	-	-	-
December 31, 2018 ⁽²⁾	35,000	33,500	-	-

Note:

(1) BDO Canada LLP was appointed as auditor of the Company on November 30, 2017 and resigned effective January 10, 2020.

(2) PricewaterhouseCoopers LLP was appointed as auditor of the Company on January 10, 2020.

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice and advice related to relocating employees.

Exemption

The Company is relying on the exemptions set out in subsection 6.1 of NI 52-110, which provide that a CSE issuer is exempt from the audit committee composition and reporting obligation requirements set out in NI 52-110.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Further financial information is provided in the audited consolidated financial statements of the Company for the financial year ended December 31, 2019 and the unaudited interim consolidated financial statements of the Company for the three and six months ended June 30, 2020 and the related management's discussion and analysis of results which have been filed on SEDAR. Shareholders may also contact Charlotte May, the Corporate Secretary of the Company, at charlotte.may@taliskerresources.com to request a copy of these documents.

The Company will provide any shareholder of the Company, without charge, upon request to the Corporate Secretary of the Company:

- (a) one copy of the comparative audited consolidated financial statements of the Company for the financial year ended December 31, 2019, together with the report of the auditor thereon and the unaudited interim consolidated financial statements of the Company for the three and six months ended June 30, 2020;
- (b) one copy of the management's discussion and analysis for the financial year ended December 31, 2019 and the three and six months ended June 30, 2020; and
- (c) one copy of this Management Information Circular.

APPROVAL

The contents of this Management Information Circular and the sending thereof to the shareholders of the Company have been approved by the directors of the Company.

DATED at Toronto, Ontario this 9th day of October, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

Signed: "Terence Harbort"

Terence Harbort
President and Chief Executive Officer

SCHEDULE A
AUDIT COMMITTEE CHARTER

GENERAL

1. Purpose and Responsibilities of the Committee

1.1 Purpose

The primary purpose of the Committee is to assist Board oversight of:

- (a) the integrity of the Company's financial statements;
- (b) the Company's compliance with legal and regulatory requirements;
- (c) the External Auditor's qualifications and independence; and
- (d) the performance of the Company's internal audit function and the External Auditor.

2. Definitions and Interpretation

2.1 Definitions

In this Charter:

- (a) "Board" means the board of directors of the Company;
- (b) "Chair" means the chair of the Committee;
- (c) "Committee" means the audit committee of the Board;
- (d) "Company" means Talisker Resources Ltd.;
- (e) "Director" means a member of the Board; and
- (f) "External Auditor" means the Company's independent auditor.

2.2 Interpretation

The provisions of this Charter are subject to the articles and by-laws of the Company and to the applicable provisions of the *Business Corporations Act* (Ontario), and any other applicable legislation.

CONSTITUTION AND FUNCTIONING OF THE COMMITTEE

3. Establishment and Composition of the Committee

3.1 Establishment of the Audit Committee

The Committee is hereby continued with the constitution, function and responsibilities herein set forth.

3.2 Appointment and Removal of Members of the Committee

- (a) *Board Appoints Members.* The members of the Committee shall be appointed by the Board.
- (b) *Annual Appointments.* The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the appointment of members of the Committee is not so

made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed.

- (c) *Vacancies.* The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors. If a vacancy exists on the Committee, the remaining members shall exercise all of their powers so long as a quorum remains in office.
- (d) *Removal of Member.* Any member of the Committee may be removed from the Committee by a resolution of the Board.

3.3 Number of Members

The Committee shall consist of three or more Directors.

3.4 Independence of Members

A majority of the members of the Committee shall be independent for the purposes of all applicable regulatory and stock exchange requirements.

3.5 Financial Literacy

- (a) *Financial Literacy Requirement.* Each member of the Committee shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee.
- (b) *Definition of Financial Literacy.* “Financially literate” means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

4. **Committee Chair**

4.1 Board to Appoint Chair

The Board shall appoint the Chair from the members of the Committee who are unrelated directors (or, if it fails to do so, the members of the Committee shall appoint the Chair from among its members).

4.2 Chair to be Appointed Annually

The designation of the Committee’s Chair shall take place annually at the first meeting of the Board after a meeting of the members at which Directors are elected, provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

5. **Committee Meetings**

5.1 Quorum

A quorum of the Committee shall be two members.

5.2 Secretary

The Chair shall designate from time to time a person who may, but need not, be a member of the Committee, to be Secretary of the Committee.

5.3 Time and Place of Meetings

The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; provided, however, the Committee shall meet at least four times per year on a quarterly basis.

5.4 In Camera Meetings

On at least an annual basis, the Committee shall meet separately with each of:

- (a) management; and
- (b) the External Auditor

5.5 Right to Vote

Each member of the Committee shall have the right to vote on matters that come before the Committee.

5.6 Voting

Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.

5.7 Invitees

The Committee may invite Directors, officers, employees and consultants of the Company or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee. The External Auditor shall receive notice of each meeting of the Committee and shall be entitled to attend any such meeting at the Company's expense.

5.8 Regular Reporting

The Committee shall report to the Board at the Board's next meeting the proceedings at the meetings of the Committee and all recommendations made by the Committee at such meetings.

6. **Authority of Committee**

6.1 Retaining and Compensating Advisors

The Committee shall have the sole authority to engage independent counsel and any other advisors as the Committee may deem appropriate in its sole discretion and to set the compensation for any advisors employed by the audit committee. The Committee shall not be required to obtain the approval of the Board in order to retain or compensate such consultants or advisors.

6.2 Funding

The Committee shall have the authority to authorize the payment of:

- (a) compensation to any external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (National Instrument 52-110 – *Audit Committees* requires disclosure of fees by category paid to the External Auditor).
- (b) compensation for any advisors employed by the audit committee under Section 6.1 hereof; and

- (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6.3 Subcommittees

The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.

6.4 Recommendations to the Board

The Committee shall have the authority to make recommendations to the Board, but shall have no decision-making authority other than as specifically contemplated in this Charter.

6.5 Compensation

The Committee has the authority to communicate directly with External Auditors and the internal auditors.

7. **Remuneration of Committee Members**

7.1 Remuneration of Committee Members

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time.

7.2 Directors' Fees

No member of the Committee may earn fees from the Company or any of its subsidiaries other than directors' fees (which fees may include cash and/or shares or options or other in-kind consideration ordinarily available to directors, as well as all of the regular benefits that other directors receive). For greater certainty, no member of the Committee shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company.

