MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This Management Information Circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of Empress Royalty Corp. ("**Empress Royalty**" or the "**Corporation**") for use at the Annual General and Special Meeting (the "**Meeting**") of the holders (the "**Shareholders**") of Empress Royalty common shares (the "**Shares**" or "**Common Shares**") to be held on July 21, 2023 at 2:00 p.m. (PDT) in the offices of the Corporation legal counsel, Stikeman Elliott LLP, located at 1700 – 666 Burrard Street, Vancouver, B.C. V6C 2X8, Canada and at all adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting. The cost of solicitation will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are directors or officers of the Corporation. **A Shareholder wishing to appoint some other person or entity (who need not be a Shareholder) to represent him or her at the Meeting has the right to do so, either by striking out the names of those persons named in the accompanying form of proxy and inserting the desired person or entity's name in the blank space provided in the form of proxy or by completing another form of proxy.** A proxy will not be valid unless the completed form of proxy is received by Computershare Investor Services Inc. at Proxy Dept., 100 University Avenue 8th Floor, Toronto, Ontario M5J 2Y1, or by fax to: (within North America) +1-866- 249-7775 (outside North America) +1-416-263-9524, not less than forty-eight (48) hours (excluding Saturdays and holidays) prior to the Meeting or to the Chair of the Meeting prior to the commencement of the Meeting on or before 9:00 a.m. (PDT time) on July 19, 2023, or at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting at which the proxy is to be used. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at their discretion, without notice.

As noted in the Notice of Meeting accompanying this Circular, Shareholders may also elect to vote electronically in respect of any matter to be acted upon at the Meeting. Votes cast electronically are in all respects equivalent to and will be treated in the exact same manner as, votes cast via a paper form of proxy. To vote electronically, interested Shareholders are asked to go to the website shown on the form of proxy and follow the instructions provided. Please note that each Shareholder exercising the electronic voting option will need to refer to the control number indicated on their proxy form to identify themselves in the electronic voting system. Shareholders should also refer to the instructions on the proxy form for information regarding the deadline for voting Shares electronically. Shareholders who vote electronically are also asked to not return the paper form of proxy by mail.

A Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or

by their attorney authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation. Such notice may be delivered to the Corporation's registered and records office at 1700, 666 Burrard Street, Vancouver, B.C. V6C 2X8, Canada at any time up to 5:00 p.m. (PDT) on July 19, 2023, or if adjourned, any reconvening thereof, or to the Chair of the Meeting on the day of the Meeting, prior to any vote in respect of which the proxy is to be used has been taken. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF PROXIES

The persons named in the enclosed form of proxy will vote the Shares in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions thereon. In the absence of such specifications, such Shares will be voted in favour of each of the matters referred to herein.

The enclosed form of proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting. If amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgement on such matters.

VOTING BY NON-REGISTERED SHAREHOLDERS

Only registered Shareholders, or the persons they appoint as their proxies, are permitted to vote at the Meeting. However, in many cases, Shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") (including, among others, banks, trust companies, securities dealers, brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans) that the Non-Registered Holder deals with in respect of the Shares; or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant. Non-Registered Holders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Shares can be recognized and acted upon at the Meeting. In accordance with the requirements of the Canadian Securities Administrators (the "**CSA**"), the Corporation will have distributed copies of the Notice of Meeting, Circular and the Proxy to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. If you are a Non-Registered Holder, your Intermediary will be the entity legally entitled to vote your Shares at the Meeting. Shares held by an Intermediary can only be voted upon the instructions of the Non-Registered Holder. Without specific instructions, Intermediaries are prohibited from voting Shares. To instruct your Intermediary to vote your shares, please seek instructions from your Intermediary, which instructions will include completing a voting instruction form (a "**VIF**").

The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable VIF in lieu of the form of proxy. The Non-Registered Holder is requested to complete and return the VIF to Broadridge by mail or facsimile. Alternatively, the Non-Registered Holder may call a toll-free telephone number or access the internet to provide instructions regarding the voting of Shares held by the Non-Registered Holder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Non-Registered Holder receiving a VIF cannot use that VIF to vote Shares directly at the Meeting, as the VIF must be returned as directed by Broadridge well in advance of the Meeting in order to have such Shares voted.

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purpose of voting

Shares registered in the name of their Intermediary, a Non-Registered Holder may attend the Meeting as proxyholder for the Intermediary and vote the Shares in that capacity. **Non-Registered Holders who wish to attend the Meeting and indirectly vote their Shares as a proxyholder should enter their own names in the blank space on the form of proxy or VIF provided to them by their Intermediary or Broadridge, as applicable, and return the same in accordance with the instructions provided by their Intermediary or Broadridge, as applicable, well in advance of the Meeting.**

The purpose of the above-noted procedures is to permit Non-Registered Holders to direct the voting of the Shares that they beneficially own. Non-Registered Holders should carefully follow the instructions and procedures of their Intermediary or Broadridge, as applicable, including those regarding when and where the form of proxy or VIF is to be delivered.

The Corporation does not intend to pay for intermediaries to forward Meeting Materials to objecting beneficial owners and an objecting beneficial owner will not receive Meeting Materials unless such objecting beneficial owner's Intermediary assumes the cost of delivery. An objecting beneficial owner is a Non-Registered Shareholder that objects to their Intermediary disclosing their ownership information.

RECORD DATE, VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized voting share capital of Empress Royalty consists of an unlimited number of common shares. Each holder of common shares is entitled to one vote for each common share registered in his or her name at the close of business on May 23, 2023, the date fixed by our directors (the "**Board**") as the record date (the "**Meeting Record Date**") for determining who is entitled to receive notice of and to vote at the Meeting.

As of the Meeting Record Date, the Corporation has 118,205,418 Shares outstanding, each carrying one vote. The Shares trade on the TSX Venture Exchange (the "**TSXV**" or "**Exchange**"), under the symbol "EMPR". Only Shareholders of record as of the close of business on the Meeting Record Date, who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have their Shares voted at the Meeting.

To the knowledge of the directors and officers of the Corporation, as at the date of this Circular, there are no persons or companies who beneficially own, directly or indirectly, or exercise control or direction over,Shares carrying more than 10% of the voting rights attached to all the outstanding Shares of the Corporation other than as set out below:

Shareholder Name and Jurisdiction	Designation of Security	Amount	Percentage of issued and outstanding Resulting Issuer Shares
Terra Capital Natural Resource Fund Pty Ltd., Australia	Common Shares	14,383,461	12.2%
Resource Capital Investment Corp. (California), Sprott Asset Management	Common Shares	14,431,400	12.2%

USA Inc. (California), and Sprott Asset Management LP (Ontario) (the ("**Eligible Institutional Investor**")[(2)]			

Notes:

1. Jeremy Bond, a Director of the Corporation, controls the 14,383,461 Shares owned by Terra Capital Natural Resources Fund Pty Ltd. ("**Terra Capital**").
2. Common shares are held by Term Oil Inc., Ninepoint Gold and Precious Minerals Fund, Ninepoint Silver Equities Class and Exploration Capital Partners 2005 LP, each of whom may be deemed to be acting jointly or in concert with the Eligible Institutional Investor.

BUSINESS OF THE MEETING

Except as otherwise indicated herein, a simple majority of votes cast, in person or by proxy, will constitute approval of matters voted on at the Meeting. A quorum for the Meeting shall be two Shareholders present in person or represented by proxy, shareholders who, in the aggregate, hold at least 5% of the issued Shares entitled to vote at the Meeting. No business, other than the election of a chair of the Meeting and the adjournment of the Meeting, shall be transacted at the Meeting unless the requisite quorum is present at the commencement of the Meeting, in which case a quorum shall be deemed to be present during the remainder of the Meeting. If a quorum is not present within one-half hour from the time set for holding the Meeting, the Shareholders present or represented by proxy may adjourn the Meeting to the same day in the next week at the same time and place.

Financial Statements

The Corporation's consolidated financial statements for the twelve (12) months ended December 31, 2022, and the auditors report thereon, will be submitted to the Meeting. Receipt at the meeting of the auditors' report and the Corporation's consolidated financial statements for the twelve (12) months ended December 31, 2022, will not constitute approval or disapproval of any matters referred therein.

Setting the Number of Directors

The number of directors was last determined at six (6), and it is proposed that the size of the board of directors be set at six (6) persons for the ensuing year. Shareholders will be asked to approve an ordinary resolution that the number of directors to be elected be set at six (6).

Election of Directors

At the Meeting, Shareholders will be asked to elect management's six (6) nominee directors. The Corporation currently has six (6) directors. The persons named below are the six (6) nominees of management for election as directors, all of whom are current directors of the Corporation. Each director of the Corporation is elected annually and holds office until the next Annual General Meeting of Shareholders unless his or her successor is duly elected or until his or her resignation as a director. Management does not contemplate that any of the nominees will be unable to serve as a director.

In considering director nominees, management and the Board seek to ensure that the Board is composed of

members whose particular experience, qualifications, attributes and skills, when taken together, will allow the Board to satisfy its oversight obligations effectively.

The following table and notes thereto state the names of all persons proposed to be nominated by management for election as directors of the Corporation (each, a "proposed director"), their residence, all offices of the Corporation now held by them, their principal occupations or employments, the period of service as directors of the Corporation, the number of Common Shares beneficially owned, controlled or directed, directly or indirectly, by each of them as at the date hereof, and their present status on any committees of the Board. As of the date hereof, no additional director nominations for the Meeting have been received by the Corporation in compliance with the Corporation's Advance Notice Policy adopted by the shareholders on June 30, 2021.

The purpose of the Corporation's Advance Notice Policy (the "**Policy**") is to provide shareholders, directors, and management of the Corporation with a clear framework for nominating directors of the Corporation. This Policy fixes a deadline by which director nominations must be submitted to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that must be included in the notice to the Corporation for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders. Pursuant to the Policy, a shareholder who wishes to nominate a candidate for election as a director (the "**Nominating Shareholder**"), must submit notice to the Corporate Secretary of the Corporation, in the case of an annual meeting of shareholders, not less than thirty (30) days nor more than sixty-five (65) days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than fifty (50) days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be given not later than the close of business on the tenth (10th) day following the Notice Date.

The full text of the Policy is attached as Schedule "B" to the Corporation's management information circular dated May 18, 2021, and filed on SEDAR on May 27, 2021.

<table>
<tr><td colspan="3">David Rhodes | Non-Independent</td></tr>
<tr><td>Executive Chairman, Director (2) (4)

Loule, Portugal
Age: 56

Director Since: July 7, 2020</td><td colspan="2">Mr. Rhodes' career in the finance industry has spanned more than thirty years. In addition to his role in the Corporation, Mr. Rhodes is the Managing Director of Endeavour Financial, a mining financial advisory firm specialising in arranging multi-sourced funding solutions for development companies. Endeavour additionally has an asset management and developing insurance business. Prior to joining Endeavour, he was at Standard Bank London Limited, Barclays Capital and Royal Bank of Scotland. At Standard and Barclays, he sourced, structured and syndicated finance for mining projects and companies on a global basis. Having lived and worked in London and New York he has international experience of the North/South American, European, CIS and African markets. As a result, he has arranged over US$18 billion of funding for mining companies.</td></tr>
<tr><td colspan="2">Number and Percentage of Voting Securities Beneficially Owned, or Controlled or Directed, Directly or Indirectly, as of May 23, 2023</td><td>Directorships with Other Public Issuers</td></tr>
<tr><td>Shares</td><td>8,644,758 - 7.3% - held through Endeavour Financial AG</td><td>• Luca Mining Corporation</td></tr>
</table>

Alexandra Woodyer Sherron | Non-Independent		
Director, Chief Executive Officer and President [2] [3] [5] West Vancouver, Canada Age: 48 Director Since: July 7, 2020	Ms. Woodyer has over 20 years of experience in the mining industry. Ms. Woodyer's career began at PricewaterhouseCoopers before she joined Endeavour Financial, a global mining finance advisory firm. During her investment banking career in London, she was Director Structured Financing and involved in the successful completion of over US$1.5 billion in financings. Prior to becoming Chief Executive Officer and President of the Corporation, Ms. Woodyer was the President and Chief Executive Officer of Empress Resources Corp.	
Number and Percentage of Voting Securities Beneficially Owned, or Controlled or Directed, Directly or Indirectly, as of May 23, 2023		**Directorships with Other Public Issuers**
Shares	2,000,000 -1.69%	• none

Jeremy Bond | Independent		
Director [1] [2] [4] Sydney, Australia Age: 41 Director Since: July 7, 2020	Mr. Bond has over 13 years of experience across funds management and financial advisory. He has run the Terra Capital Natural Resource Fund since 2010. Mr. Bond has run the Terra Capital Emerging Companies Fund since 2016. Prior to Terra Capital, Mr. Bond worked at UK Hedge Fund RAB Capital's Special Situations Fund. Prior to RAB, Mr. Bond worked at Azure Capital, a boutique investment bank. Here he worked on numerous M&A transactions and financings in the resources and small industrials sectors. Mr. Bond has a Bachelor of Commerce, Economics and Arts.	
Number and Percentage of Voting Securities Beneficially Owned, or Controlled or Directed, Directly or Indirectly, as of May 23, 2023		**Directorships with Other Public Issuers**
Shares	14,383,461 - 12.2% - held through Terra Capital Natural Resource Fund Pty Ltd.	• none

Paul Mainwaring | Independent	
Director [1] [4] London, UK Age: 48 Director Since: July 7, 2020	Mr. Mainwaring has over 15 years' experience in corporate finance and in the last 11 years, whilst at Endeavour Financial, has focussed on financings in the natural resources sector. Mr. Mainwaring has extensive experience in cash flow modelling, financial analysis, valuation, debt advisory, deal structuring and the negotiation, documentation and execution of mining finance transactions and re-financings. Prior to joining Endeavour Financial in 2006, he worked for PricewaterhouseCoopers in their Valuation & Strategy department and was involved in valuation assignments and corporate transactions across a range of sectors and also previously worked as a chemical engineer in the petrochemical and pharmaceutical industries. Mr. Mainwaring is a CFA charter holder.

