

SANDFIRE RESOURCES AMERICA INC.

17 East Main Street

PO Box 431

White Sulphur Springs, MT

59645

Tel: 406-547-3466 Fax: 406-547-3719

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**Meeting**") of the shareholders of Sandfire Resources America Inc. (the "**Company**") will be held at 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5, on, **Thursday, December 9, 2021, at 11:00 a.m.** (Pacific Time), for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company for the year ended June 30, 2021 together with the auditor's report thereon;
2. To fix the number of directors for the ensuing year at five (5);
3. To elect directors for the ensuing year;
4. To appoint Ernst & Young LLP as the Company's auditors for the ensuing fiscal year at a remuneration to be fixed by the directors;
5. To consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution of disinterested shareholders of the Company confirming and approving the new omnibus share incentive plan of the Company; and
6. To transact such further or other business as may properly come before the Meeting and any adjournments thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the information circular (the "**Circular**") accompanying this notice. **This notice is accompanied by the Circular, a form of proxy and a supplemental mailing list return card.**

In light of the ongoing public health concerns related to COVID-19, and based on government recommendations to avoid large gatherings, the Company will not be permitting attendance in person. Shareholders are urged to vote on the matters before the Meeting by proxy and to listen to the Meeting through the telephone conference access details provided below.

The record date for determination of the Company's shareholders entitled to receive notice of and to vote at the Meeting is Monday, November 1, 2021 (the "**Record Date**"). Only holders of record of common shares of the Company at the close of business on the Record Date will be entitled to vote in respect of the matters to be voted on at the Meeting or any adjournment or postponement thereof. Only the matters referred to in this notice of Meeting will be addressed at the Meeting. There will be no additional presentations at the Meeting.

Proxies to be used at the Meeting must be deposited with the Company, c/o the Company's transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 no later than **11:00 a.m.** (Vancouver time) on **Tuesday, December 7, 2021**, or no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the date on which the Meeting or any adjournment(s) thereof is held, unless the chairman of the Meeting elects to exercise his or her discretion to accept proxies received subsequently.

Non-registered shareholders who receive these materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a voting instruction form.

Shareholders participating via teleconference will not be able to vote at the Meeting as the Company's scrutineer must take steps to verify the identity of shareholders or proxyholders using video features. Accordingly, we recommend that you vote by proxy or voting instruction form in advance of the Meeting. The form of proxy accompanies this notice of Meeting. The audited consolidated financial statements and related MD&A for the Company for the financial year ended June 30, 2021 have already been mailed to those shareholders who have previously requested to receive them. Otherwise, they are available upon request to the Company or they can be found on SEDAR at www.sedar.com.

Telephone Conference Access Details

Shareholders can listen to the Meeting by telephone by dialing-in to the conference line using the dial-in details set out below:

Dial-In Number (local and toll-free for North America): 1-877-385-4099

Meeting password: 6517149

The Company reserves the right to take any additional precautionary measures in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic that the Company considers necessary or advisable including changing the time, date or location of the Meeting.

DATED at Vancouver, British Columbia this 1st day of November, 2021.

BY ORDER OF THE BOARD

"Robert Scargill"

Robert Scargill
Chief Executive Officer

SANDFIRE RESOURCES AMERICA INC.

17 East Main Street
PO Box 431
White Sulphur Springs, MT
59645
Tel: 406-547-3466 Fax: 406-547-3719

INFORMATION CIRCULAR

(As at November 1, 2021, except as otherwise indicated)

Sandfire Resources America Inc. (the "Company") is providing this Information Circular (the "Circular") and a form of proxy in connection with management's solicitation of proxies for use at the annual general meeting (the "Meeting") of shareholders of the Company ("Shareholders") to be held at 10th Floor, 595 Howe Street, Vancouver, British Columbia at 11:00 a.m. (Pacific Time) on **Thursday, December 9, 2021** and at any adjournment(s) thereof. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

All references to currency are references to lawful money of Canada, unless otherwise stated.

In light of the ongoing public health concerns related to COVID-19, and based on government recommendations to avoid large gatherings, the Company will not be permitting attendance in person. Shareholders are urged to vote on the matters before the Meeting by proxy and to listen to the Meeting through the telephone conference access details provided below.