SPECIFIC DUTIES AND RESPONSIBILITIES

8. **Integrity of Financial Statements**

8.1 Review and Approval of Financial Information

- (a) *Annual Financial Statements.* The Committee shall review and discuss with management and the External Auditor the Company's audited annual financial statements and related management's discussion and analysis ("MD&A") together with the report of the External Auditor thereon and, if appropriate, recommend to the Board that it approve the audited annual financial statements.
- (b) *Interim Financial Statements.* The Committee shall review and discuss with management and the External Auditor and, if appropriate, approve the Company's interim unaudited financial statements and related MD&A.
- (c) *Material Public Financial Disclosure.* The Committee shall discuss with management and the External Auditor:
 - (i) the types of information to be disclosed and the type of presentation to be made in connection with profit or loss or earnings press releases; and
 - (ii) financial information and earnings guidance (if any) provided to analysts and rating agencies.
- (d) *Procedures for Review.* The Committee shall be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived

from the Company's financial statements (other than financial statements, MD&A and profit or loss or earnings press releases, which are dealt with elsewhere in this Charter) and shall periodically assess the adequacy of those procedures.

- (e) *General.* To the extent the Committee deems it necessary or appropriate, the Committee may review and discuss with management and the External Auditor:
- (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles;
 - (ii) major issues as to the adequacy of the Company's internal controls over financial reporting and any special audit steps adopted in light of material control deficiencies;
 - (iii) analyses prepared by management and/or the External Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative accounting methods on the financial statements;
 - (iv) the effect on the financial statements of the Company of regulatory and accounting initiatives, as well as off-balance sheet transaction structures, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons that have a material current or future effect on the financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses of the Company;
 - (v) the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented;
 - (vi) any financial information or financial statements in prospectuses and other offering documents;
 - (vii) the management certifications of the financial statements as required under applicable securities laws in Canada or otherwise; and
 - (viii) any other relevant reports or financial information submitted by the Company to any governmental body or the public.

9. **External Auditor**

9.1 External Auditor

- (a) *Authority with Respect to External Auditor.* As a representative of the Company's shareholders, the Committee shall be directly responsible for the appointment, compensation and oversight of the work of the External Auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. In the discharge of this responsibility, the Committee shall:
- (i) have sole responsibility for recommending to the Board the person to be proposed to the Company's shareholders for appointment as External Auditor for the above-described purposes and recommending such External Auditor's compensation;
 - (ii) determine at any time whether the Board should recommend to the Company's shareholders that the incumbent External Auditor should be removed from office;
 - (iii) review the terms of the External Auditor's engagement, discuss the audit fees with the External Auditor and be solely responsible for approving such audit fees; and

- (iv) require the External Auditor to confirm in its engagement letter each year that the External Auditor is accountable to the Board and the Committee as representatives of shareholders.
- (b) *Independence.* The Committee shall satisfy itself as to the independence of the External Auditor. As part of this process the Committee shall:
 - (i) require the External Auditor to submit on a periodic basis to the Committee a formal written statement delineating all relationships between the External Auditor and the Company and engage in a dialogue with the External Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the External Auditor and recommend that the Board take appropriate action in response to the External Auditor's report to satisfy itself of the External Auditor's independence;
 - (ii) unless the Committee adopts pre-approval policies and procedures, approve any non-audit services provided by the External Auditor, provided the Committee may delegate such approval authority to one or more of its independent members who shall report promptly to the Committee concerning their exercise of such delegated authority; and
 - (iii) review and approve the policy setting out the restrictions on the Company partners, employees and former partners and employees of the Company's current or former External Auditor.
- (c) *Issues Between External Auditor and Management.* The Committee shall:
 - (i) review any problems experienced by the External Auditor in conducting the audit, including any restrictions on the scope of the External Auditor's activities or access to requested information; and
 - (ii) review any significant disagreements with management and, to the extent possible, resolve any disagreements between management and the External Auditor.
- (d) *Non-Audit Services.*
 - (i) The Committee shall either:
 - (A) approve any non-audit services provided by the External Auditor or the external auditor of any subsidiary of the Company to the Company (including its subsidiaries); or
 - (B) adopt specific policies and procedures for the engagement of non-audit services, provided that such pre-approval policies and procedures are detailed as to the particular service, the audit committee is informed of each non-audit service and the procedures do not include delegation of the audit committee's responsibilities to management.
 - (ii) The Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services in satisfaction of the requirement in the previous section, provided that such member or members must present any non-audit services so approved to the full Committee at its first scheduled meeting following such pre-approval.
 - (iii) The Committee shall instruct management to promptly bring to its attention any services performed by the External Auditor which were not recognized by the Company at the time of the engagement as being non-audit services.

10. **Other**

10.1 Related Party Transactions

The Committee shall review and approve all related party transactions in which the Company is involved or which the Company proposes to enter into.

10.2 Expense Accounts

The Committee shall review and make recommendations with respect to:

- (a) the expense account summaries submitted by the President and Chief Executive Officer on an annual basis;
- (b) the Company's expense account policy, and rules relating to the standardization of the reporting on expense accounts

10.3 Whistle Blowing

The Committee shall put in place procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

11. **Performance Evaluation**

On a regular basis, the Committee shall follow the process established by the Board for assessing the performance and effectiveness of the Committee.

12. **Charter Review**

The Committee shall review and assess the adequacy of this Charter on a regular basis and recommend to the Board any changes it deems appropriate.

Approved and adopted by the Board of Directors on November 16, 2012.

SCHEDULE B
STOCK OPTION PLAN

1 Purpose

The purpose of the Plan is to advance the interests of Talisker Resources Ltd. (the “**Corporation**”) by: (a) increasing the proprietary interests of Participants in the Corporation; (b) aligning the interests of Participants with the interests of the shareholders of the Corporation generally, (c) encouraging Optionees to remain associated with the Corporation, and (d) furnishing Optionees with an additional incentive in their efforts on behalf of the Corporation.

2 Definitions and Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) “**affiliate**” means only those corporations with which the Corporation deals at non-arm’s length, within the meaning of the *Income Tax Act* (Canada);
- (b) “**associate**” when used to indicate a relationship with any person or company, is as defined in the Securities Act;
- (c) “**Blackout Period**” means a period during which the Corporation prohibits Optionees from exercising their Option;
- (d) “**Board**” means the board of directors of the Corporation;
- (e) “**Corporation**” means Talisker Resources Ltd., its subsidiaries and affiliates, and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of the Board or a duly empowered committee appointed by the Board;
- (f) “**Exchange**” means the Toronto Stock Exchange or any other stock exchange on which the Shares are listed;
- (g) “**Incentive Plans**” means this Plan and any other option or share based compensation plan of the Corporation;
- (h) “**Incentive Securities**” means any options, right or other incentive securities issued and outstanding under any of the Incentive Plans (including, for greater certainty, any Options issued and outstanding under this Plan);
- (i) “**Insider**” of the Corporation means a “**reporting insider**” of the Corporation that is subject to insider reporting requirements pursuant to National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*, as amended from time to time, and any associate or affiliate of such reporting insider;
- (j) “**Market Price**” means the closing price of the Shares on the Exchange on the trading day before the date of grant of the Option;
- (k) “**Option**” means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Shares from treasury at a price determined by the Board;
- (l) “**Option Period**” means the period determined by the Board during which an Optionee may exercise an Option, not to exceed the maximum period permitted by the Exchange, which maximum period is 10 years from the date the Option is granted;

- (m) **“Optionee”** means a person who is a director, officer, employee, consultant or other personnel of the Corporation, a subsidiary or an affiliate of the Corporation who is granted an Option pursuant to this Plan;
- (n) **“Participant”** means each director, officer, employee, consultant or other personnel of the Corporation, a subsidiary or an affiliate of the Corporation to whom Options may be granted under this Plan;
- (o) **“Plan”** shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time amended;
- (p) **“Securities Act”** means the *Securities Act* (Ontario), as amended from time to time;
- (q) **“Shares”** means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified.
- (r) **“Stock Exchange Rules”** means the applicable rules of any stock exchange upon the Shares are listed, as amended;

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and *vice versa*, where the context or the parties so require.