Number and Percentage of Voting Securities Beneficially Owned, or Controlled or Directed, Directly or Indirectly, as of May 23, 2023		Directorships with Other Public Issuers
Shares	169,477 – less than 1%	• none

George Wesley Roberts | Independent	
Director [3] [5] Toronto, Canada Age: 64 Director Since: July 7, 2020	Wes Roberts, M.Sc., P.Eng., MBA is a professional mining engineer with over 40 years of experience specializing in the economic evaluation and development of mineral deposits. Mr. Roberts acts as an independent director and technical advisor to a number of public companies. Over his career, Mr. Roberts has gained extensive experience in mineral exploration, mining operations, project engineering and management as well as diverse mining engineering experience that includes precious metals, base metals, iron ore, battery metals and industrial minerals. Mr. Roberts has held numerous positions in the mining industry, which include Canada Talc Limited, Derry Michener Booth & Wahl, Davey International, Bharti Engineering, GMP Securities, Inco Ltd, Breakwater Resources Ltd (VP Corporate Development), VP Mining to the Canadian law firm Heenan Blaikie LLP, and Mineral Engineering Consultant to American law firm Dorsey & Whitney LLP. Since 2011, as a consultant, has actively advised and represented the Inuit Regional Associations of the Territory of Nunavut, (Arctic, Canada) and Michipicoten First Nation (Wawa, Ontario) with respect to negotiating commercial land access lease agreements with mining companies. Mr. Roberts holds a B.Sc. (Mining Engineering) and M.Sc. (Mining Engineering) from Queen's University, and an M.B.A. (Finance) from the Schulich School of Business (York University).
Number and Percentage of Voting Securities Beneficially Owned, or Controlled or Directed, Directly or Indirectly, as of May 23, 2023	**Directorships with Other Public Issuers**
Shares 200,000 – less than 1%	• Sparton Resources Inc. • Golden Share Resources Corporation • Aurum Lake Mining Corporation

Natascha Kiernan |Independent	
Director [1] [3] [5] West Vancouver, BC Age: 42 Director Since: April 19, 2021	Ms. Kiernan is a lawyer, consultant, and public company director (ICCD) with over 18 years of experience specializing in transactions involving mining and other natural resources. Ms. Kiernan has held senior positions with several prominent international law firms, including the New York and London offices of Skadden, Arps, Slate, Meagher & Flom. She has advised governments, financial institutions and corporations in numerous complex multi-billion dollar financings and M&A transactions in jurisdictions around the globe. She brings extensive legal experience in mining, as well as corporate governance expertise. Ms. Kiernan is an ICD.D holder (Institute Corporate Directors Designation).
Number and Percentage of Voting Securities Beneficially Owned, or Controlled or Directed, Directly or Indirectly, as of May 23, 2023	**Directorships with Other Public Issuers**
Shares • none	• Soma Gold Corp. • Green Impact Partners Inc.

Notes:

(1) Current member of the Audit and Risk Committee, of which Mr. Mainwaring is the Chair.

(2) Current member of the Investment Committee, of which Mr. Rhodes is the Chairman

(3) Current member of the Corporate Governance and Nomination Committee, of which Ms. Kiernan is the Chair.

(4) Current member of the Compensation Committee, of which Mr. Rhodes is the Chair

(5) Current member of the Environmental, Sustainability and Governance Committee of with Ms. Kiernan is the Chair.

Except as described below, no current director or person proposed by management to be elected as a director of the Corporation at the Meeting is, or within ten (10) years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any company (including the Corporation) that, (i) was subject to an order that was issued while the proposed director 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 proposed director 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 director, chief executive officer or chief financial officer; or (b) a director or executive officer of any company (including the Corporation) 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. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than thirty (30) consecutive days.

No current director or director proposed for election has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

No current director or director proposed for election has, within the ten (10) years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director.

Appointment of Davidson & Company LLP as Auditor

Davidson & Company LLP, Chartered Professional Accountants has served as Auditors of the Corporation since April 2, 2020.

Unless the Shareholder directs that their Shares are to be otherwise voted or withheld from voting in connection with the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditors of the Corporation, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Davidson & Company LLP, Chartered Professional Accountants, to serve as auditors of the Corporation until the next annual meeting of Shareholders and to authorize the directors to fix their remuneration.

Re-Approval of the 2022 Option Plan

At the Meeting, Shareholders will be asked to re-approve the Corporation's existing 10% rolling incentive stock option plan (the "**2022 Option Plan**"). The 2022 Option Plan was approved by the Board on July 18, 2022, by the Shareholders on September 28, 2022, and accepted by the Exchange on October 19, 2022 (the "**Effective Date**"). The 2022 Option Plan replaced the Corporation's previous Stock Option Plan (the "**Option Plan**"). There are 7,500,000 stock options currently outstanding under the Option Plan will remain outstanding and in full force and effect in accordance with their terms after the Effective Date. However, following the Effective Date, no

additional grants shall be made pursuant to the Option Plan, and the Option Plan will terminate on the date upon which no Outstanding Options remain outstanding. There are currently an additional 1,150,000 stock options outstanding under the 2022 Option Plan.

The purpose of the 2022 Option Plan is to, among other things: (i) provide the Corporation with a mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Corporation and its subsidiaries; (ii) reward directors, officers, employees and consultants that have been granted stock options (each, an "**Option**") under the 2022 Option Plan for their contributions toward the long-term goals and success of the Corporation; and (iii) enable and encourage such directors, officers, employees and consultants to acquire Shares of the Corporation as long-term investments and proprietary interests in the Corporation.

A summary of certain provisions of the 2022 Option Plan is set out below, and a full copy of the 2022 Option Plan is attached hereto as Schedule "B". This summary is qualified in its entirety to the full copy of the 2022 Option Plan.

Summary of the 2022 Option Plan

Eligibility

The 2022 Option Plan allows the Corporation to grant Options to attract, retain and motivate qualified directors, officers, employees and consultants of the Corporation and its subsidiaries (collectively, the "**Option Plan Participants**").

Number of Shares Issuable

The aggregate number of Shares that may be issued to Option Plan Participants under the 2022 Option Plan will be that number of Shares equal to 10% of the issued and outstanding Shares on the particular date of grant of the Option, less the 8,650,000 stock options currently outstanding.

Limits on Participation

The 2022 Option Plan provides for the following limits on grants, for so long as the Corporation is subject to the requirements of the Exchange, unless disinterested Shareholder approval is obtained or unless permitted otherwise pursuant to the policies of the Exchange:

(i) the maximum number of Shares that may be issued to any one Option Plan Participant (and where permitted pursuant to the policies of the Exchange, any company that is wholly-owned by the Option Plan Participant) under the 2022 Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 5% of the issued Shares calculated on the date of grant;

(ii) the maximum number of Shares that may be issued to insiders collectively under the 2022 Option Plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 10% of the issued Shares calculated on the date of grant; and

(iii) the maximum number of Shares that may be issued to insiders collectively under the 2022 Option Plan, together with any other security-based compensation arrangements, may not exceed 10% of the issued Shares at any time.

For so long as such limitation is required by the Exchange, the maximum number of Options which may be granted within any twelve (12) month period to Option Plan Participants who perform investor relations activities must not exceed 2% of the issued and outstanding Shares, and such Options must vest in stages over twelve (12) months with no more than 25% vesting in any three (3) month period. In addition, the maximum number of Shares that may be granted to any one consultant under the 2022 Option Plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 2% of the issued Shares calculated on the date of grant.

Administration

The plan administrator of the 2022 Option Plan (the "**Option Plan Administrator**") will be the Board or a committee of the Board, if delegated. The Option Plan Administrator will, among other things, determine which directors, officers, employees or consultants are eligible to receive Options under the 2022 Option Plan; determine conditions under which Options may be granted, vested or exercised, including the expiry date, exercise price and vesting schedule of the Options; establish the form of option certificate ("**Option Certificate**"); interpret the 2022 Option Plan; and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the 2022 Option Plan.

Subject to any required regulatory or shareholder approvals, the Option Plan Administrator may also, from time to time, without notice to or without approval of the Shareholders or the Option Plan Participants, amend, modify, change, suspend or terminate the Options granted pursuant thereto as it, in its discretion, determines appropriate, provided that no such amendment, modification, change, suspension or termination of the 2022 Option Plan or any Option granted pursuant thereto may materially impair any rights of an Option Plan Participant or materially increase any obligations of an Option Plan Participant under the 2022 Option Plan without the consent of such Option Plan Participant, unless the Option Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements or as otherwise permitted pursuant to the 2022 Option Plan.

All of the Options are subject to the conditions, limitations, restrictions, vesting, exercise and forfeiture provisions determined by the Option Plan Administrator, in its sole discretion, subject to such limitations provided in the 2022 Option Plan and will be evidenced by an Option Certificate. In addition, subject to the limitations provided in the 2022 Option Plan and in accordance with applicable law, the Option Plan Administrator may accelerate the vesting of Options, cancel or modify outstanding Options and waive any condition imposed with respect to Options or Shares issued pursuant to Options.

Exercise of Options

Options shall be exercisable as determined by the Option Plan Administrator at the time of grant, provided that no Option shall have a term exceeding ten (10) years so long as the Shares are listed on the Exchange.

Subject to all applicable regulatory rules, the vesting schedule for an Option, if any, shall be determined by the Option Plan Administrator. The Option Plan Administrator may elect, at any time, to accelerate the vesting schedule of an Option, and such acceleration will not be considered an amendment to such Option and will not require the consent of the Option Plan Participant in question. However, no acceleration to the vesting schedule of an Option granted to an Option Plan Participant performing investor relations services may be made without prior acceptance of the Exchange.

The exercise price of an Option shall be determined by the Option Plan Administrator and cannot be lower than the greater of: (i) the minimum price required by the Exchange; and (ii) the market value of the Shares on the

applicable grant date.

An Option Plan Participant may exercise the Options in whole or in part through any one of the following forms of consideration, subject to applicable laws, prior to the expiry date of such Options, as determined by the Option Plan Administrator:

- the Option Plan Participant may send a wire transfer, certified cheque or bank draft payable to the Corporation in an amount equal to the aggregate exercise price of the Shares being purchased pursuant to the exercise of the Option;

- subject to approval from the Option Plan Administrator and the Shares being traded on the Exchange, a brokerage firm may be engaged to loan money to the Option Plan Participant in order for the Option Plan Participant to exercise the Options to acquire the Shares, subsequent to which the brokerage firm shall sell a sufficient number of Shares to cover the exercise price of such Options to satisfy the loan. The brokerage firm shall receive an equivalent number of Shares from the exercise of the Options, and the Option Plan Participant shall receive the balance of the Shares or cash proceeds from the balance of such Shares; and

- subject to approval from the Option Plan Administrator and the Shares being traded on the Exchange, consideration may be paid by reducing the number of Shares otherwise issuable under the Options, in lieu of a cash payment to the Corporation, an Option Plan Participant, excluding those providing investor relations services, only receives the number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied by the difference between the volume-weighted average trading price of the Shares and the exercise price of the Options, by (ii) the volume-weighted average trading price of the Shares.

If an exercise date for an Option occurs during a trading black-out period imposed by the Corporation to restrict trades in its securities, then, notwithstanding any other provision of the 2022 Option Plan, the Option shall be exercised no more than ten business days after the trading black-out period is lifted by the Corporation, subject to certain exceptions.