The record date for determination of the Shareholders entitled to receive notice of and to vote at the Meeting is Monday, November 1, 2021. Only holders of record of common shares of the Company at the close of business on the Record Date will be entitled to vote in respect of the matters to be voted on at the Meeting or any adjournment or postponement thereof. Only the matters referred to in this notice of Meeting will be addressed at the Meeting. There will be no additional presentations at the Meeting. For more information on how to complete your proxy, see "Completion and Return of Proxy" below.

Shareholders participating via teleconference will not be able to vote at the Meeting as the Company's scrutineer must take steps to verify the identity of Shareholders or Management Proxyholders (as defined below) using video features. Accordingly, we recommend that you vote by proxy or voting instruction form in advance of the Meeting. The form of proxy accompanies this Circular. For more information on how to vote common shares, see "Voting by Proxy" below.

Telephone Conference Access Details

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Meeting password: 6517149

The Company reserves the right to take any additional precautionary measures in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic that the Company considers necessary or advisable including changing the time, date or location of the Meeting.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "**Management Proxyholders**").

A Shareholder has the right to appoint a person other than a Management Proxyholder to represent the Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Shareholder.

VOTING BY PROXY

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Common shares of the Company ("**Shares**") represented by a properly executed proxy will be voted or withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any adjournment(s) thereof, unless the chairman of the Meeting elects to exercise his or her discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Registered Shareholders are holders of Shares whose names appear on the Share register of the Company and are not held in the name of a brokerage firm, bank or trust company through which they purchased Shares. Whether or not you are able to attend the Meeting, Shareholders are requested to vote their proxy in accordance with the instructions on the proxy. Most Shareholders are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares. The Company's Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of their Shares of the Company (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

There are two kinds of beneficial owners: those who object to their name being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners), and those who do not object (called "NOBOs" for Non-Objecting Beneficial Owners).

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting but rather has distributed copies of the Meeting materials to the Intermediaries for distribution to NOBOs. With respect to OBOs, in accordance with applicable securities law requirements, the Company has distributed copies of the Meeting materials to the clearing agencies and Intermediaries for distribution to OBOs. The Company does not intend to pay for Intermediaries to deliver the Meeting materials and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting materials unless their Intermediaries assumes the cost of delivery.

Intermediaries are required to forward the Meeting materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting materials will either:

- (a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "voting instruction form") which the Intermediary must follow; or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and **deposit it with the Company, c/o Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1.**

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

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

NOTICE-AND-ACCESS

The Company is not sending the Meeting materials to Shareholders using "notice-and-access", as defined under NI 54-101.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a Shareholder, his or her attorney authorized in writing or, if the Shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The

instrument revoking the proxy must be deposited at the registered office of the Company at any time up to and including the last business day preceding the date of the Meeting, or any adjournment(s) thereof, or with the chairman of the Meeting on the day of the Meeting, or any adjournments thereof.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Shares without par value, of which 1,023,252,794 Shares were issued and outstanding as at November 1, 2021, the record date for the Meeting (the "**Record Date**"). Persons who are registered Shareholders at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of voting securities of the Company, except the following:

Name	No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
Sandfire Resources Ltd. ⁽¹⁾	889,173,817	86.90%

*(1) Sandfire Resources Ltd., through its indirect, wholly owned subsidiary Sandfire B.C. Holdings Inc. ("**Sandfire BC**"), is a Shareholder that has 889,173,817 Shares.*

ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of directors of the Company at five (5).