3 Administration

The Plan shall be administered by the Board. The Board shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board shall be binding and conclusive upon the Corporation. Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of the Plan to a special committee of directors appointed from time to time by the Board, in which case all references herein to the Board shall be deemed to refer to such committee.

4 Eligibility

The Board may at any time and from time to time designate those Participants who are to be granted an Option pursuant to the Plan and grant an Option to such Participants. The Board will make the final determination as to who is eligible to be granted Options under the Plan. Subject to applicable Stock Exchange Rules, the Board is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon recommendation of the Board. For Options granted to employees, consultants or management company employees, the Corporation represents that the Optionee is a *bona fide* employee, consultant or management company employee, as the case may be.

5 Participation

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuing as a director, officer, employee or consultant of the Corporation or any subsidiary or affiliate of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director, officer, or consultant of the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer, full-time employee or consultant of the Corporation or any of its subsidiaries or affiliates.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect to Shares issuable on exercise of an Option until such Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

6 Shares Subject to Incentive Securities

The number of authorized but unissued Shares that may be issued upon the exercise or redemption, as applicable, of Incentive Securities issued by the Corporation pursuant to the Incentive Plans shall not exceed, in the aggregate, 10% of the issued and outstanding Shares, all of which may be granted under this Plan. The Incentive Securities granted under the Incentive Plans together with all of the Corporation's other grants (including grants under previous Incentive Plans), shall not result at any time in:

- (a) the number of Shares reserved for issuance pursuant to Incentive Securities granted to Insiders exceeding 10% of the issued and outstanding Shares; or
- (b) the grant to Insiders within a 12 month period, of a number of Incentive Securities exceeding 10% of the issued and outstanding Shares.

Subject to applicable Stock Exchange Rules, the aggregate number of Shares reserved for issuance to any one Optionee (which shall include any associates of such Optionee), as applicable, under Incentive Securities granted in any 12 month period shall not exceed 5% of the issued and outstanding Shares determined at the date of grant.

Appropriate adjustments shall be made as set forth in Section 15 hereof, in both the number of Shares covered by individual grants and the total number of Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation as approved by the shareholders of the Corporation and the Exchange.

7 Option Agreement

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Shares subject to the Option, the exercise price and any other terms and conditions approved by the Board, all in accordance with the provisions of this Plan (herein referred to as the "**Stock Option Agreement**"), in the form approved or authorized by the Board from time to time, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

8 Option Period and Exercise Price

Subject to any earlier termination as provided in Sections 10, 12 and 16 hereof, each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which shall be the date of the expiry of the Option Period (the "**Expiry Date**"). Notwithstanding the above, if the Expiry Date for any Option falls within a "**Blackout Period**" or within two trading days from the expiration of a Blackout Period (such Options to be referred to as "**Restricted Options**"), the Expiry Date of such Restricted Options shall be automatically extended to the date that is the 10th trading day following the end of the Blackout Period, such 10th trading day to be considered the Expiry Date for such Restricted Options for all purposes under the Plan.

Subject to applicable Stock Exchange Rules and any limitations imposed by any relevant regulatory authority, the Board will establish the exercise price at the time each Option is granted and allocated to Participants under Section 4 of this Plan. Such exercise price shall be the Market Price.

If and whenever the Corporation declares a dividend on the Shares, the Board will have the right to adjust the exercise price of the Options held by Optionees in accordance with applicable Stock Exchange Rules.

9 Exercise of Options

- (a) An Optionee shall be entitled to exercise an Option granted to him or her at any time prior to the expiry of the Option Period, subject to Sections 10, 12 and 16 hereof and to vesting limitations which may be imposed by the Board at the time such Option is granted. Subject to applicable Stock Exchange Rules, the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office (or the address provided for in the Stock Option Agreement) of a written notice of exercise specifying the number of Shares in respect of which the Option is being exercised, accompanied by cash payment, cheque or bank draft for the full purchase price of such Shares with respect to which the Option is being exercised.

- (b) Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with all relevant provisions of applicable securities law, including, applicable securities legislation and the requirements of the Exchange.

The certificates representing any Shares issued to a grantee whom the Corporation reasonably believes is located in the United States or is a **“U.S. person”** (as defined in Rule 902 of Regulation S under the 1933 Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. person, and any partnership or corporation organized or incorporated under the laws of the United States) shall, until such time as the same is no longer required under the applicable requirements of the 1933 Act or applicable U.S. state laws and regulations, bear a legend in the applicable form regarding the resale or transferability of such securities.

At the option of the Corporation, a stop-transfer order against the Shares issued pursuant to the Plan may be placed on the shareholder register and records of the Corporation, and a legend indicating that the Shares issued under the Plan may be pledged, sold or otherwise transferred only: (i) to the Corporation; (ii) outside the United States in accordance with Rule 904 of Regulation S under the 1933 Act; or (iii) pursuant to another exemption from registration under the 1933 Act and in compliance with any applicable state securities laws of the United States. Additionally, in the case of proposed transfers under clause (iii), i.e., sales pursuant to another exemption, the Optionee must furnish to the Corporation an opinion of counsel for the Corporation or of other counsel of recognized standing or other evidence reasonably satisfactory to the Corporation to the effect that the proposed transfer may be made without registration under the 1933 Act and any applicable state securities laws. The Corporation has no obligation to register the Shares issued pursuant to the exercise of an Option under the Plan under the 1933 Act.

10 Ceasing to be a Director, Officer, Employee or Consultant

Subject to Section 5, if an Optionee ceases to be a director, officer, employee or consultant of the Corporation, or any of its subsidiaries or affiliates for any reason other than death, the Optionee may: (i) within 90 days following the date the Optionee ceases to be a director, officer, employee or consultant; or (ii) prior to the expiry of the Option Period, whichever is earlier, exercise any Option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the Option at the date of such cessation. For greater certainty, any Optionee who is deemed to be an employee of the Corporation pursuant to any medical or disability plan of the Corporation shall be deemed to be an employee for the purposes of the Plan.