Termination of Services or Change of Control

Termination by the Corporation for cause:	Forfeiture of all unvested Options. The Option Plan Administrator may determine that all vested Options shall be forfeited, failing which all vested Options shall be exercised in accordance with the 2022 Option Plan.
Voluntary resignation of an Option Plan Participant:	Forfeiture of all unvested Options. Exercise of vested Options in accordance with the 2022 Option Plan.
Termination by the Corporation other than for cause:	Acceleration of vesting of a portion of unvested Options in accordance with a prescribed formula as set out in the 2022 Option Plan. Forfeiture of the remaining unvested Options. Exercise of

	vested Options in accordance with the 2022 Option Plan.
Death or disability of an Option Plan Participant:	Acceleration of vesting of all unvested Options. Exercise of vested Options in accordance with the 2022 Option Plan.
Termination or voluntary resignation for good reason within twelve (12) months of a change in control:	Acceleration of vesting of all unvested Options. Exercise of vested Options in accordance with the 2022 Option Plan.

The following describes the impact of certain events that may, unless otherwise determined by the Option Plan Administrator or as set forth in an Option Certificate, lead to the early expiry of Options granted under the 2022 Option Plan.

Any Options granted to an Option Plan Participant under the 2022 Option Plan shall terminate at a date no later than twelve (12) months from the date such Option Plan Participant ceases to be an Option Plan Participant.

In the event of a triggering event, which includes a change in control, dissolution or winding-up of the Corporation, a material alteration of the capital structure of the Corporation and a disposition of all or substantially all of the Corporation's assets, the Option Plan Administrator may, without the consent of the Option Plan Participant, cause all or a portion of the Options granted to terminate upon the occurrence of such event.

Amendment or Termination of the 2022 Option Plan

Subject to any necessary regulatory approvals, the 2022 Option Plan may be suspended or terminated at any time by the Option Plan Administrator, provided that no such suspension or termination shall alter or impact any rights or obligations under an Option previously granted without the consent of the Option Plan Participant.

The following limitations apply to the 2022 Option Plan and all Options thereunder as long as such limitations are required by the Exchange:

- any adjustment to Options, other than in connection with a security consolidation or security split, is subject to prior Exchange acceptance;
- any amendment to the 2022 Option Plan is subject to prior Exchange acceptance, except for amendments to reduce the number of Shares issuable under the 2022 Option Plan, to increase the exercise price of Options or to cancel Options;
- any amendments made to the 2022 Option Plan shall require regulatory and Shareholder approval, except for amendments to: (i) fix typographical errors; and (ii) clarify existing provisions of the 2022 Option Plan and which do not have the effect of altering the scope, nature and intent of such provisions; and
- the exercise price of an Option previously granted to an insider must not be reduced, or the extension of the expiry date of an Option held by an insider may not be extended, unless the Corporation has obtained disinterested shareholder approval to do so in accordance with Exchange policies.

Subject to the foregoing limitations and any necessary regulatory approvals, the Option Plan Administrator may amend any existing Options or the 2022 Option Plan or the terms and conditions of any Option granted thereafter, although the Option Plan Administrator must obtain written consent of the Option Plan Participant (unless otherwise excepted out by a provision of the 2022 Option Plan) where such amendment would materially decrease the rights or benefits accruing to an Option Plan Participant or materially increase the obligations of an Option Plan Participant.

Corporation 2022 Option Plan Resolution

At the Meeting, the Shareholders of the Corporation will be asked to consider and approve an ordinary resolution, in substantially the following form, in order to approve the continuation of the 2022 Option Plan, which resolution requires approval of greater than 50% of the votes cast by the Shareholders who, being entitled to do so, vote, in person or by proxy, on the ordinary resolution at the Meeting:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

(a) the Corporation's stock option plan (the "**2022 Option Plan**"), substantially in the form attached as Schedule "B" to the management information circular of Empress Royalty dated June 26, 2023, is hereby approved;

(b) the directors of the Corporation or any committee of the board of directors of the Corporation are hereby authorized to grant stock options (each, an "**Option**") pursuant to the 2022 Option Plan to those eligible to receive Options thereunder;

(c) any one director or officer of the Corporation is hereby authorized to execute and deliver on behalf of the Corporation all such documents and instruments and to do all such other acts and things as in such director's opinion may be necessary to give effect to the matters contemplated by these resolutions; and

(d) notwithstanding that this resolution be passed by the shareholders of the Corporation and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable to the directors."

Recommendation of the Board

The Board has determined that the 2022 Option Plan is in the best interests of the Corporation and the Shareholders and unanimously recommends that the Shareholders vote in favour of approving the 2022 Option Plan. **In the absence of any contrary directions, it is the intention of management to vote proxies in the accompanying form FOR the foregoing resolution.**

The Board reserves the right to amend any terms of the 2022 Option Plan or not to proceed with the 2022 Option Plan at any time prior to the Meeting if the Board determines that it would be in the best interests of the Corporation and the Shareholders and to do so in light of any subsequent event or development occurring after the date of the Information Circular.

EXECUTIVE COMPENSATION

Empress Royalty's statement of executive compensation for the twelve (12) months ended December 31, 2022, is attached hereto as Schedule "A".

Securities Authorized for Issuance under Equity Compensation Plans

The following table provides information as of December 31, 2022, with respect to securities that are authorized for issuance under the Option Plan, the 2022 Option Plan, and the Equity Incentive Plan:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	7,500,000	$0.50	14,281,544
Equity compensation plans not approved by securityholders	-	-	-
Total	7,500,000	$0.50	14,281,544

Notes:

(1) Since the year end of December 31, 2022, 1,150,000 options to purchase Common Shares have been granted, and no options have been exercised, expired or been cancelled. As at the date hereof there are options outstanding to purchase 8,650,000 Common Shares.
(2) Since the year end of December 31, 2022, 1,500,000 RSUs have been granted.
(3) Since the year end of December 31, 2022, 1,750,000 DSUs have been granted.
(4) As at the date hereof there are options and equity securities available for grant to purchase 10,377,980 Common Shares.

Equity Incentive Plan

The Corporation has in place an equity incentive plan (the "**Equity Incentive Plan**") A summary of certain provisions of the Equity Incentive Plan is set out below, and this summary is qualified in its entirety to the full copy of the Equity Incentive Plan.

The Equity Incentive Plan currently provides that a total of 10,457,439 common shares may be issued to Equity Incentive Plan participants. There are currently rights to acquire 3,250,000 common shares that have been granted under the Equity Incentive Plan.

Summary of Equity Incentive Plan

Eligibility

The Equity Incentive Plan provides flexibility to the Corporation to grant equity-based incentive awards in the form of restricted share units ("**RSUs**"), performance share units ("**PSUs**") and deferred share units ("**DSUs**") (collectively, the "**Awards**") to attract, retain and motivate qualified directors, officers, employees and consultants of the Corporation and its subsidiaries, excluding any persons who perform investor relations activities on behalf of the Corporation or any of its subsidiaries (collectively, the "**Equity Incentive Plan Participants**").

Number of Shares Issuable

The aggregate number of common shares in the capital of the Corporation (each, a "**Share**") that may be issued to Equity Incentive Plan Participants under the Equity Incentive Plan may not exceed 10,457,439, subject to adjustment as provided for in the Equity Incentive Plan.

Limits on Participation

The Equity Incentive Plan provides for the following limits on grants, for so long as the Corporation is subject to the requirements of the Exchange, unless disinterested Shareholder approval is obtained or unless permitted otherwise pursuant to the policies of the Exchange:

i. the maximum number of Shares that may be issued to any one Equity Incentive Plan Participant (and where permitted pursuant to the policies of the Exchange, any company that is wholly-owned by the Equity Incentive Plan Participant) under the Equity Incentive Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 5% of the issued Shares calculated on the date of grant;

ii. the maximum number of Shares that may be issued to insiders collectively under the Equity Incentive Plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 10% of the issued Shares calculated on the date of grant; and

iii. the maximum number of Shares that may be issued to insiders collectively under the Equity Incentive Plan, together with any other security-based compensation arrangements, may not exceed 10% of the issued Shares at any time.

For so long as such limitation is required by the Exchange, the maximum number of Shares that may be granted to any one consultant under the Equity Incentive Plan, together with any other security-based compensation arrangements, within a twelve (12) month period, may not exceed 2% of the issued Shares calculated on the date of grant.

Administration

The plan administrator of the Equity Incentive Plan (the "**Equity Incentive Plan Administrator**") will be the Board or a committee of the Board, if delegated. The Equity Incentive Plan Administrator will, among other things, determine which directors, officers, employees or consultants are eligible to receive Awards under the Equity Incentive Plan; determine any vesting provisions or other restrictions on Awards; determine conditions under which Awards may be granted, vested or settled, including establishing performance goals; establish the form of Award agreement ("Award Agreement"); interpret the Equity Incentive Plan; and make all other determinations and take all other

actions necessary or advisable for the implementation and administration of the Equity Incentive Plan.

Subject to any required regulatory or shareholder approvals, the Equity Incentive Plan Administrator may also, from time to time, without notice to or without approval of the Shareholders or the Equity Incentive Plan Participants, amend, modify, change, suspend or terminate the Awards granted pursuant thereto as it, in its discretion, determines appropriate, provided that no such amendment, modification, change, suspension or termination of the Equity Incentive Plan or any Award granted pursuant thereto may materially impair any rights of an Equity Incentive Plan Participant or materially increase any obligations of an Equity Incentive Plan Participant under the Equity Incentive Plan without the consent of such Equity Incentive Plan Participant, unless the Equity Incentive Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements or as otherwise permitted pursuant to the Equity Incentive Plan.

All of the Awards are subject to the conditions, limitations, restrictions, vesting, settlement and forfeiture provisions determined by the Equity Incentive Plan Administrator, in its sole discretion, subject to such limitations provided in the Equity Incentive Plan and will be evidenced by an Award Agreement. In addition, subject to the limitations provided in the Equity Incentive Plan and in accordance with applicable law, the Equity Incentive Plan Administrator may accelerate the vesting or payment of Awards, cancel or modify outstanding Awards and waive any condition imposed with respect to Awards or Shares issued pursuant to Awards.

Subject to the terms and conditions of the Equity Incentive Plan, the Plan Administrator, may, in its discretion, credit outstanding Share Units and DSUs with dividend equivalents in the form of additional Share Units and DSUs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Dividend equivalents credited to an Equity Incentive Plan Participant's accounts shall vest in proportion to the Share Units and DSUs to which they relate, and shall be settled in accordance with terms of the Plan. Where the issuance of Shares pursuant to the settlement of dividend equivalents will result in the Corporation having insufficient Shares available for issuance or would result in the Corporation breaching its limits on grants of Awards, as set out above, the Corporation shall settle such dividend equivalents in cash.

Settlement of Vested Share Units

The Equity Incentive Plan provides for the grant of RSUs. A RSU is a unit equivalent in value to a Share which entitles the holder to receive one Share, or cash, or a combination thereof for each vested RSU. RSUs shall, unless otherwise determined by the Equity Incentive Plan Administrator, and as specifically set out in the Award Agreement, vest, if at all, following a period of continuous employment of the Equity Incentive Plan Participant with the Corporation or a subsidiary of the Corporation. There are currently 1,500,000 RSUs that have been granted under the Equity Incentive Plan.

The Equity Incentive Plan also provides for the grant of PSUs (together with RSUs, the "**Share Units**"), which entitles the holder to receive one Share, or cash, or a combination thereof, for each vested PSU. PSUs shall, unless otherwise determined by the Equity Incentive Plan Administrator, and as specifically set out in the Award Agreement, vest, if at all, subject to the attainment of certain performance goals and satisfaction of such other conditions to vesting, if any, as many be determined by the Equity Incentive Plan Administrator.

Except where an Equity Incentive Plan Participant dies or ceases to be an Equity Incentive Plan Participant due to a change in control of the Corporation, no Share Unit shall vest prior to the first anniversary of its date of grant. Upon settlement of the Share Units, which shall be within sixty (60) days of the date that the applicable vesting criteria are met, deemed to have been met or waived, and in any event no later than three years following the end of the year in respect of which the Share Units are granted, holders of the Share Units will receive any, or a combination of, the following (as determined solely at the discretion of the Equity Incentive Plan Administrator):

i. one fully paid and non-assessable Share issued from treasury in respect of each vested Share Unit; or

ii. a cash payment, which shall be determined by multiplying the number of Share Units redeemed for cash by the market value of a Share (calculated with reference to the five-day volume weighted average trading price, and subject to a minimum price as set out in the Equity Incentive Plan) (the "**Market Price**") on the date of settlement.

The Corporation reserves the right to change its allocation of Shares and/or cash payment in respect of a Share Unit settlement at any time up until payment is actually made. If a settlement date for a Share Unit occurs during a trading black-out period imposed by the Corporation to restrict trades in its securities, then, notwithstanding any other provision of the Equity Incentive Plan, the Share Unit shall be settled no more than ten business days after the trading black-out period is lifted by the Corporation, subject to certain exceptions.