The Company does not have an Executive Committee. The Company has an Audit Committee, a Compensation Committee, a Governance and Nominating Committee, and a Technical, Environmental, Sustainability, and Safety Committee. Members of these committees are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position	Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years	Previous Service as a Director	Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly⁽⁵⁾
Robert Scargill ⁽⁴⁾ Montana, USA Chief Executive Officer and Director	CEO of the Company since June 10, 2018; Vice President of Project Development and Director of the Company since June 1, 2018; former CEO of LeadFX Inc. between May 2016 to Sept. 2017; Interim CEO of Pele Mountain Resources Inc. from June 2017 to November 2017; and Managing Director for Natural Soda Inc. Sept. 2013 to March 2016.	Since June 1, 2018	301,268
Jason Grace ⁽²⁾⁽⁴⁾ Perth, Australia Director	Chief Operating Officer of Sandfire Resources Ltd. since September 2019; Executive General Manager – Iron Ore for Mineral Resource Limited between October 2018 and September 2019; Senior Director Asia Pacific Iron Ore, Cliffs Natural Resources between May 2014 and September 2018; and Senior Director Technical Services – Asia Pacific Iron Ore; Cliffs Asia Pacific Iron Ore Pty Ltd. between October 2013 and May 2014	Since September 26, 2019	NIL
Matthew Fitzgerald ⁽¹⁾⁽²⁾⁽³⁾ Perth, Western Australia, Australia Chairman and Director	Chief Financial Officer and Joint Secretary of Sandfire Resources Ltd.	Since September 1, 2016	NIL
Alan Joscelyn ⁽¹⁾⁽³⁾⁽⁴⁾ Montana, USA Director	Chief Deputy Attorney General for Montana between 2014-2016; Lawyer since 1975.	Since January 2, 2018.	67,885
Christina Kay Hedrich ⁽¹⁾⁽²⁾ Montana, USA Director	Director of the Company; Senior Vice President and Chief Loan Officer for Bank of the Rockies since 2009.	Since April 2, 2018	NIL

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

(3) Member of the Governance and Nomination Committee.

(4) Member of the Technical, Environmental, Health & Sustainability Committee.

(5) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the Record Date, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such Shares are held directly.

With exception of Mr. Matthew Fitzgerald who is the proposed nominee pursuant to the terms of the investment agreement between the Company and Sandfire Resources Ltd., no proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

To the knowledge of the Company, no proposed Director:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a Director, Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO") of any company (including the Company) that:
 - (i) was the subject, while the proposed Director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed Director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

The following Directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Robert Scargill	N/A
Jason Grace	N/A
Matthew Fitzgerald	N/A
Alan Joscelyn	N/A
Christina Kay Hedrich	N/A

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview of the Compensation Philosophy

The Company's compensation philosophy for executive officers follows three underlying principles:

- (a) to provide compensation packages that encourage and motivate performance;
- (b) to be competitive with other companies of similar size and scope of operations so as to attract and retain talented executives; and
- (c) to align the interests of its executive officers with the long-term interests of the Company and its Shareholders through stock related programs.

Elements of Executive Compensation

In keeping with the Company's philosophy to link executive compensation to corporate performance and to motivate executives to achieve exceptional level of performance, the Company has adopted a compensation model that includes both base salary and "at-risk" compensation, comprised of participation in the Company's Long Term Incentive Plan in the form of incentive stock options.

For the financial year ended June 30, 2021, the Company's executive compensation program consisted of the following elements:

- base salary;
- annual performance-based cash incentives;
- participation in the Long Term Incentive Plan consisting of stock options; and
- medical and other benefits.

The specific rationale and design of each of these elements are outlined in detail below:

Element of Compensation

Summary and Purpose of Element

Base Salary

Salaries form an essential element of the Company's compensation mix as they are the first base measure to compare and remain competitive relative to peer groups. Base salaries are fixed and therefore not subject to uncertainty and are used as the base to determine other elements of compensation and benefits.

Annual Performance-
Based Cash Incentives

Annual performance-based cash incentives are a variable component of compensation designed to reward the Company's executive officers for maximizing annual operating performance.

Long Term Incentive
Plan

The granting of securities is a variable component of compensation intended to incentivise the Company's executive officers to accretively grow the Company and increase the value of the Company's Shares.

Other Compensation
(Benefits and Perquisites)

The Company's executive employee benefit program includes life, medical, dental and disability insurance. Such benefits and perquisites are designed to be competitive overall with equivalent positions in comparable Canadian organizations.

Base Salary

Salary levels reflect the fixed component of pay that compensates executive officers for fulfilling their roles and responsibilities and assists in the attraction and retention of highly qualified executives. Base salaries are reviewed annually to ensure they reflect each respective executive's performance and experience in fulfilling his or her roles and to ensure retention.

Annual Performance-Based Cash Incentives

The annual performance-based cash incentives are determined and granted at the sole discretion of the board of Directors of the Company (the "**Board**") and the Compensation Committee, and are based on the performance of the executive officer during the previous year.

Long Term Incentive Plan

Currently, long term incentives are performance-based grants of stock options. The awards are intended to align executive interests with those of Shareholders by tying compensation to Share performance and to assist in retention through vesting provisions. Grants of stock options are based on:

- (a) the executive officer's performance;
- (b) the executive officer's level of responsibility within the Company;
- (c) the number and exercise price of stock options previously issued to the executive officer; and
- (d) the overall aggregate total compensation package provided to the executive officer.