11 Tax Withholdings

The Corporation or any affiliate may withhold from any amount payable to an Optionee (whether in Shares or cash or other property), either under the Plan, or otherwise, such amount as may be necessary so as to ensure that the Corporation or affiliate will be able to comply with the applicable provisions of any federal, provincial or local law relating to the withholding of tax or other required

deductions, including on the amount, if any, includable in the income of an Optionee. For greater certainty, the Corporation or any affiliate shall have the right, in its discretion, to satisfy any such liability for withholding or other required deduction amounts by: (i) making additional withholdings on cash remuneration paid to the Optionee in the calendar year as that containing the exercise of an Option; (ii) retaining any Shares or any amount payable, which would otherwise be issued or delivered, provided or paid to an Optionee hereunder; and/or (iii) requiring an Optionee, as a condition to the exercise of an Option, to pay or reimburse the Corporation or affiliate for any such withholding or other required deduction amounts related to the exercise of Options.

12 Death of Optionee

In the event of the death of an Optionee, the Options previously granted to him or her shall be exercisable within one year following the date of the death of the Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative.

13 Optionee's Rights Not Transferable

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except by bequeath or the laws of descent and distribution, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

14 Takeover or Change of Control

The Corporation shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or
- (b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

15 Anti-Dilution of the Option

In the event of:

- (a) any subdivision, redivision or change of the Shares at any time during the term of the Option into a greater number of Shares, including by way of dividend, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- (b) any consolidation or change of the Shares at any time during the term of the Option into a lesser number of Shares, the number of Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change;

- (c) any rights offering of Shares, the number of Shares subject to this Plan, the number of Shares available under Options granted and the exercise price allocated to Options shall be adjusted, in such manner and by such procedure deemed appropriate by the Board, subject to applicable law and Stock Exchange Rules to reflect adjustments in the number of Shares arising as a result of such rights offering;
- (d) any reclassification of the Shares at any time outstanding or change of the Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Shares or a change of the Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Shares to which he or she was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Shares to which he was entitled upon exercise of the Option.

Adjustments shall be made successively whenever any event referred to in this section shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be.

16 United States Matters

- (a) Each Option granted under the Plan to a person who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction) (a “**U.S. Optionee**”) will be designated in the Stock Option Agreement as either a non-qualified stock option or an incentive stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, of the United States (the “**Code**”), provided that such Option complies with the following provisions. If not designated in the Stock Option Agreement, the Option shall be an incentive stock option. Any Option not otherwise complying with the requirements of Section 422 of the Code, regardless of its designation, shall be a non-qualified option; provided that no provisions of the Plan, as it may be applied to a U.S. Optionee who has been granted an incentive stock option within the meaning of Section 422 of the Code (an “**ISO**” or “**ISOs**”), shall be construed so as to be inconsistent with any provision of Section 422 of the Code. Notwithstanding anything in the Plan contained to the contrary, the following provisions shall apply to each U.S. Optionee who will be granted ISOs:
 - (i) ISOs shall only be granted to U.S. Optionees who are, at the time of grant, officers, key employees or employee-directors of the Corporation or any subsidiary of the Corporation;
 - (ii) the aggregate fair market value (determined as of the time the ISO is granted) of the Shares exercisable for the first time by a U.S. Optionee during any calendar year under the Plan and all other stock option plans, within the meaning of Section 422 of the Code, of the Corporation or any subsidiary shall not exceed U.S. \$100,000;
 - (iii) notwithstanding Section 8 hereof, the exercise price per Share subject to an ISO granted to a U.S. Optionee shall be not less than the fair market value of such underlying Share at the time the ISO is granted, as determined in good faith by the Board at such time in accordance with applicable regulations under Section 422 of the Code;
 - (iv) if any U.S. Optionee to whom an ISO is to be granted under the Plan at the time of the grant of such ISO is the owner of shares possessing more than 10% of the total combined voting power of all classes of shares of the Corporation, then the following special provisions shall be applicable to the option granted to such individual:

- (iv) the exercise price per Share subject to such ISO shall not be less than 110% of the fair market value of one Share at the time of grant; and
 - (iv) for the purposes of this Section 16 only the ISO exercise period shall not exceed 10 years from the date of grant;
 - (v) no ISO may be granted hereunder to a U.S. Optionee following the expiry of 10 years after the date on which the Plan is adopted by the Board or the date the Plan is approved by the shareholders of the Corporation, whichever is earlier;
 - (vi) no ISO granted to a U.S. Optionee under the Plan shall be exercisable unless and until the Plan shall have been approved in accordance with applicable regulations under Section 422 of the Code by the shareholders of the Corporation within 12 months (before or after) the unconditional adoption of the Plan by the Board;
 - (vii) no ISO by its terms shall be exercisable after the expiration of 10 years from the date such ISO is granted under the Plan;
 - (viii) notwithstanding Section 13 hereof, no right or interest of any U.S. Optionee in an ISO is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except by bequeath or the laws of descent and distribution, and such ISO is exercisable during the lifetime of the U.S. Optionee only by such U.S. Optionee;
 - (ix) if a U.S. Optionee exercises an ISO more than three months following the date such U.S. Optionee ceased to be an employee of the Corporation or any subsidiary of the Corporation, such ISO shall be treated as a non-qualified option; and
 - (x) by accepting a grant of an ISO, a U.S. Optionee agrees to notify the Corporation in writing immediately after the date that such U.S. Optionee makes a "disqualifying disposition," within the meaning of Section 421(b) of the Code and applicable regulations thereunder of any Shares acquired pursuant to the exercise of such ISO.
- (b) At the discretion of the Board, Optionees may satisfy withholding obligations as provided in this Section 16(b). When an Optionee incurs tax liability in connection with an Option, which tax liability is subject to tax withholding under applicable tax laws (including, without limitation, income and payroll withholding taxes), and Optionee is obligated to pay the Corporation an amount required to be withheld under applicable tax laws, Optionee may satisfy the tax withholding obligation by one or some combination of the following methods: (i) by cash payment, (ii) out of Optionee's current compensation, (iii) if permitted by the Board, in its discretion, by surrendering to the Corporation, Shares that (A) have been owned by Optionee for more than six months on the date of surrender or such other period as may be required to avoid a charge to the Corporation's earnings, and (B) have a fair market value on the date of surrender equal to (or less than, if other consideration is paid to the Corporation to satisfy the withholding obligation) Optionee's marginal tax rate times the ordinary income recognized, plus an amount equal to the Optionee's share of any applicable payroll withholding taxes, or (iv) if permitted by the Board, in its discretion, by electing to have the Corporation withhold from the Shares to be issued upon exercise of the Option, if any, that number of Shares having a fair market value equal to the amount required to be withheld. For this purpose, the fair market value of the Shares to be withheld shall be determined on the date that the amount of tax to be withheld is to be determined (the "**Tax Date**"). In making its determination as to the type of consideration to accept, the Board shall consider if acceptance of such consideration may be reasonably expected to benefit the Corporation or result in the recognition of compensation expense (or additional compensation expense) for financial reporting purposes.
- (c) Notwithstanding Section 8 hereof, the exercise price per Share under each non-qualified stock option granted to a U.S. Optionee pursuant to the Plan shall never be less than 100% of the fair market value of such underlying Share on the date of grant of such Option, as determined by the Board in good faith in accordance with Code Section 409A and applicable regulations thereunder.