Settlement of Vested DSUs

The Equity Incentive Plan also provides for the grant of DSUs. A DSU is a unit equivalent in value to a Share which entitles the holder to receive one Share, or cash, or a combination thereof, for each vested DSU on a future date following the Equity Incentive Plan Participant's separation of services from the Corporation or its subsidiaries. Except where an Equity Incentive Plan Participant dies or ceases to be an Equity Incentive Plan Participant due to a change in control of the Corporation and as set out below, no DSU shall vest prior to the first anniversary of its date of grant. Upon settlement of the DSUs, which shall be no earlier than the date of the Equity Incentive Plan Participant's termination of services to the Corporation or its subsidiaries and no later than one year after such date, holders of DSUs will receive any or a combination of the following (as determined solely at the discretion of the Equity Incentive Plan Administrator):

i. one fully paid and non-assessable Share issued from treasury in respect of each vested DSU; or

ii. a cash payment, determined by multiplying the number of DSUs redeemed for cash by the Market Price of a Share on the date of settlement.

In addition to grants made by the Equity Incentive Plan Administrator to all Equity Incentive Plan Participants, directors of the Corporation may elect, subject to acceptance by the Corporation, in whole or in part, of such election, to receive any portion of their director's fees to be payable in DSUs.

The Corporation reserves the right to change its allocation of Shares and/or cash payment in respect of a DSU settlement at any time up until payment is actually made. If a settlement date for a DSU occurs during a trading black-out period imposed by the Corporation to restrict trades in its securities, then, notwithstanding any other provision of the Equity Incentive Plan, the DSU shall be settled no more than ten business days after the trading black-out period is lifted by the Corporation, subject to certain exceptions. There are currently 1,750,000 DSUs that have been granted under the Equity Incentive Plan.

Termination of Employment or Services and Change in Control

The following describes the impact of certain events that may, unless otherwise determined by the Equity Incentive Plan Administrator or as set forth in an Award Agreement, lead to the early expiry of Awards granted under the Equity Incentive Plan.

Termination by the Corporation for cause:	Forfeiture of all unvested Awards. The Plan Administrator may determine that all vested Awards shall be forfeited, failing which all vested Awards shall be settled in accordance with the Equity Incentive Plan.
Voluntary resignation of an Equity Incentive Plan Participant:	Forfeiture of all unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.
Termination by the Corporation other than for cause:	Acceleration of vesting of a portion of unvested Awards in accordance with a prescribed formula as set out in the Equity Incentive Plan. Forfeiture of the remaining unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.
Death or disability of an Equity Incentive Plan Participant:	Acceleration of vesting of all unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.
Termination or voluntary resignation for good reason within twelve (12) months of a change in control:	Acceleration of vesting of all unvested Awards. Settlement of all vested Awards in accordance with the Equity Incentive Plan.

Any Awards granted to an Equity Incentive Plan Participant under the Equity Incentive Plan shall terminate at a date no later than twelve (12) months from the date such Equity Incentive Plan Participant ceases to be an Equity Incentive Plan Participant.

In the event of a triggering event, which includes a change in control, dissolution or winding-up of the Corporation, a material alteration of the capital structure of the Corporation and a disposition of substantially all of the Corporation's assets, the Plan Administrator may, without the consent of the Equity Incentive Plan Participant, cause all or a portion of the Awards granted to terminate upon the occurrence of such event, subject to any necessary approvals.

Amendment or Termination of the Equity Incentive Plan

Subject to the approval of the Exchange, where required, the Equity Plan Administrator may from time to time, without notice to or approval of the Equity Incentive Plan Participants or Shareholders, terminate the Equity Incentive Plan. Amendments made to the Equity Incentive Plan shall require regulatory and Shareholder approval, except for amendments to: (i) fix typographical errors; and (ii) clarify existing provisions of the Equity Incentive Plan and which do not have the effect of altering the scope, nature and intent of such provisions.

Management Contracts

Management functions of Empress Royalty and its subsidiaries are performed by the directors and senior officers of Empress Royalty and its subsidiaries.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 - Disclosure of Corporate Governance Practices ("**NI 58-101**") of the Canadian Securities Administrators (the "**CSA**") requires the Corporation to disclose, on an annual basis, its approach to corporate governance with reference to the corporate governance guidelines provided in NP 58-201 of the CSA. NI 58-101 and NP 58-201 came into force on June 30, 2005. They operate in conjunction with National Instrument 52-110 Audit Committees ("**NI 52-110**") of the CSA. The Corporation's disclosure pursuant to NI 58-101, not otherwise disclosed herein, is set out in this section.

Board of Directors

The Board of Directors currently comprises six (6) directors, four (4) of whom are "independent" pursuant to NI 58-101, being Paul Mainwaring, Wes Roberts, Jeremy Bond, and Natascha Kiernan. David Rhodes and Alexandra Woodyer Sherron being executives of the Corporation are not considered to be "independent".

In determining whether a director is independent, the Board chiefly considers whether the director has a relationship which could or could be perceived to interfere with the director's ability to objectively assess the performance of management.

Board Mandate

The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions. The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Corporation's business in the ordinary course, managing the Corporation's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

Directorships

Certain of the directors of the Corporation are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	**Other reporting issuer (or equivalent in a foreign jurisdiction)**
David Rhodes	Luca Mining Corporation
Natascha Kiernan	Soma Gold Corp. Green Impact Partners Inc.
G. Wesley Roberts	Sparton Resources Inc. Golden Share Resources Corporation Aurum Lake Mining Corporation

Orientation and Continuing Education

While Empress Royalty has not established a formal orientation and education program for new Board members, Empress Royalty is committed to providing such information so as to ensure that the new directors are familiar with Empress Royalty's business and the procedures of the Board. Information may include Empress Royalty's corporate and organizational structure, recent filings and financial information, governance documents and important policies and procedures. The Board ensures that every director possesses the capabilities, expertise, availability and knowledge required to fill their position adequately.

The Board ensures that all new directors receive a comprehensive orientation. All new directors should fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including the commitment of time and resources that Empress Royalty expects from its directors). All new directors are expected to understand the nature and operation of the business.

Empress Royalty provides continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of Empress Royalty's business remains current.

Ethical Business Conduct

As a responsible business and corporate citizen, Empress Royalty is committed to conducting its affairs with integrity, honesty, fairness and professionalism. In order to encourage and promote a culture of ethical business conduct, the Board has adopted a Code of Business Conduct and Ethics (the "**Code**"), which all employees, officers and directors are expected to meet in the performance of their responsibilities. The Code provides a framework for ethical behaviour based on Empress Royalty's mandate, and on applicable laws and regulations.

The Board monitors compliance with the Code. Each director, officer and employee of the Corporation is provided with a copy of the Code and is required to periodically review the Code and sign an acknowledgement in the form of a Statement of Compliance.

The Code applies at all levels of the organization, from major decisions to day-to-day transactions. The Code delineates the standards governing the relations between Empress Royalty and shareholders, customers, suppliers and competitors respectively. Within this framework, employees, directors and officers are expected to exercise good judgment and be accountable for their actions.

The Board receives reports on compliance with the Code. The Board has not granted any waiver of the Code in favour of any directors, officers or employees since the Code was adopted by the Board. Accordingly, no material change report has been required or filed.

From time to time, matters may be put before the Board where a member has a conflict of interest. When such matters arise, that director declares © as having a conflict of interest and will abstain from participating in the discussions and any vote on that matter. Transactions and agreements in respect of which a director or executive officer has a material interest must be reviewed and approved by the Board in accordance with the Code. Since the beginning of Empress Royalty's most recently completed financial year, there has been no such transaction.

A copy of the Code can be obtained upon request to the Corporate Secretary of Empress Royalty, at its office at Suite 545, 1130 West Pender Street, Vancouver, BC V6E 4A4 or on the Corporation's web site at www.empressroyalty.com

Nomination of Directors

The Corporate Governance & Nominations Committee assesses and makes recommendations regarding Board effectiveness and to establish and lead the process for identifying, recruiting, appointing, re-appointing and providing ongoing development for Directors.

The Corporate Governance & Nominations Committee reviews annually the credentials of the members of the Board to ensure that the skill set developed by directors, through their business expertise and experience, meets the needs of the Board, and makes its recommendations for the director nominees to the Board.

Diversity Policy

Empress Royalty of the view that Board candidate selection should be based on merit and remains committed to selecting the best person to fulfill this role. At the same time, the Corporation recognizes that diversity is important to ensure that the profiles of Board members provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management.

In an increasingly complex global marketplace, the ability to draw on a wide range of viewpoints, backgrounds, skills, and experience is critical to the Corporation's success. By bringing together men and women from diverse backgrounds and giving each person the opportunity to contribute their skills, experience and perspectives in an inclusive workplace, the Corporation believes that it is better able to develop solutions to challenges and deliver sustainable value for the Corporation and its stakeholders. The Corporation considers diversity to be an important attribute of a well-functioning Board which will assist the Corporation to achieve its long-term goals.

The Corporation recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role that women with appropriate and relevant skills and experience can play in contributing to the diversity of perspective on the Board.

The Corporation has set an objective of ultimately reaching 40% representation of women on the Board of Directors, and is currently comprised of 33% women, being Alexandra Woodyer Sherron and Lead Director, Natascha Kiernan. Two out of three executive officers are women, being Alexandra Woodyer Sherron, Chief Executive Officer and President, and Janet Meiklejohn, Chief Financial Officer.

Compensation

The Compensation Committee is responsible for determining all forms of compensation, including long-term incentive in the form of security compensation, to be granted to the CEO and President of the Corporation and the directors, and for reviewing the CEO and President's recommendations respecting compensation of the other officers of the Corporation, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Compensation Committee considers: (a) recruiting and retaining executives critical to the success of the Corporation and the enhancement of shareholder value; (b) providing fair and competitive compensation; (c) balancing the interests of management and the Corporation's shareholders; and (d) rewarding performance, both on an individual basis and with respect to operations in general.

Committees of the Board of Directors

The Board has established the following committees:

Committee	Members
Audit and Risk Committee	Paul Mainwaring (Chair) Jeremy Bond Natascha Kiernan
Compensation Committee	David Rhodes (Chair) Jeremy Bond Paul Mainwaring
Corporate Governance & Nomination Committee	Natascha Kiernan (Chair) Wes Roberts Alexandra Woodyer Sherron
Investment Committee	David Rhodes (Chair) Jeremy Bond Alexandra Woodyer Sherron
ESG (Environmental, Sustainability and Governance) Committee	Natascha Kiernan (Chair) Wes Roberts Alexandra Woodyer Sherron **Advisors:** David Laing – Technical Advisor Allison Rippin Armstrong – ESG Advisor Rick Mazur – Qualified Person

Assessments

The Board has not, as yet, adopted formal procedures for assessing the effectiveness of the Board, its Committees or individual directors.

The Corporate Governance & Nomination Committee informally assesses, on an annual basis, the contributions of the Board as a whole, any committees of the Board and each of the directors, in order to determine whether each is functioning effectively, and reports its findings to the Board. In making such assessments, the Board considers the industry in which Empress Royalty functions, as well as the practices of comparable corporate bodies.

AUDIT AND RISK COMMITTEE INFORMATION

The Corporation's disclosure required pursuant to NI 52-110 is set out in the Corporation's Annual Information Form which was filed on the SEDAR website on June 8, 2023 and is incorporated by reference herein.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than as disclosed herein, no proposed director, current or former director, executive officer or employee is, or at any time since March 2, 2020 (the date of incorporation) has been, indebted to the Corporation. None of the directors' or executive officers' indebtedness to another entity is, or at any time since March 2, 2020, has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the Corporation's incorporation, no director, executive officer, or shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Corporation other than the Endeavour Cayman Agreement.

Endeavour Cayman Agreement

Empress is party to a services agreement dated October 1, 2022, (the "**Endeavour Cayman Agreement**"), with Endeavour Financial Ltd. (Cayman), a company incorporated under the laws of Cayman Islands ("**Endeavour Cayman**"). Endeavour Cayman is a financial advisor providing services to businesses in the natural resources sector. Empress director David Rhodes owns a minority interest in Endeavour Cayman and is one of its five directors. Pursuant to the Endeavour Cayman Agreement, the Corporation has engaged Endeavour Cayman to provide the following services on a non-exclusive basis to the Corporation to:

a. conduct due diligence in connection with potential opportunities in the resource sector, including potential streams and royalties ("**Business Investments**");

b. identify, structure and negotiate transactions for possible Business Investments;

c. develop and assist in the execution of the Business Investments;

d. supply any administrator of, or other service providers to, the Corporation with such information and instructions as may be necessary to enable such person or persons to perform their duties in accordance with applicable agreements;

e. support with marketing efforts, including preparing for, and if required, attending investor conferences, preparing analytics for marketing materials;

f. as required, oversight of technical due diligence being conducted internally or by third parties engaged to conduct technical due diligence on any Business Investments for the Corporation;

g. review cash flow models, valuation of streams/royalties, assisting with investment committee memos, for potential Business Investments; and

h. otherwise act for the Corporation as it, or the CEO of the Corporation, may deem necessary or advisable in connection with any investment management related matters.

In addition to the foregoing services, Cayman shall assist with the identification, evaluation and implementation of funding options including possible debt facilities (a "**Debt Transaction**"), as well as corporate mergers and acquisitions or similar business combinations (a "**Corporate Transaction**").

In consideration for providing the foregoing services the Corporation will pay Endeavour Cayman a success fee at the time of closing a Debt or Corporate Transaction(s) of 2% of the Transaction Value.

The Endeavour Cayman Agreement has an initial term of two years. It is subject to automatic renewals for additional one-year periods unless one of the parties gives the other three months' notice prior to the commencement of any such extended term.

Transaction Value is defined as:

- For Debt Transactions, the principal amount provided or committed to be provided to the Corporation and/or its subsidiaries, which shall include any amounts provided as part of an accordion facility and the refinancing or assumption of any existing debt.

- For Corporate Transactions, the cash value of any consideration paid (including, without limitation, cash, securities and property), plus the amount of debt assumed (including short term debt, current portions of long-term debt and capital lease obligations).

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

Other than the election of directors of the Corporation, no (a) person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, (b) proposed nominee for election as a director of the Corporation; or (c) associate or affiliate of a person in (a) or (b), has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except that (i) the directors and executive officers of the Corporation may have an interest in the ratification, confirmation and approval of the 2022 Option Plan as such persons are eligible to participate in such plan.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information about the Corporation is provided in the Corporation's comparative financial statements and management discussion and analysis for its most recently completed financial year ended fifteen (15) months ended December 31, 2022. Shareholders of the Corporation may request copies of the Corporation's financial statements and management discussion and analysis by contacting the Secretary of the Corporation at the Corporation's registered and records office at Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8. Phone 1-604-331-2080.

DIRECTORS' APPROVAL

The directors of the Corporation have approved the contents and the sending of this Circular.

DATED at Vancouver, B.C., this 26th day of June 2023.

"Alexandra Woodyer Sherron"

Alexandra Woodyer Sherron,
Chief Executive Officer and President

SCHEDULE "A"

EMPRESS ROYALTY CORP.
("**Empress Royalty**" or the "**Corporation**")

FORM 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS

(for the 12 month period ended December 31, 2022 – the "Fiscal Period")

DATED June 26, 2023

Director and Named Executive Officer Compensation Excluding Compensation Securities

The following information is provided as required under Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers.* All amounts in this form are expressed in United States dollars (U.S.$) translated from Canadian dollars (C$), unless indicated otherwise.

Named Executive Officers

"Named Executive Officers" and "NEOs" means each of the following individuals:

(a) each individual who, in respect of the corporation, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

(b) each individual who, in respect of the corporation, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

(c) in respect of the corporation and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5), for that financial year;

(d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the corporation, and was not acting in a similar capacity, at the end of that financial year.

During the Fiscal Period, the Corporation had three (3) NEOs, Alexandra Woodyer Sherron, the Chief Executive Officer and President, Janet Meiklejohn, the Chief Financial Officer, and Dan O'Brien, the former Chief Financial Officer.

Table of compensation excluding stock options and compensation securities							
Name and position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
David Rhodes, *Director and Executive Chairman*	2022 2021 2020	165,743 Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	30,743[4] Nil Nil
Alexandra Woodyer Sherron, *Director, President and Chief Executive Officer*	2022 2021 2020	184,459 184,027 32,989	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	184,459 184,027 32,989
Janet Meiklejohn, *Chief Financial Officer[3]*	2022	102,477	Nil	Nil	Nil	Nil	102,477
Dan O'Brien, *Former Chief Financial Officer [2] [3]*	2022 2021 2020	95,944 148,409 27,491	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	95,944 148,409 27,491
Jeremy Bond, *Director*	2022 2021 2020	152,293 Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	17,293[5] Nil[6] Nil
Paul Mainwaring, *Director*	2022 2021 2020	8,646 Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	8,646 Nil Nil

George "Wes" Roberts, *Director*	2022 2021 2020	16,332 14,841 2,749	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	16,332 14,841 2,749
Natascha Kiernan, *Director*	2022 2021 2020	20,175 8,410 Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	20,175 8,410 Nil

Notes:

(1) Where necessary, salary or all other compensation, paid or payable in C$ dollars, was converted from C$ to U.S.$ using the exchange rate of 1.301 in 2022, 1.263 in 2021, and 1.364 in 2020, that prevailed during the period which the NEOs were paid. The 2021 compensation reported is for the fifteen-month period from September 30, 2020, to December 31, 2021. The 2020 compensation reported is for the seven months from March 2, 2020 (incorporation) to September 30, 2020.

(2) Consulting fees are paid to Golden Oak Corporate Services Ltd., which provided and paid for Dan O'Brien's services to the Corporation as Chief Financial Officer.

(3) Dan O'Brien resigned as Chief Financial Officer of the Corporation on May 1, 2022. Janet Meiklejohn was appointed Chief Financial Officer of the Corporation on May 2, 2022.

(4) An additional $135,000 paid to Endeavour Financial (Cayman) Ltd., a private company to which David Rhodes is a director and shareholder.

(5) An additional $135,000 paid to Terra Capital, a private company to which Jeremy Bond is a controlling shareholder.

(6) In 2021, $180,000 paid to Terra Capital, a private company to which Jeremy Bond is a controlling shareholder.

External Management Companies

None of the NEOs or directors of the Corporation have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Corporation to provide management services to the Corporation, directly or indirectly.

Stock Options and Other Compensation Securities

Compensation Securities							
Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price (C$)**	**Closing price of security or underlying security on date of grant (C$)**	**Closing price of security or underlying security at year end (C$)**	**Expiry date**
David Rhodes(3), *Director and Executive Chairman*	Stock Options	1,250,000 (1) 1.10% (2)	April 19, 2021	$0.50	$0.43	$0.40	April 19, 2026

Alexandra Woodyer Sherron[4], *Director, President and Chief Executive Officer*	Stock Options	1,250,000 [1] 1.10% [2]	April 19, 2021	$0.50	$0.43	$0.40	April 19, 2026
Janet Meiklejohn, *Chief Financial Officer*	Stock Options	500,000 [1] 0.44% [2]	May 2, 2022	$0.50	$0.245	$0.40	May 2, 2027
Jeremy Bond[5], *Director*	Stock Options	1,000,000 [1] 0.88% [2]	April 19, 2021	$0.50	$0.43	$0.40	April 19, 2026
Paul Mainwaring[5], *Director*	Stock Options	900,000 [1] 0.79% [2]	April 19, 2021	$0.50	$0.43	$0.40	April 19, 2026
George "Wes" Roberts[5], *Director*	Stock Options	500,000 [1] 0.44% [2]	April 19, 2021	$0.50	$0.43	$0.40	April 19, 2026
Natascha Kiernan[5], *Director*	Stock Options	250,000 [1] 0.22% [2]	April 19, 2021	$0.50	$0.43	$0.40	April 19, 2026

_____

Notes:

(1) Each stock option entitles the holder to purchase one common share of the Corporation, each stock option vests one-third on the first anniversary of the date of grant, one-third on the second anniversary and the final one-third on the third anniversary. These are the only issued stock options. Unvested stock options expire immediately, vested stock options expire ninety (90) days after termination or resignation.

(2) This figure represents the number of underlying common shares issuable upon exercise of the stock option as a percentage of the total issued and outstanding common shares of the Corporation as at December 31, 2022, being 113,241,051 common shares on that date.

(3) Subsequent to December 31, 2022, on June 26, 2023, was granted 250,000 RSUs and 1,000,000 DSUs, vesting 50% on June 26, 2024, and 50% on June 26, 2025.

(4) Subsequent to December 31, 2022, on June 26, 2023, was granted 250,000 RSUs and 750,000 DSUs, vesting 50% on June 26, 2024, and 50% on June 26, 2025.

(5) Subsequent to December 31, 2022, on June 26, 2023, was granted 250,000 RSUs, vesting 50% on June 26, 2024, and 50% on June 26, 2025.

No compensation securities were re-priced, cancelled and replaced, extended or otherwise materially modified during the Corporation's most recently completed financial year ended December 31, 2022.

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

Termination of employment, change in responsibilities and employment contracts

As of the date hereof the Corporation has an employment agreement with Alexandra Woodyer Sherron ("**Sherron**"), dated December 22, 2022, (the "**Sherron Agreement**") that sets out her compensation. The Sherron Agreement is for an indefinite term, unless terminated in accordance with its terms with an annual fee (the "**Sherron Annual Fee**") of $221,092. The Sherron Agreement provides for payments at, following, or in connection with a termination without cause of two (2) times her annual salary, plus an amount equal to any bonus paid within the twelve (12) month period prior to the date of termination. If Sherron is terminated without cause or within twelve (12) months after a defined triggering event, Sherron can terminate the Sherron Agreement and Sherron will be entitled to two (2) times the Sherron Annual Fee, plus an amount equal to two (2) times the amount of any bonus paid to Sherron within the twelve (12) month period prior to the time of such termination.

As of the date hereof the Corporation has an employment agreement with Janet Meiklejohn ("**Meiklejohn**" the ("**Meiklejohn Agreement**") that sets out her compensation. The Meiklejohn Agreement is for an indefinite term, unless terminated in accordance with its terms with an annual fee (the "**Meiklejohn Annual Fee**") of $147,395. The Meiklejohn agreement provides for payments at, following, or in connection with a termination without cause of six (6) months plus one month for each year of employment (the sum of two such periods capped at a total of twelve (12) months), plus an amount equal to any bonus paid to Meiklejohn within the 12-month period prior to the date of termination. If Meiklejohn is terminated without cause after a defined triggering event, Meiklejohn can terminate the Meiklejohn Agreement within twelve (12) months and Meiklejohn will be entitled to one (1) times the Meiklejohn Annual Fee plus one month for each year of employment (the sum of two such periods capped at a total of twenty four (24) months), plus an amount equal to any bonus paid to Meiklejohn within the twelve (12) month period prior to the time of such termination.

As of the date hereof the Corporation has an executive consulting agreement with David Rhodes ("**Rhodes**" the "**Rhodes Agreement**"), dated December 22, 2022, that sets out his compensation for services as the Corporation's Executive Chairman. The Rhodes Agreement is for twenty-four (24) months unless terminated in accordance with its terms with an annual fee (the "**Rhodes Annual Fee**") of $117,916. The Rhodes Agreement provides for payments at, following, or in connection with a termination without cause of twenty-four (24) months, plus an amount equal to any bonus paid within the twelve (12) month period prior to the date of termination. If Rhodes is terminated without cause after a defined triggering event, Rhodes can terminate the Rhodes Agreement within twelve (12) months and Rhodes will be entitled to two (2) times the Rhodes Annual Fee, plus an amount equal to two (2) times the amount of any bonus paid to Rhodes within the twelve (12) month period prior to the time of such termination.

Under the terms of the consulting agreements detailed above, in the event of termination other than for cause, then Ms. Sherron, Ms. Meiklejohn, and Mr. Rhodes would be entitled to the following compensation:

Name	Position	Termination value without cause	Termination value on change of control
Alexandra Woodyer Sherron	Chief Executive Officer and President	$442,184	$442,184
Janet Meiklejohn	Chief Financial Officer	$85,980	$159,678
David Rhodes	Executive Chairman	$235,832	$235,832

Notes:

(1) Where necessary, salary or all other compensation, paid or payable in C$ dollars, was converted from C$ to U.S.$ using the exchange rate of 1.3569 on December 31, 2022.

(2) All options immediately vest on a change of control. Options that have vested as of the date of termination remain exercisable for ninety (90) days following termination. The value of unexercised "in-the-money options" at December 31, 2022 are detailed under "Outstanding option-based awards" above.

Compensation Discussion and Analysis

Oversight of Executive and Director Compensation Program

The Board of Directors (the "**Board**") of Empress Royalty administers Empress Royalty's executive compensation program with advice from the Compensation Committee. The Compensation Committee was organized in April 2022, and on a go forward basis will be responsible for, among other things, reviewing and making recommendations to the Board with respect to, setting the compensation for each of the Named Executive Officers, the compensation policies and practices of Empress Royalty, annually reviewing and recommending to the Board for approval the remuneration of the senior officers of Empress Royalty, making, on an annual basis, a recommendation to the Board as to any incentive award to be made to the senior officers of Empress Royalty, and comparing, on an annual basis, the total remuneration and the main components thereof of the senior officers of Empress Royalty with the remuneration of peers in the same industry. The Compensation Committee will ensure that total compensation paid to the Named Executive Officers is fair, reasonable and consistent with Empress Royalty's compensation philosophy.

The Compensation Committee is composed of David Rhodes (Chair), Jeremy Bond and Paul Mainwaring.

Philosophy and Objectives

The Board believes that Empress Royalty should provide a compensation package that is competitive and motivating, that will attract, hold and inspire qualified executives, that will encourage performance by executives to enhance the growth and development of Empress Royalty and that will balance the interests of the executives and the shareholders of Empress Royalty. Achievement of these objectives is expected to contribute to an increase in shareholder value.