17 Costs

The Corporation shall pay all costs of administering the Plan.

18 Termination and Amendment

- (a) Subject to the shareholder and regulatory approvals set forth in this Section 18, the Board may, from time to time, amend or revise the terms of the Plan or may discontinue the Plan at any time provided however that no such right may, without the consent of the Optionee, in any manner adversely affect his rights under any Option theretofore granted under the Plan.
- (b) The Board has the discretion to make amendments to this Plan which it may deem necessary, without having to obtain shareholder approval. Such changes include, without limitation:
 - (i) minor changes of a "housekeeping nature";
 - (ii) amending Options under the Plan, including with respect to the Option Period (provided that the period during which an Option is exercisable does not exceed 10 years from the date the Option is granted and that such Option is not held by an Insider), vesting period, exercise method and frequency, subscription price (provided that such Option is not held by an Insider) and method of determining the subscription price, assignability and effect of termination of an Optionee's employment or cessation of the Optionee's directorship;
 - (iii) changing the class of Participants eligible to participate under this Plan;
 - (iv) accelerating vesting or extending the expiration date of any Option (provided that such Option is not held by an Insider), provided that the period during which an Option is exercisable does not exceed 10 years from the date the Option is granted;
 - (v) changing the terms and conditions of any financial assistance which may be provided by the Corporation to Optionees to facilitate the purchase of Shares under this Plan; and
 - (vi) adding a cashless exercise feature, payable in cash or securities, whether or not providing for a full deduction of the number of underlying Shares from this Plan reserve.
- (c) Shareholder approval will be required in the case of:
 - (i) any amendment to the amendment provisions of this Plan;
 - (ii) any increase in the maximum number of Shares issuable under this Plan; and
 - (iii) any reduction in the exercise price or extension of the Option Period benefiting an Optionee, in addition to such other matters that may require shareholder approval under the rules and policies of the Exchange.
- (d) The Board has the authority to make the following amendments to this Plan, without requiring shareholder approval:
 - (i) amendments of a "housekeeping" nature;
 - (ii) a change to the vesting provisions of Options granted pursuant to this Plan; and
 - (iii) a change to the termination provisions of options granted under the Plan which does not entail an extension beyond the original expiry date.

- (e) All other amendment to this Plan or Options granted pursuant to this Plan will require the approval of the Corporation's shareholders.

19 Applicable Law

This Plan shall be governed by, administered and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

20 Prior Plans

On the effective date (as set out in Section 21 hereof), subject to Exchange and shareholder approval, if required:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- (b) all outstanding options shall be deemed to be granted pursuant to this Plan.

21 Effective Date

This Plan shall become effective as of and from, and the effective date of the Plan shall be the date of all necessary shareholder and regulatory approvals.

Effective: April 26, 2019

Amended by the Board: October 9, 2020

SCHEDULE C
RESTRICTED SHARE UNIT PLAN

Section 1 Purpose of the RSU Plan

The purpose of this RSU Plan is to advance the interests of the Corporation and its Subsidiaries by: (i) assisting the Corporation and its Subsidiaries in attracting and retaining executive officers and key employees with experience and ability; (ii) allowing certain executive officers, key employees and Consultants of the Corporation and its Subsidiaries to participate in the long-term success of the Corporation; and (iii) promoting a greater alignment of interests between the executive officers and key employees designated under this RSU Plan and the Shareholders.

Section 2 Definitions; Construction and Interpretation

2.1 Definitions

For purposes of this RSU Plan, unless such word or term is otherwise defined herein or the context in which such word or term is used herein otherwise requires, the words and terms contained in this Section 2.1 with the initial letter or letters thereof capitalized shall have the following meanings:

- (a) **"Benefits Extension Period"** means any additional period of time allocated to a terminated Participant, as the case may be, during which certain benefits of employment are contractually maintained.
- (b) **"Board"** means the board of directors of the Corporation.
- (c) **"Change of Control"** means the occurrence of any one or more of the following events: (i) the Corporation is not the surviving entity in a merger, amalgamation or other reorganization (or survives only as a subsidiary of an entity other than a previously wholly-owned subsidiary of the Corporation); (ii) the Corporation sells all or substantially all of its assets to any other Person (other than a wholly-owned subsidiary of the Corporation); (iii) the Corporation is to be dissolved and liquidated; (iv) any Person or group of Persons, acting jointly or in concert acquires or gains ownership or control (including, without limitation, the power to vote) more than 30% of the Corporation's outstanding voting securities; or (v) as a result of or in connection with (A) the contested election of directors or (B) a transaction referred to above whereby the Persons who were directors of the Corporation before such election or transaction shall cease to constitute a majority of the Board.
- (d) **"Committee"** means the Directors or, if the Directors so determine in accordance with Section 3.1, the committee of the Directors authorized to oversee this RSU Plan which includes any compensation committee of the Board.
- (e) **"Common Share"** means a common share in the capital of the Corporation as presently constituted, as adjusted in accordance with Section 9.
- (f) **"Consultant"** means a Person that (i) is engaged to provide on an ongoing *bona fide* basis, consulting, technical, management or other services to the Corporation or to an affiliate of the Corporation, (ii) provides the services under a written contract between the Corporation or the affiliate such the Person, (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an affiliate of the Corporation, and (iv) has a relationship with the Corporation or an affiliate of the Corporation that enables such Person to be knowledgeable about the business and affairs of the Corporation.
- (g) **"Corporation"** means Talisker Resources Ltd., a corporation existing under the *Business Corporations Act* (Ontario), or a successor thereto.
- (h) **"Directors"** means the members of the Board from time to time.