Elements of Executive Compensation

Empress Royalty will provide its executive officers with both fixed compensations, comprised of base salary, and long-term incentives in the form of awards under the Plan. The metrics for incentive-based compensation are outlined above.

The base salary is designed to provide income certainty and to attract and retain executives and, therefore, will be based on the assessment of a number of factors such as current competitive market conditions,

compensation levels within the peer group and factors particular to the executive, including individual performance, the scope of the executive's role with Empress Royalty and retention considerations.

Long-term incentive compensation will be provided through the granting of options under the Plan. Equity incentive awards will be designed to motivate executives to achieve long-term sustainable business results, align their interest with those of shareholders and to attract and retain executives. Awards will be based on a variety of factors, such as the need to attract or retain key individuals, competitive market conditions and internal equity. Previous grants will be taken into account when considering new grants.

Risks

The Board of Empress Royalty recognizes that certain elements of compensation could promote unintended inappropriate or excessive risk-taking behaviours; however, Empress Royalty will seek to ensure that executive compensation packages appropriately balance short-term incentives, in the form of base salaries, and long-term incentives, in the form of option-based awards. As a result of the factors discussed above, the proposed Board does not believe that its compensation policies and practices are reasonably likely to have a material adverse effect on Empress Royalty.

Named Executive Officers and directors of Empress Royalty will not be permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

Security Based Compensation

Share-based Awards

On June 26, 2023, the Board granted RSUs and DSUs under the Equity Incentive Plan. In the future, Empress Royalty may grant share-based awards, being awards granted under the Equity Incentive Plan, of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

Option-based Awards

In April 2021 and May 2022, the Board granted option-based awards, being awards granted under the Option Plan of options, including, for greater certainty, share options, to its directors, officers, employees and consultants. On June 26, 2023, the Board granted option-based awards under the 2022 Option Plan. The Board may in the future grant additional options under the 2022 Option Plan, however, the timing, amounts, exercise price and recipients of such issuances have not yet been determined.

Pension Disclosure

Empress Royalty does not provide a pension to its directors or Named Executive Officers.

Director Compensation

Non-Executive directors are each paid a cash retainer of $22,222 a year and are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors. Non-executive directors who form part

of the Corporation's Investment Committee receive an additional $37,037 per year. The Chairperson of each of the Corporation's committees receives an additional $7,407 per year. Each non-executive, non-Chair member of the Corporation's committees receives an additional $3,704 per year. (Compensation to directors payable in C$ dollars, was converted from C$ to U.S.$ using the exchange rate of 1.35 as of the date of this information circular.)

The Board may, from time to time, grant options to purchase common shares or equity compensation to the directors. Any compensation granted to directors, and how and when it is determined, will be decided upon by the Board, which will consider, among other things, compensation paid to directors of companies in Empress Royalty's industry and publicly available information of its peers.

SCHEDULE "B"

2022 OPTION PLAN

EMPRESS ROYALTY CORP.

STOCK OPTION PLAN

Effective Date: July 18, 2022

Approved by the Board of
Directors on July 18, 2022.

Approved by the
Shareholders on September 28, 2022.

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STOCK OPTION PLAN

ARTICLE 1
PURPOSE

1.1 Purpose

The purpose of the Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants of the Corporation and its Subsidiaries, to reward such of those Executives, Employees and Consultants as may be granted Options under the Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Executives, Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation.

ARTICLE 2
INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings:

"**Applicable Laws**" means the applicable laws and regulations and the requirements or policies of any governmental, regulatory authority, securities commission and stock exchange having authority over the Corporation or the Plan;

"**Black-Out**" means a restriction formally imposed by the Corporation, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options;

"**Board**" means the board of directors of the Corporation;

"**Business Day**" means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

"**Cashless Exercise**" has the meaning set forth in Section 4.8(b);

"**Cause**" means:

(a) unless the applicable Option Certificate states otherwise, with respect to any Employee, Officer or Consultant:

(i) if such Employee, Officer or Consultant is a party to an employment or service agreement with the Corporation or any of its Subsidiaries and such agreement provides for a definition of Cause, the definition contained therein; or

(ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Corporation to terminate the employment or service agreement of such Employee, Officer or Consultant, without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law: (A) the failure of the Employee, Officer or Consultant to carry out its duties properly or to comply with the rules,

policies and practices of the Corporation or any of its Subsidiaries, as applicable; (B) a material breach of any agreement with the Corporation or any of its Subsidiaries, as applicable, or a material violation of any written policy of the Corporation or any of its Subsidiaries, as applicable; (C) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (D) a material fiduciary breach with respect to the Corporation or any of its Subsidiaries, as applicable; (E) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Corporation or any of its Subsidiaries; or (F) gross negligence or willful misconduct with respect to the Corporation or any of its Subsidiaries; and

(b) with respect to any Director, a determination by a majority of the disinterested Board members that the Director has engaged in any of the following:

(i) gross misconduct or neglect;

(ii) willful conversion of corporate funds;

(iii) false or fraudulent misrepresentation inducing the Director's appointment; or

(iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance;

"**Change of Business**" has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

"**Change in Control**" means, unless otherwise defined in the Participant's employment or service agreement or in the applicable Option Certificate, the occurrence of any one or more of the following events:

(a) the direct or indirect acquisition or conversion from time to time of more than 20% of the issued and outstanding Shares, in aggregate, by a Person or group of Persons acting in concert, other than through an employee share purchase plan or employee share ownership plan;

(b) a change in the composition of the Board which results in the majority of the directors of the Corporation not being individuals nominated by the Corporation's then incumbent directors; or

(c) a merger, amalgamation, arrangement or reorganization of the Corporation with one or more corporations as a result of which, immediately following such event, the shareholders of the Corporation as a group, as they were immediately prior to such event, hold less than a majority of the outstanding Voting Shares of the surviving corporation;

"**Committee**" has the meaning set forth in Section 3.2;

"**Company**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"**Consultant**" means:

(a) a Person (other than an Executive or Employee) that:

(i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its Subsidiaries, other than services provided in relation to a distribution of securities (as defined under Applicable Laws);

(ii) provides the services under a written contract between the Corporation or any of its Subsidiaries and the individual or the Company, as the case may be; and

(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 of any of its Subsidiaries

"**Corporate Policies**" means any of the policies of the Corporation;

"**Corporation**" means Empress Royalty Corp.;

"**Date of Grant**" means, for any Option, the date specified by the Plan Administrator at the time it grants the Option (which, for greater certainty, shall be no earlier than the date on which the Board meets or otherwise acts for the purpose of granting such Option) or if no such date is specified, the date upon which the Option was granted;

"**Director**" means a director (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;

"**Disabled**" or "**Disability**" means a physical injury or mental incapacity of a nature which the Plan Administrator determines prevents or would prevent the Participant from satisfactorily performing the substantial and material duties of his or her position with the Corporation or any of its Subsidiaries;

"**Effective Date**" means the date the Plan becomes effective, which shall be upon receipt of all shareholder and Regulatory Approvals;

"**Employee**" means an individual who:

(a) is considered an employee of the Corporation or any of its Subsidiaries under the Tax Act and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;

(b) works full-time for the Corporation or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or of a Subsidiary of the Corporation, as the case may be, but for whom income tax deductions are not made at source; or

(c) works for the Corporation or any of its Subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or any of its Subsidiaries;

"**Exercise Notice**" means the written notice of the exercise of an Option, in the form set out in the Option Certificate (or in such other form as may be approved by the Plan Administrator, duly executed by the Participant;

"**Exercise Period**" means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained;

"**Exercise Price**" means the price at which an Option is exercisable as determined in accordance with Section 4.5;

"**Expiry Date**" means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with Sections 4.10, 5.1, 7.2, or Article 6;

"**Expiry Time**" means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date;

"**Exchange**" means the TSXV and any other exchange on which the Shares are or may be listed from time to time;

"**Executive**" means an individual who is a Director or Officer;

"**Good Reason**" means any one or more of the following events occurring following a Change in Control and without the Participant's written consent:

(a) the Participant is placed in a position of lesser stature than its current position and, is assigned duties that would result in a material change in the nature or scope of powers, authority, functions or duties inherent in such a position immediately prior to the Change in Control;

(b) a material decrease in the Participant's base salary or a material decrease in the Participant's short-term incentive grants, long-term incentive grants, benefits, vacation or other compensation;

(c) a requirement that the Participant relocate to a location greater than 40 kilometers from the Participant's primary work location immediately prior to the Change in Control; or

(d) any action or event that would constitute constructive dismissal of the Participant at common law;

"**Insider**" means:

(a) a Director or senior officer of the Corporation;

(b) a Director or senior officer of a Company that is an Insider or a Subsidiary of the Corporation;

(c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares of the Corporation carrying more than 10% of the voting rights attached to the Voting Shares of the Corporation; or

(d) the Corporation itself if it holds any of its own securities;

"**Investor Relations Service Providers**" has the meaning attributed thereto in Policy 4.4 – *Security Based Compensation*, as amended from time to time, of the TSXV Manual;

"**Market Price**" means the market value of the Shares as determined in accordance with Section 4.5;

"**Net Exercise**" has the meaning set out in Section 4.8(c);

"**Officer**" means an officer (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;

"**Option**" means an incentive share purchase option granted pursuant to the Plan entitling a Participant to purchase Shares of the Corporation;

"**Option Certificate**" means a certificate issued by the Corporation in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Option has been granted under the Plan and which need not be identical to any other such certificates;

"**Outstanding Options**" has the meaning ascribed to it in Section 3.7;

"**Participant**" means an Executive, Employee or Consultant to whom an Option has been granted under the Plan;

"**Person**" includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

"**Personal Representative**" means: (i) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of a Participant who, for any reason, is unable to manage his or her affairs, the Person entitled by law to act on behalf of such Participant;

"**Plan**" means this Option Plan, as may be amended from time to time;

"**Plan Administrator**" means the Board, or if the administration of the Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

"**Prior Plan**" means the Corporation's prior stock option plan;

"**Regulatory Approvals**" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of the Plan or for the Options granted from time to time hereunder;

"**Regulatory Authorities**" means all Exchanges and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation, the Plan or the Options granted from time to time hereunder;

"**Reorganization**" has the meaning attributed thereto in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*, as amended from time to time, of the TSXV Manual;

"**Reverse Takeover**" has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

"**RRIF**" means a registered retirement income fund as defined in the Tax Act;

"**RRSP**" means a registered retirement savings plan as defined in the Tax Act;

"**Securities Act**" means the *Securities Act* (British Columbia, RSBC 1996, c. 418 as from time to time amended;

"**Securities Laws**" has the meaning attributed thereto in Policy 1.1 – *Interpretation*, as amended from time to time, of the TSXV Manual;

"**Security Based Compensation Arrangement**" for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Corporation provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Corporation's treasury to Executives, Employees or Consultants;

"**Share**" means one (1) common share in the capital of the Corporation as constituted on the Effective Date or after an adjustment contemplated by Article 7, such other shares or securities to which the holder of an Option may be entitled as a result of such adjustment;

"**Shareholder Approval**" means approval by the Corporation's shareholders in accordance with the polices of the Exchange;

"**Subsidiary**" has the meaning attributed thereto in the Securities Act;

"**Tax Act**" means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

"**Termination Date**" means (i) the date designated by the Participant and the Corporation or a Subsidiary of the Corporation in a written employment agreement, or other written agreement between the Participant and Corporation or a Subsidiary of the Corporation, or (ii) if no written agreement exists, the date designated by the Corporation or a Subsidiary of the Corporation, as the case may be, on which a Participant ceases to be an employee of the Corporation or a Subsidiary of the Corporation or ceases to provide services to the Corporation or a Subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment or termination of services by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and "Termination Date" specifically does not mean the date of termination of any period of reasonable notice that the Corporation or a Subsidiary of the Corporation, as applicable, may be required by law to provide to the Participant;

"**Triggering Event**" means:

(a) the proposed dissolution, liquidation or wind-up of the Corporation;

(b) a proposed Change in Control;

(c) the proposed sale or other disposition of all or substantially all of the assets of the Corporation; or

(d) a proposed material alteration of the capital structure of the Corporation which, in the opinion of the Plan Administrator, is of such a nature that it is not practical or feasible to make adjustments to the Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect;

"**TSXV**" means the TSX Venture Exchange;

"**TSXV Manual**" means the TSXV Corporate Finance Manual;

"**Vested**" means a portion of the Option granted to the Participant which is available to be exercised by such Participant at any time and from time to time;

"**Voting Share"** means a security of a Company that:

(a) is not a debt security; and

(b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing; and

"**VWAP**" means the volume-weighted average trading price of the Shares on the TSXV calculated by dividing the total value by the total volume of the Shares traded for the five trading days immediately preceding the exercise of the subject Option, provided that the TSXV may exclude internal crosses and certain other special terms trades from the calculation.

2.2 **Interpretation**

(a) Whenever the Plan Administrator exercises discretion in the administration of the Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.

(b) As used herein, the terms "Article", "Section" and "clause" mean and refer to the specified Article, Section and clause of the Plan, respectively.

(c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

(d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.

(e) Unless otherwise specified, all references to money amounts are to Canadian currency.

(f) The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 3
ADMINISTRATION

3.1 **Administration**

Subject to and consistent with the terms of the Plan, Applicable Laws and the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Plan will be administered by the Plan Administrator, and the Plan Administrator has sole and complete authority, in its discretion, without limitation, to:

(a) determine the Persons who are eligible to be Participants in accordance with Section 3.4;

(b) make grants of Options under the Plan relating to the issuance of Shares in such amounts, to such Participants and, subject to the provisions of the Plan, on such terms and conditions as it determines including without limitation:

(i) the time or times at which Options may be granted, including the applicable Date of Grant

(ii) the conditions under which an Option or any portion thereof may be granted to a Participant including, without limitation, the Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option):

(iii) the consequences of a termination with respect to an Option;

(iv) the number of Shares subject to each Option;

(v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Option, and the nature of such restrictions or limitations, if any; and

(vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Option, based on such factors as the Plan Administrator may determine;

(c) establish the form or forms of the Option Certificate and Exercise Notice;

(d) amend the terms of any Option, subject to and in accordance with the terms and conditions of the Plan;

(e) cancel, amend, adjust or otherwise change any Option under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Plan, including but not limited to:

(i) allowing non-Vested Options to be treated as Vested upon termination of employment or service of a Participant, as to any or all of termination, death or Disability;

(ii) providing that the Options with respect to certain classes, types or groups of Participants will have different acceleration, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants;

(iii) providing for the continuation of any Option for such period which is not longer than 12 months from the Termination Date or 12 months from the date of death or Disability of the Participant, and upon such terms and conditions as are determined by the Plan Administrator in the event that a Participant ceases to be an Executive, Employee or Consultant, as the case may be;

(iv) providing that Vested Options may be exercised for periods longer or different from those set forth in the Plan, subject to the applicable rules of the Exchange; and

(v) setting any other terms for the exercise or termination of an Option upon termination of employment or service;

(f) construe and interpret the Plan and all Option Certificates;

(g) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Price of the Shares;

(h) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;

(i) determine whether, to what extent, and under what circumstances an Option may be exercised in cash, through a cashless exercise or through net exercise pursuant to Section 4.8;

(j) determine the duration and purposes of leaves of absence from employment or engagement by the Corporation which may be granted to Participants without constituting a termination of employment or engagement for purposes of the Plan;

(k) authorize Persons to execute such documents and instruments as may be necessary to carry out the purposes of the Plan and grants of Options from time to time hereunder;

(l) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan; and

(m) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Plan.

3.2 **Delegation to Committee**

(a) The initial Plan Administrator shall be the Board.

(b) To the extent permitted by Applicable Law, the Board may, from time to time, delegate to a committee of the Corporation (the "**Committee**"), consisting of not less than two of its members, all or any of the powers conferred on the Plan Administrator pursuant to the Plan, including the power to sub-delegate to any specified Directors or Officers all or any of the powers delegated by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused ,or remove all members of the Committee and thereafter directly administer the Plan.

(c) In the event the Board delegates to the Committee all or any of the powers conferred on the Plan Administrator pursuant to the Plan, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub-delegate arising out of or in connection with the administration or interpretation of the Plan in this context is final and conclusive and binding on the Corporation and all affiliates of the Corporation, all Participants and all other Persons.

3.3 **Determinations Binding**

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration interpretation of the Plan is final, conclusive and binding on all affected Persons, including the Corporation and any of its Subsidiaries, the affected Participants and their Personal Representatives, any shareholder of the Corporation and all other Persons.

3.4 **Eligibility**

Subject to the discretion of the Plan Administrator, all Executives, Employees and Consultants are eligible to participate in the Plan. Participation in the Plan is voluntary and eligibility to participate does not confer upon any Executive, Employee or Consultant any right to receive any grant of an Option pursuant to the Plan. In addition, in order to be eligible to receive Options, in the case of Employees and Consultants, the Option Certificate to which they are a party must contain a representation of the Corporation and of such Employee or Consultant, as the case may be, that such Employee or Consultant is a bona fide Employee or Consultant of the Corporation or a Subsidiary of the Corporation, as the case may be.

3.5 **Board Requirements**

Any Option granted under the Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Option upon any securities exchange or under any Applicable Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Option or the issuance or purchase of Shares thereunder, such Option may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.6 **Liability Limitation and Indemnification**

No member of the Board or the Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Option Certificate or any Option granted hereunder.

3.7 **Total Shares Subject to Options**

Subject to adjustment pursuant to Article 7, the number of Shares hereby reserved for issuance to Participants under the Plan shall not exceed 10% of the number of Shares which are issued and outstanding on the particular date of grant of Options. There are 9,400,000 Options (the "**Outstanding Options**")

outstanding on the date hereof which were granted under the Prior Plan, which will remain in full force and effect in accordance with their terms. The number of Shares issuable upon exercise of the Outstanding Options shall be included in the calculation of the maximum number of Shares issuable pursuant to the exercise of Options. Any Shares subject to an Option which has been granted under the Plan and which has been cancelled, terminated, surrendered, forfeited or expired without having been exercised as provided for in the Plan shall again be available under the Plan.

3.8 **Limits on Options**

Notwithstanding anything in the Plan, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

(a) unless disinterested Shareholder Approval is obtained in accordance with the policies of the TSXV (or unless permitted otherwise by the policies of the TSXV):

(i) the maximum number of Shares that may be issued to any one Participant (and where permitted pursuant to the policies of the TSXV, any Company that is wholly-owned by the Participant) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 5% of the issued Shares calculated on the Date of Grant;

(ii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 10% of the issued Shares calculated on the Date of Grant; and

(iii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, may not exceed 10% of the issued Shares at any time;

(b) the maximum number of Shares that may be issued to any one Consultant under the Plan, together with all of the Corporation's other Security Based Compensation Arrangements, within a 12-month period, may not exceed 2% of the issued Shares calculated on the Date of Grant;

(c) the maximum number of Shares issuable pursuant to Options which may be granted within any 12-month period to Investor Relations Service Providers (as a group) must not exceed 2% of the issued Shares calculated on the Date of Grant;

(d) Options granted to Investor Relations Service Providers must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period; and

(e) any Options granted to a Participant who ceases to be a Participant under the Plan for any reason whatsoever shall terminate at a date no later than 12 months from the date such Participant ceases to be a Participant under the Plan.

3.9 **Option Certificates**

Each Option under the Plan will be evidenced by an Option Certificate. Each Option Certificate will be subject to the applicable provisions of the Plan and will contain such provisions as are required by the Plan and any other provisions that the Plan Administrator may direct.

3.10 **Non-transferability of Options**

Except to the extent that certain rights may pass to a beneficiary or Personal Representative upon death of a Participant by will or as required by law, no Option is assignable or transferable.

3.11 **Resale Restrictions**

Any Shares issued by the Corporation upon exercise or settlement of an Option are subject to any resale and trading restrictions in effect pursuant to Applicable Laws and the policies of the Exchange, and the Corporation shall be entitled to place any restriction or legend on any certificates representing such Shares accordingly. Any Option Certificate will bear the following legend, if required pursuant to the policies of the TSXV:

> "Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate, and any securities issued upon exercise hereof, may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [**NTD: The date that is four months and one day after the date of the grant of the Option will be inserted**]."

Any certificate representing Shares issued pursuant to an exercise of an Option before the date that is four month and one day after the date of grant of an Option will bear the following legend, if required pursuant to the policies of the TSXV:

> "Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [**NTD: The date that is four months and one day after the date of the grant of the Option will be inserted**]."

ARTICLE 4
OPTIONS

4.1 **Granting of Options**

The Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of the Plan and such other terms and conditions as the Plan Administrator may determine, grant Options to any Participant, and in doing so, may, without limitation, in its discretion, (a) designate the Participants who may receive Options under the Plan, (b) fix the number of Options to be granted to each Participant and the date or dates on which such Options shall be granted, and (c) determine the relevant conditions and vesting schedules in respect of any Options.

4.2 **Options Account**

All Options received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation as of the Date of Grant. The terms and conditions of each Option grant shall be evidenced by an Option Certificate.

4.3 **Exercise Period of Options**

Subject to Sections 4.10, 5.1, and 7.4 and Article 6, the Date of Grant and the Expiry Date of an Option shall be the dates fixed by the Plan Administrator at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option, provided that the duration of such Option will not exceed the maximum term permitted by each organized trading facility on which the Shares are listed, being 10 years for the TSXV from the Date of Grant of such Option (subject to extension where the Expiry Date is within a Black-Out period pursuant to Section 5.1).

4.4 **Number of Shares under an Option**

The number of Shares which may be purchased pursuant to an Option shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option.

4.5 **Exercise Price of an Option**

The Exercise Price at which a Participant may purchase a Share upon the exercise of an Option shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Price of the Shares as of the Date of Grant. The Market Price of the Shares for a particular Date of Grant shall be determined as follows:

(a) for each organized trading facility on which the Shares are listed, Market Price will be:

(i) the closing trading price of the Shares on the day immediately preceding the issuance of the news release announcing the grant of the Option, or

(ii) if, in accordance with the policies of the TSXV, the Corporation is not required to issue a news release to announce the grant and exercise price of the Option, the closing trading price of the Shares on the day immediately preceding the Date of Grant,

and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;

(b) if the Shares are listed on more than one organized trading facility, the Market Price shall be the Market Price as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Plan Administrator, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;

(c) if the Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Plan Administrator; and

(d) if the Shares are not listed on any organized trading facility, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Plan Administrator to be the fair value of the Shares, taking into consideration all factors that the Plan Administrator deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Price be less than the minimum

prescribed by each of the organized trading facilities that would apply to the Corporation on the Date of Grant in question.

4.6 **Vesting of Options and Acceleration**

Subject to the limitations in Section 3.8 and all applicable Regulatory Rules, the vesting schedule for an Option, if any, shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option. The Plan Administrator may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Participant under Section 8.2 of the Plan. Notwithstanding the foregoing, if the Corporation is listed on the TSXV, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written acceptance of the TSXV.

4.7 **Additional Terms**

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Plan Administrator may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Corporation shall prevail over the terms and conditions in the Option Certificate.

4.8 **Exercise of Options**

An Option may be exercised only by the Participant or the Personal Representative of any Participant. A Participant or the Personal Representative of any Participant may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Plan Administrator the required Exercise Notice, the applicable Option Certificate and one of following forms of consideration, subject to Applicable Laws:

(a) *Cash Exercise* - Consideration may be paid by a Participant sending a wire transfer, certified cheque or bank draft payable to the Corporation in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option.

(b) *Cashless Exercise* - Subject to approval from the Plan Administrator and further subject to the Shares being traded on the Exchange, consideration may be paid by a Participant as follows: (i) a brokerage firm loans money to the Participant in order for the Participant to exercise Options to acquire the underlying Shares (the "**Loan**"); (ii) the brokerage firm then sells a sufficient number of Shares to cover the Exercise Price of the Options that were exercised by the Participant in order to repay the Loan; and (iii) the brokerage firm receives an equivalent number of Shares from the exercise of the Options and the Participant receives the balance of the Shares or the cash proceeds from the balance of such Shares.

(c) *Net Exercise* - Subject to approval from the Plan Administrator and further subject to the Shares being traded on the Exchange, consideration may be paid by reducing the number of Shares otherwise issuable under the Options such that, in lieu of a cash payment to the Corporation, a Participant, excluding Investor Relations Service Providers, only receives the number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of

the underlying Shares and the Exercise Price of the subject Options, by (ii) the VWAP of the underlying Shares.

In the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Corporation, must be included in calculating the limits set forth in Sections 3.7, 3.8(a), 3.8(b) and 3.8(c).

4.9 Issue of Share Certificates or Direct Registration Statements

As soon as reasonably practicable following the receipt of the Exercise Notice, the Plan Administrator shall cause to be delivered to the Participant a certificate or direct registration statement for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Plan Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Participant concurrent with delivery of the certificate or direct registration statement for the Shares.

4.10 Termination of Options

Subject to such other terms or conditions that may be attached to Options granted hereunder, a Participant may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Plan Administrator at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, pursuant to Article 6.

ARTICLE 5
ADDITIONAL OPTION TERMS

5.1 Black-Out Period

If the Expiry Date for an Option occurs during the Black-Out period, then, notwithstanding any other provision of the Plan, the Option shall be extended no more than ten Business Days after the date the Black-Out is lifted by the Corporation, unless the delayed expiration would result in tax penalties or the Participant or the Corporation is subject to a cease trade order in respect of the Corporation's securities.