- (i) "**Grant Date**" means the effective date that an RSU is awarded to a Participant under this RSU Plan, as evidenced by an "**RSU Award Agreement**".
- (j) "**Long-Term Disability**" means a total permanent disability for a continuous period of more than four months.
- (k) "**Market Value**" means, on any date, the volume weighted average price of the Common Shares traded on the TSX for the five consecutive trading days prior to such date or, if the Common Shares are not then listed on the TSX, on such other stock exchange as determined for that purpose by the Committee in its discretion.
- (l) "**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*.
- (m) "**Participant**" means a Consultant or employee of the Corporation and/or a Subsidiary who has been granted RSUs under this RSU Plan which have not all been cancelled or redeemed.
- (n) "**Participation Agreement**" means the participation agreement to be delivered by each Participant, in the form attached to this RSU Plan as Schedule "A".
- (o) "**Retirement**" means, in respect of any Participant, such Participant attaining the Retirement Age.
- (p) "**Retirement Age**" means 65 years of age, or as otherwise stipulated from time to time in the Corporation's retirement policy (as such policy may be established or revised from time to time at the discretion of Corporation and subject to applicable laws), or as otherwise determined by the Committee.
- (q) "**RSU Plan**" means this Restricted Share Unit Plan of the Corporation as set out herein, as it may be amended and varied from time to time.
- (r) "**RSU**" means a notional unit credited to a Participant's account in accordance with the terms and conditions of this RSU Plan.
- (s) "**RSU Account**" means the account maintained by the Corporation for each Participant participating in this RSU Plan to be credited with notional grants of RSUs from time to time.
- (t) "**RSU Award Agreement**" means an award agreement evidencing an award of RSUs, in the form attached to this RSU Plan as Appendix "B".
- (u) "**Security Based Compensation Arrangements**" means the RSU Plan and the Corporation's stock option plan in effect from time to time and any other security based compensation arrangement (as defined in the TSX Company Manual) implemented by the Corporation involving the issuance or potential issuance of Shares.
- (v) "**Settlement Date**" means the day on which the Corporation pays to a Participant the Market Value of the RSUs that have become vested and payable.
- (w) "**TSX**" means the Toronto Stock Exchange.
- (x) "**Person**" shall mean, unless the context otherwise requires or unless and to the extent otherwise limited or required by applicable law or rules of the TSX, any natural person, firm, partnership, limited liability company, association, corporation, company, trust, business trust, governmental authority or other entity.
- (y) "**Subsidiaries**" means the subsidiaries of the Corporation from time to time, and "**Subsidiary**" means any one of them.

2.2 Construction and Interpretation

- (a) *Headings.* The headings of all Articles, Sections and Paragraphs in this RSU Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of this RSU Plan. References to "Article", "Section" or "Paragraph" in this RSU Plan refer to an Article, Section or Paragraph in this RSU Plan unless expressly stated otherwise.
- (b) *Context and Construction.* Whenever the singular or masculine are used in this RSU Plan, the same shall be construed as being the plural or feminine or neuter or *vice versa* where the context so requires.
- (c) *References to this RSU Plan.* The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to this RSU Plan as a whole and not to any particular Article, Section, Paragraph or other part hereof. In this RSU Plan, "including" and "includes" means including or includes, as the case may be, without limitation.
- (d) *Discretion.* Whenever the Committee has discretion to administer this RSU Plan, the term "discretion" means the sole and absolute discretion of the Committee.
- (e) *Unenforceability.* If any Article, Section, Paragraph or provision of this RSU Plan is determined to be void or unenforceable (in whole or in part), then such determination shall not affect the validity or enforceability of any other Article, Section, Paragraph or provision of this RSU Plan.
- (f) *Canadian Funds.* Unless otherwise specifically provided, all references to dollar amounts in this RSU Plan are references to lawful money of Canada.

Section 3 Administration of this RSU Plan

3.1 Delegation to Committee

All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by a resolution of the Board, be exercised by a committee of the Board comprised of not less than three Directors, including any compensation committee of the Board.

3.2 Administration of this RSU Plan

- (a) This RSU Plan shall be administered by the Committee, provided, however, that the Committee shall be entitled to delegate administrative duties relating to this RSU Plan to a third-party administrator as may from time to time be appointed by the Committee.
- (b) The Committee shall have full authority to administer this RSU Plan, including the authority to interpret and construe any provision of this RSU Plan and to adopt, amend and rescind such rules and regulations for administering this RSU Plan as the Committee may deem necessary or appropriate in order to comply with the requirements of this RSU Plan. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shall be binding on the Participants and the Corporation.
- (c) No member of the Committee shall be personally liable for any action taken or determination or interpretation made in good faith in connection with this RSU Plan and all members of the Committee shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Corporation with respect to any such action taken or determination or interpretation made.
- (d) The appropriate officers of the Corporation are hereby authorized and empowered to do all things, and to execute and deliver all instruments, undertakings, applications and writings as they, in their absolute discretion, consider necessary or appropriate for the implementation of this RSU Plan and of the rules and regulations established for administering this RSU Plan.
- (e) All costs incurred in connection with this RSU Plan shall be for the account of the Corporation.

3.3 Maximum Number of Shares

- (a) The maximum number of Common Shares made available for issuance from treasury under this RSU Plan shall not exceed 10% of the number of Common Shares then issued and outstanding, provided, however, the number of Common Shares reserved for issuance from treasury under this RSU Plan and pursuant to all other Security Based Compensation Arrangements shall, in the aggregate, not exceed 10% of the number of Common Shares then issued and outstanding. Any Common Shares subject to an RSU which has been cancelled or terminated in accordance with the terms of this RSU Plan without settlement will again be available under this RSU Plan. The number of Common Shares reserved for issuance from treasury under this RSU Plan may be amended subject to any required regulatory approvals and the approval of the disinterested holders of Common Shares by way of ordinary resolution at a meeting of the holders of Common Shares.
- (b) The grant of RSUs under this RSU Plan is subject to a certain restrictions including the following: (i) within any 12 month period, the Corporation shall not issue to any one Person (and companies wholly-owned by that Person) under this RSU Plan and all other Security Based Compensation Arrangements, in the aggregate, a number of Common Shares exceeding 5% of the issued and outstanding Common Shares, calculated on a non-diluted basis as at the date the RSU (or other award) is granted to the Person.
- (c) An RSU award granted to a Participant for services rendered will entitle the Participant, subject to the Participant's satisfaction of any conditions, vesting periods, restrictions or limitations imposed pursuant to this RSU Plan or as set out in an agreement (the "**Participation Agreement**"), to receive payment following the applicable Settlement Date in accordance with Section 8(e) of this RSU Plan.

Section 4 Eligibility

- (a) The Committee designates, upon recommendation from the President and/or Chief Executive Officer, from time to time and at his/her/their sole discretion, the executives, key employees and Consultants of the Corporation and/or a Subsidiary who are entitled to participate in this RSU Plan.
- (b) The participation of an executive officers and/or key employee or Consultant in this RSU Plan shall be evidenced by the delivery to the Corporation of an agreement (the "**Participation Agreement**").
- (c) Each Participant's Participant Agreement shall specify, for purposes of Section 8(e), the elected form of payment to be received for each vested RSU, being either: (i) one Common Share, (ii) a lump sum payment in cash equal to the Market Value of one Common Share on the Settlement Date, or (iii) any combination of the foregoing. A Participant may only update their election by delivering a new Participation Agreement to the Corporation (which, for greater certainty, shall supersede any previously delivered Participation Agreement) during a period that such Participant is not subject to a blackout period imposed by the Corporation applicable to a Participant, during which specified individuals, including "insiders" of the Corporation, may not trade in the securities of the Corporation (including, for greater certainty, any period during which specified individuals are restricted from trading because they possess material non-public information).

Section 5 Grant of Restricted Share Units

- (a) The Committee will periodically, in its sole discretion, make determinations on RSU grants, including the number of RSUs to be granted to a Participant, and the vesting conditions applicable to such RSUs, including time and performance vesting conditions (as applicable).
- (b) The Corporation shall, within a reasonable period of time, notify each Participant in writing, by way of an RSU Award Agreement, of the number of RSUs granted to him/her and the vesting conditions applicable to such RSUs, including time and performance vesting conditions (as applicable).