5.2 Withholding Taxes

The granting, vesting or exercise of each Option under the Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or exercise, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or a Subsidiary of the Corporation is obliged to remit to the relevant taxing authority in respect of the granting, vesting or exercise of the Option. Any such additional payment is due no later than the date on which such amount with respect to the Option is required to be remitted to the relevant tax authority by the Corporation or a Subsidiary of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or a Subsidiary of the Corporation to the Participant, (b) require the sale of a number of Shares issued upon exercise or vesting of such Option and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount or (c) enter into any other suitable arrangements for the receipt of such amount. For

greater certainty, the application of this Section 5.2 to any granting, vesting or exercise of an Option shall not conflict with the policies of the Exchange that are in effect at the relevant time and the Corporation will obtain prior Exchange acceptance and/or shareholder approval of any application of this Section 5.2 if required pursuant to such policies.

Participants (or their beneficiaries) shall be responsible for all taxes with respect to any Options granted under the Plan, whether arising as a result of the grant or payment in respect of the Option or otherwise. The Corporation, the Plan Administrator and the Board make no guarantees to any Person regarding the tax treatment of an Option or issuances of Shares and none of the Corporation, the Board, the Plan Administrator or any of the Executives, Employees, Consultants, agents, advisors or representatives of the Corporation or the Subsidiary of the Corporation shall have any liability to a Participant with respect thereto.

All withholding tax will be collected in compliance with Exchange Policy 4.4.

5.3 **Recoupment**

Notwithstanding any other terms of the Plan, Options may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or a Subsidiary of the Corporation and in effect at the Date of Grant of the Option, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 5.3 to any Participant or category of Participants.

5.4 **No Other Benefit**

(a) No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share or the value of any Option granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

(b) The Corporation makes no representations or warranties to Participants with respect to the Plan or any Options whatsoever. Participants are expressly advised that the value of any Options issued pursuant to the Plan will fluctuate as the trading price of the Shares fluctuates.

(c) In seeking the benefits of participation in the Plan, the Participant shall exclusively accept all risks associated with a decline in the trading price of the Shares and all other risks associated with the holding of any Options.

ARTICLE 6
TERMINATION OF EMPLOYMENT OR SERVICES

6.1 **Termination of Participant**

Subject to Article 7 and unless otherwise determined by the Plan Administrator or as set forth in an Option Certificate:

(a) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, then each Option held by the Participant that has not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. The Plan Administrator, in its discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause. In addition, where a Participant's employment or services are terminated by the Corporation

or a Subsidiary of the Corporation for Cause, the Plan Administrator may, in its discretion, determine that all Options held by the Participant that have Vested as of the Termination Date shall immediately become forfeited, cancelled, null and void, failing which, all Options held by the Participant that have Vested as of the Termination Date shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;

(b) where a Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant, then each Option held by the Participant that has not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. All Options held by the Participant that have Vested as of the Termination Date shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;

(c) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice); then:

(i) a portion of any Options held by the Participant that are not yet Vested shall immediately vest, with such portion to be equal to the number of unvested Options multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of which is the number of days between the Date of Grant and the date the unvested Options were originally scheduled to vest. For clarity and by way of example, if a Participant's employment is terminated 400 days following the Date of Grant and unvested Options were originally scheduled to vest 600 days from the Date of Grant, two-thirds of the unvested Options will immediately vest;

(ii) subject to Section 6.1(c)(i), any Options held by the Participant that are not yet Vested at the Termination Date after the application of Section 6.1(c)(i) shall be immediately forfeited to the Corporation; and

(iii) any Options held by the Participant that have Vested as of the Termination Date or Vested pursuant to Section 6.1(c)(i) shall be settled in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;

(d) notwithstanding that such date may be prior to the Termination Date, a Participant's eligibility to receive further grants of Options under the Plan ceases as of the date that: (i) the Corporation or a Subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 6.1, or (ii) the Participant

provides the Corporation or a Subsidiary of the Corporation, as the case may be, with written notification of the Participant's voluntary resignation;

(e) unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options shall not be affected by a change of employment agreement or arrangement, or directorship within or among the Corporation or a Subsidiary of the Corporation for so long as the Participant continues to be an Executive, Employee or Consultant, as applicable, of the Corporation or a Subsidiary of the Corporation.

6.2 Leave of Absence

If a Participant is on sick leave or other bona fide leave of absence, such Participant shall continue to be deemed a "Participant" for the purposes of an outstanding Option during the period of such leave, provided that it does not exceed 90 days (or such longer period as may be determined by the Plan Administrator in its discretion). If the period of leave exceeds 90 days (or such longer period as may be determined by the Plan Administrator in its discretion), the relationship shall be deemed to have been terminated by the Participant voluntarily on the 91st day (or the first day immediately following any period of leave in excess of 90 days as approved by the Plan Administrator) of such leave, unless the Participant's right to reemployment or reengagement of services with the Corporation or a Subsidiary of the Corporation, as applicable, is guaranteed by statute or contract.

6.3 Death or Disability

Where a Participant's employment or services are terminated by reason of the death of the Participant or the Participant becomes Disabled, then each Option held by the Participant that has not Vested as of the date of the death or Disability, as applicable, of such Participant shall vest on such date, and be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; and (ii) first anniversary of the date of the death or Disability of the Participant. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period. A Participant's eligibility to receive further grants of Options under the Plan ceases as of the date of the death or Disability of the Participant.

6.4 Discretion to Permit Acceleration

Notwithstanding the provisions of this Article 6, subject to any necessary Regulatory Approvals and, in the case of Options granted to Investor Relations Service Providers, Section 3.8(d) and Section 4.6, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in Article 6, permit the acceleration of vesting of any or all Options, all in the manner and on the terms as may be authorized by the Plan Administrator, and if such discretion is taken and the vesting of any or all Options occurs, then such Options will be exercised in accordance with Section 4.8.

ARTICLE 7
EVENTS AFFECTING THE CORPORATION

7.1 Change in Control

Except as may be set forth in an employment agreement or other written agreement between the Corporation or a Subsidiary of the Corporation and the Participant and subject to any necessary Regulatory Approvals:

(a) Unless determined otherwise by the Plan Administrator, if within 12 months following the completion of a transaction resulting in a Change in Control, (i) a Participant's employment

or directorship is terminated by the Corporation or a Subsidiary of the Corporation without Cause or (ii) a Participant resigns for Good Reason, without any action by the Plan Administrator, the vesting of all Options held by such Participant shall immediately accelerate and vest on the date of such Participant's termination or resignation for Good Reason and the Options shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period.

(b) Notwithstanding Section 7.1(a), the Plan Administrator may, without the consent of any Participant, and subject to prior TSXV acceptance pursuant to Section 8.2(a), as applicable, take such steps as it deems necessary or desirable in connection with a Change in Control, including, without limitation, to cause: (i) the conversion or exchange of any outstanding Options into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Options to vest and become realizable, or payable; (iii) restrictions applicable to an Option to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iv) the termination of an Option in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the settlement of such Option or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the settlement of such Option or realization of the Participant's rights, then such Option may be terminated by the Corporation without payment); (v) the replacement of such Option with other rights or property selected by the Board in its discretion; or (vi) any combination of the foregoing. In taking any of the actions permitted under this Section 7.1(a), the Plan Administrator will not be required to treat all Options similarly in the transaction.

7.2 **Triggering Events**

Subject to any necessary Regulatory Approvals and notwithstanding any other provisions of the Plan or any Option Certificate, the Plan Administrator may, without the consent of the Participant in question cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event, provided that the Corporation must give written notice to the Participant in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Participant the opportunity to exercise the Vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Corporation proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

7.3 **Reorganization of Corporation's Capital**

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control, or in the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or

otherwise, that does not constitute a Change in Control, that would warrant the amendment or replacement of any existing Options in order to adjust the number of Shares that may be acquired on the vesting of outstanding Options and/or the terms of any Option in order to preserve proportionately the rights and obligations of the Participants holding such Options, the Plan Administrator may, subject to the prior approval of the Exchange, if required, authorize such steps to be taken as it may consider to be equitable and appropriate to that end, including, but not limited to, permitting the immediate vesting of any unvested Options and amending the Exercise Price payable per Share.

7.4 Assumptions of Options in Acquisitions

Notwithstanding any other provision of the Plan, in connection with a Reverse Takeover, a Change of Business, a Reorganization or an acquisition pursuant to Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSXV Manual, subject to prior TSXV acceptance, security based compensation of a target Company may be cancelled and replaced with substantially equivalent Options under the Plan without shareholder approval, provided that: (a) the number of Shares issuable pursuant to the Options (and their applicable exercise price) is adjusted in accordance with the share exchange ratio applicable to the particular transaction, regardless of whether the adjusted exercise price is below the current Market Price; and (b) any other applicable policies of the TSXV have been complied with.

7.5 No Restriction on Action

The existence of the Plan and of any Options granted hereunder shall not affect, limit or restrict in any way the right or power of the Corporation, the Board or the Corporation's shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise. No Participant or any other Person shall have any claim against any member of the Committee or the Corporation or any Employees, Officers or agents of the Corporation as a result of any such action.

7.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 7, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Options.

7.7 Fractions

No fractional Shares will be issued pursuant to an Option. Accordingly, if, as a result of any adjustment under this Article 7, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares (rounded down to the nearest whole number) and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 8
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

8.1 Discretion of the Plan Administrator

Subject to any Regulatory Approvals, including, where required, the approval of the TSXV and to Section

8.2, the Plan Administrator may, from time to time, without notice to or approval of the Participants, amend, modify, change, suspend or terminate the Plan or any Options granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that, no such amendment, modification, change, suspension or termination of the Plan or any Options granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any Applicable Laws or Exchange requirements or as otherwise set out in the Plan.

8.2 **Amendment of Option or Plan**

Notwithstanding Section 8.1 and subject to any rules of the Exchange, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

(a) any adjustment to Options, other than in connection with a security consolidation or security split, is subject to the prior acceptance of the TSXV;

(b) any amendment to the Plan is subject to the prior acceptance of the TSXV, except for amendments to: (i) reduce the number of Shares that may be issued under the Plan, (ii) increase the Exercise Price of Options, or (iii) cancel Options;

(c) subject to any rules of the TSXV, approval of shareholders of the Corporation shall be required for any amendment to the Plan except for amendments to: (i) fix typographical errors, and (ii) clarify existing provisions of the Plan and which do not have the effect of altering the scope, nature and intent of such provisions; and

(d) any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option, held by an Insider at the time of the proposed amendment is subject to disinterested shareholder approval in accordance with the policies of the TSXV.

ARTICLE 9
MISCELLANEOUS

9.1 **Legal Requirement**

The Corporation is not obligated to grant any Options, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

9.2 **Rights of Participant**

No Participant has any claim or right to be granted an Option and the granting of any Option is not to be construed as giving a Participant a right to remain as an Executive, Employee or Consultant of the Corporation or a Subsidiary of the Corporation. Neither the Participant nor such Participant's Personal Representatives shall have any rights whatsoever as a shareholder of the Corporation in respect of Shares issuable pursuant to any Option until the allotment and issuance to such Participant or the liquidator, executor or administrator, as the case may be, of the estate of such Participant, of certificates representing such Shares (or in the case of Shares issued in uncertificated form, receipt of evidence of a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the

Corporation).

9.3 Conflict

In the event of any conflict between the provisions of the Plan and the provisions of an Option Certificate, an employment agreement or another written agreement between the Corporation or a Subsidiary of the Corporation and a Participant, the provisions of the Plan shall govern.

9.4 Anti-Hedging Policy

By accepting the Option, each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Options.

9.5 No Guarantee of Tax Consequences

Neither the Plan Administrator nor the Corporation makes any commitment or guarantee that any specific tax treatment will apply or be available to the Participants.

9.6 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such Persons (including Persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

9.7 Participation in the Plan

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant.

9.8 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Corporation and its affiliates.

9.9 Severability

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

9.10 Notices

All written notices to be given by the Participant to the Corporation shall be delivered by (a) hand or courier, with all fees and postage prepaid, addressed using the information specified below, or designated otherwise by the Corporation in writing; or (b) email to the email address that the parties regularly use to correspond with one another or to any other email address specified by the Corporation in writing to the Participant:

Empress Royalty Corp.
1 - 15782 Marine Drive
White Rock, BC, V4B 1E6

Attention: Corporate Secretary

Such notices are, if delivered by hand or by courier, deemed to have been given by the sender and received by the addressee at the time of delivery. Any notice sent by email will be deemed to have been given by the sender and received by the addressee on the first Business Day after it was transmitted. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

9.11 **Effective Date and Replacement**

The Plan shall become effective upon the receipt of all required shareholder and regulatory approvals, being the Effective Date, and will replace the Prior Plan. All awards granted under the Prior Plan and which remain outstanding at the Effective Date will remain in full force and effect in accordance with their terms; however, following the Effective Date, no additional grants shall be made under the Prior Plan, and the Prior Plan will terminate on the date upon which no further Outstanding Options remain outstanding.

9.12 **Governing Law**

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

9.13 **Submission to Jurisdiction**

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including with respect to the grant of Options and any issuance of Shares made in accordance with the Plan.