Section 6 Credits for Dividends

- (a) Whenever cash or other dividends are paid on Common Shares, additional RSUs will be automatically granted to each Participant who holds RSUs on the record date for such dividends. The number of such RSUs (rounded to the nearest whole RSU) to be credited to such Participant as of the date on which the dividend is paid on the Common Shares shall be an amount equal to the quotient obtained when (i) the aggregate value of the cash or other dividends that would have been paid to such Participant if the Participant's RSUs as of the record date for the dividend had been Common Shares, is divided by (ii) the Market Value of the Common Shares as of the date on which the dividend is paid on the Common Shares. RSUs granted to a Participant under this Section 6(a) shall be subject to the same vesting conditions (time and performance (as applicable)) as the RSUs to which they relate.
- (b) Notwithstanding Section 6(a), nothing in this RSU Plan shall permit the Corporation to grant RSUs in excess of the maximum number of Common Shares reserved for issuance from treasury under this RSU Plan, as set out in Section 3.3(a).

Section 7 Termination of Employment

Unless otherwise determined by the Board, the following provisions shall apply in the event that a Participant ceases to be employed by the Corporation or a Subsidiary:

- (a) Termination for Cause and Voluntary Resignation. If a Participant ceases to be an employee as a result of (I) termination for cause, then effective as of the date notice is given to the Participant of such termination all outstanding RSUs shall be terminated, or (II) a voluntary termination then, subject to the discretion of the Committee, effective as of the date on which the Corporation or the Subsidiary receives communication of such voluntary resignation, all outstanding RSUs shall be terminated.
- (b) Death, Termination not for Cause, Retirement or Long-Term Disability. If a Participant ceases to be an employee of the Corporation or a Subsidiary as a result of death, termination not for cause, Retirement or Long-Term Disability, then the vesting of RSUs shall be subject to the following:
 - (i) For Each Outstanding RSUs Granted – Time Vesting Component:
 - (A) in the event the Participant is not entitled to a Benefits Extension Period, then the time vesting component of each RSU grant will be *pro-rated* based on the number of days actually worked from the Grant Date of such RSUs until the date of death, termination not for cause, Retirement or Long-Term Disability, over the number of days in the original vesting schedule in relation to such RSU grant; or
 - (B) in the event the Participant is entitled to a Benefits Extension Period, then the time vesting component of each RSU grant will be *pro-rated* based on the sum of (I) the number of days actually worked from the Grant Date up until the date of death, termination not for cause, Retirement or Long-Term Disability, and (II) the number of days included in the Benefits Extension Period, over the number of days in the original vesting schedule in relation to such grant; and

- (ii) For Each Outstanding RSUs Granted – Performance Vesting Component:
 - (A) in the event the Participant is not entitled to a Benefits Extension Period, then the performance vesting component of each RSU grant will be *pro-rated* based on the number of days actually worked from the Grant Date of such RSUs until the date of death, termination not for cause, Retirement or Long-Term Disability, over the number of days in the original vesting schedule in relation to such grant; the number of vested RSUs resulting from such *pro-rated* calculation will be multiplied by the performance percentage determined by the Committee.
 - (B) in the event the Participant is entitled to a Benefits Extension Period, then the performance vesting component of each RSU grant will be *pro-rated* based on the sum of (I) the number of days actually worked from the Grant Date up until the date of death, termination not for cause, Retirement or Long-Term Disability, and (II) the number of days included in the Benefits Extension Period, over the number of days of the original vesting schedule set forth in relation to such grant; and

For greater certainty, a voluntary resignation will be considered as Retirement if the Participant has reached 65 years of age, or as otherwise stipulated from time to time in the Corporation's retirement policy (as such policy may be established or revised from time to time at the discretion of Corporation and subject to applicable laws), or as otherwise determined by the Committee.

Section 8 Vesting and Settlement of Restricted Share Units

- (a) Subject to the discretion of the Committee, RSUs will vest in their entirety over three years from the Grant Date (one-third on each of the first, second and third anniversary of the Grant Date).
- (b) The RSUs may vest according to time and/or performance vesting conditions. The RSUs that are subject to the time vesting condition shall be deemed to have been 100% satisfied if the Participant is employed by the Corporation and/or a Subsidiary on the date specified in the applicable RSU Award Agreement. The RSUs that are subject to the performance vesting condition(s) (as applicable) shall also vest on the date specified in the applicable RSU Award Agreement, provided that such number of vested RSUs shall be multiplied by the performance percentage determined by the Committee, all in accordance with the applicable RSU Award Agreement.
- (c) However, the Committee may, in its entire discretion, accelerate the terms of vesting of any RSUs in circumstances deemed appropriate by the Committee.
- (d) Upon a Change of Control, all outstanding RSUs shall vest, irrespective of any time or performance vesting conditions.
- (e) Within 10 days from the date on which RSUs vest to the Participant (or his or her succession), the Participant (or his or her succession) shall be entitled to receive, subject to Section 8(f), and the Corporation shall issue or pay, a payout with respect to the vested RSUs in the Participant's RSU Account in one of the following forms, in accordance with the election in such Participant's Participation Agreement:
 - (i) Common Shares issued from treasury equal in number to the vested RSUs in the Participant's RSU Account on the Settlement Date;
 - (ii) a lump sum payment in cash equal to the number of vested RSUs recorded in the Participant's RSU Account multiplied by the Market Value of a Common Share on the Settlement Date; or
 - (iii) any combination of the foregoing,

in each case, less any applicable withholding taxes and other deductions required by law to be withheld by the Corporation in connection with the satisfaction of the Participant's RSUs.

- (f) Notwithstanding the election of the Participant (or his or her succession) in Section 8(e), the Committee, in its sole discretion, shall be entitled to settle the Participant's RSU Account in any alternative form provided for in Section 8(e)(i)-(iii).
- (g) If, on the date that RSUs vest to a Participant, there is a blackout period imposed by the Corporation during which specified individuals, including "insiders" of the Corporation, may not trade in the securities of the Corporation (including, for greater certainty, any period during which specified individuals are restricted from trading because they possess material non-public information), then the Settlement Date for such RSUs shall be the 10th day following the date on which the RSUs vest to such Participant (or the immediately ensuing business day if such date is not a business day).
- (h) Once vested RSUs have settled, the Participant shall have no further entitlement in connection with such vested RSUs under this RSU Plan.
- (i) Shares issued by the Corporation under this RSU Plan shall be considered fully paid in consideration of past services that are no less in value than the fair equivalent of the money the Corporation would have received if the Common Shares had been issued for money.

Section 9 Adjustments to the Number of Restricted Share Units

In the event of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin-off or other distribution (other than normal cash dividends) of the Corporation's assets to shareholders or any other change affecting the Common Shares, such adjustments as are required to reflect such change shall be made with respect to the number of RSUs in the accounts maintained for each Participant, provided that no fractional RSUs shall be issued to Participants and the number of RSUs to be issued in such event shall be rounded down to the next whole number of RSUs.

Section 10 Participant Accounts

An account (the "**RSU Account**") shall be maintained by the Corporation for each Participant participating in this RSU Plan. The Corporation shall record in the RSU Account of each Participant, at all times, the number of RSUs notionally credited to such Participant. Upon payment in satisfaction of RSUs pursuant to Section 8 hereof, such RSUs shall be cancelled. A written notification of the balance in the account maintained for each Participant shall be mailed by the Corporation or by an administrator on behalf of the Corporation to each Participant at least annually. A Participant shall not be entitled to any certificate or other document evidencing the amount of RSUs in his or her account.

Section 11 General

11.1 Change of Control

Notwithstanding any provisions to the contrary contained in this RSU Plan, all unvested RSUs outstanding at the time of a Change of Control shall vest immediately upon such Change of Control.

11.2 Non-Assignable

Except as otherwise may be expressly provided for under this RSU Plan or pursuant to a will or by the laws of descent and distribution, no right or interest of a Participant under this RSU Plan is assignable or transferable.

11.3 No Contract of Employment

Neither participation in this RSU Plan nor any action taken under this RSU Plan shall give or be deemed to give any Participant a right to continued employment with the Corporation and shall not interfere with any right of the Corporation to dismiss any Participant. The payment of any sum of money in cash *in lieu* of notice of the termination of employment shall not be considered as extending the period of employment for the purposes of this RSU Plan.

11.4 No Shareholder Rights

No Participant shall have any claim or right to any Common Shares pursuant to this RSU Plan. Under no circumstances shall RSUs be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership or control of Common Shares, nor shall any Participant be considered the owner of any Common Shares pursuant to this RSU Plan.

11.5 Reorganization of the Corporation

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

In the case of an adjustment to the Common Shares following a dividend of shares, an amalgamation, a combination, merger or consolidation, a share-for-share exchange or any other similar change in the capital structure of the Corporation, an adjustment shall be made by the Corporation to the number of RSUs or to the kind of shares that are subject to the issued RSUs, as the case may be. The Committee shall make such adjustment, which shall be final and binding for purposes of this RSU Plan.

11.6 Suspension, Termination or Amendments of this RSU Plan

The Committee may from time to time amend, suspend or terminate this RSU Plan in whole or in part or amend the terms of RSUs credited in accordance with this RSU Plan. If any such amendment, suspension or termination will materially or adversely affect the rights of a Participant with respect to RSUs credited to such Participant, the written consent of such Participant to such amendment, suspension or termination shall be obtained. Notwithstanding the foregoing, obtaining of the written consent of any Participant to an amendment, suspension or termination which materially or adversely affects the rights of such Participant with respect to any credited RSUs shall not be required if such amendment, suspension or termination is required in order to comply with applicable laws, regulations, rules, orders of government or regulatory authorities or the requirements of any stock exchange on which shares of the Corporation are listed.

The Committee has the discretion to make amendments to this RSU Plan which it may deem necessary, without having to obtain shareholder approval. Such changes include, without limitation,

- (a) amendments of a "housekeeping nature"; and
- (b) a change to the vesting provisions of RSUs granted pursuant to this RSU Plan.

However, shareholder approval will be required in the case of:

- (a) any amendment to the amendment provisions of this RSU Plan; and
- (b) any increase in the maximum number of Common Shares issuable under this RSU Plan.

If the Committee terminates this RSU Plan, RSUs previously credited to Participants shall remain outstanding and in effect and be settled in due course in accordance with the terms of this RSU Plan (which shall continue to have effect, but only for such purposes) on the Settlement Date.

Notwithstanding the foregoing, any amendment to this RSU Plan shall be subject to the receipt of all required regulatory approvals.

11.7 Representation or Warranty

The Corporation makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of this RSU Plan.

11.8 Prior RSU Plan

Upon implementation, this RSU Plan will replace the current plan of the Corporation governing RSUs, which was adopted by shareholders of the Corporation on June 26, 2017. Following this, the current plan will be of no further force and effect, and all RSUs issued under such plan will thereafter be deemed to be issued under this RSU Plan and shall be governed by this RSU Plan.

11.9 Governing Law

This RSU Plan and the RSUs granted under this RSU Plan shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Approved by Shareholders March 31, 2019.

Amended by the Board October 9, 2020.

SCHEDULE D

APPOINTMENT OF PRICEWATERHOUSE COOPERS LLP

TALISKER RESOURCES LTD.
NOTICE OF CHANGE OF AUDITORS PURSUANT TO
NATIONAL INSTRUMENT 51-102

Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

Dear Sirs/Mesdames:

Re: Notice Regarding Change of Auditor Pursuant to National Instrument 51-102

Notice is hereby given that at the request of Talisker Resources Ltd. (the "Company" or "Talisker"), BDO Canada LLP (the "Former Auditor") resigned as auditors of the Company effective January 10, 2020 and PricewaterhouseCoopers LLP has been appointed as auditors of the Company effective January 10, 2020. The Audit Committee and the Board of Directors of Talisker considered and approved both the resignation of the Former Auditor and the appointment of PricewaterhouseCoopers LLP as auditor of Talisker.

There have been no reservations in the Former Auditor's Report on any of the Company's financial statements commencing at the beginning of the two most recently completed fiscal years and ending on December 31, 2018. The Former Auditor did not audit any financial statements of the Company subsequent to the December 31, 2018 fiscal year of the Company.

In the opinion of the Company, prior to the resignation, and as at the date hereof, there were no reportable events, including disagreements, consultations, or unresolved issues as defined in National Instrument 51-102, Continuous Disclosure Obligations, between the Former Auditor and the Company.

The contents of this Notice and the attached letters from PricewaterhouseCoopers LLP and BDO Canada LLP have been reviewed by the Board of Directors.

DATED at Toronto, Ontario this 10th day of January, 2020.

BY ORDER OF THE BOARD OF DIRECTORS OF
TALISKER RESOURCES LTD.

signed "Andres Tinajero"

Andres Tinajero
Chief Financial Officer



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vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

January 10, 2020

British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

Dear Sirs/Mesdames:

**Re: Talisker Resources Ltd.
Notice of Change of Auditors dated January 10, 2020**

Pursuant to National Instrument 51-102 (Section 4.11) we have read the above noted Notice of Change of Auditors of Talisker Resources Ltd. dated January 10, 2020 ("Notice"). We confirm our agreement with the statements made in Notice pertaining to our firm.

Yours very truly,

Chartered Professional Accountants



January 17, 2020

To: Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

To whom it may concern:

We have read the statements made by Talisker Resources Ltd. in the attached copy of change of auditor notice dated January 10, 2020, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements concerning PricewaterhouseCoopers LLP in the change of auditor notice date January 10, 2020.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

PricewaterhouseCoopers LLP
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PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.