The value of any long term stock options allocated is determined using the Black-Scholes-Merton model.

After considering input from management, the Compensation Committee makes recommendations to the Board concerning the Company's Long Term Incentive Plan based on the above criteria. Stock options are granted by the Board, typically on an annual basis, in connection with the review of executive officers' compensation packages. Stock options may also be granted to executives upon hire or promotion and as special recognition for extraordinary performance.

At the Meeting, the disinterested shareholders of the Company will be asked to consider and, if deemed advisable, to pass, with or without variation, the Share Incentive Plan Resolution (as defined herein) confirming and approving the Proposed Share Incentive Plan. The directors of the Company unanimously recommend that shareholders vote in favour of the Share Incentive Plan Resolution. **The persons named in the form of proxy accompanying this Circular intend to vote FOR the Share Incentive Plan Resolution, unless the shareholder of the Company who has given such proxy has directed that the Shares represented by such proxy be voted against the Share Incentive Plan Resolution.** For further information regarding the Proposed Share Incentive Plan and a summary of its material terms see the section in this Circular titled "*Particulars of Other Matters To Be Acted Upon – Approval of Proposed Share Incentive Plan*".

Option-based awards

The Company's 10% rolling stock option plan (the "**Stock Option Plan**") is designed to advance the interests of the Company by encouraging eligible participants, being Directors, employees, management company employees, officers and consultants, to have equity participation in the Company through acquisition of Shares.

The Stock Option Plan has been, and will be used, by the Board to provide Share purchase options which are awarded based on the recommendations of the Compensation Committee, taking into account the level of responsibility of the executive officer, as well as his or her impact on or contribution to, and/or his or her ability in the future to have an impact on or to contribute to, the longer-term operating performance of the Company. Management presents its recommendations to the Compensation Committee with respect to stock-based compensation awards. These awards are granted, at the discretion of the Board, to existing Directors, officers, employees, and consultants based on award levels in the past and Company performance, in compliance with applicable securities law, stock exchange, and other regulatory requirements. Stock options may also be granted, at the discretion of the Board, throughout the year, to attract new Directors, officers, employees or consultants. In determining the number of stock options to be granted to the Directors, officers, employees, or consultants, the Board takes into account the number of stock options, if any, previously granted to each of the Directors, officers, employees, or consultants, as well as the level of effort, time, responsibility, ability, experience, and level of commitment of the Director, officer, employee, or consultant, in determining the level of incentive stock option compensation. The Board takes into account the exercise price of any outstanding stock options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange (the "TSXV") and to closely align the interests of the executive officers with the interests of Shareholders. The Board determines the vesting provisions of all stock option grants and will amend the stock-based compensation plan as recommended by management and the Compensation Committee, subject to any required approval of the TSXV or Shareholders of the Company.

At the Meeting, the disinterested shareholders of the Company will be asked to consider and, if deemed advisable, to pass, with or without variation, the Share Incentive Plan Resolution (as defined herein) confirming and approving the Proposed Share Incentive Plan. For further information regarding the Proposed Share Incentive Plan and a summary of its material terms see the section in this Circular titled "*Particulars of Other Matters To Be Acted Upon – Approval of Proposed Share Incentive Plan*".

Other Compensation – Perquisites

None of the Named Executive Officers (as defined herein) received any perquisites which in the aggregate were greater than \$50,000 or 10% of the respective Named Executive Officer's salary.

Chief Executive Officer Compensation

The components of CEO compensation are the same as those which apply to the other senior executive officers of the Company, namely base salary, long-term equity incentives and annual performance-based cash incentives.

In setting the salary, long-term incentives and annual performance-based cash incentives for the CEO, the Compensation Committee evaluates the performance of the CEO in light of his or her impact on the achievement of the Company's goals and objectives. In setting the recommended base salary of the CEO the committee may also take into consideration the recommendations of independent consultants and the salaries paid to other chief executive officers in the mining industry.

Compensation Governance

The Company has established a Compensation Committee, which is responsible for determining compensation for the Directors and executive officers of the Company.

The Compensation Committee has not adopted any formal policies and practices to determine director or executive compensation. The Compensation Committee undertakes the specific work required from time to time to discharge the committee's responsibilities in relation to the Company's compensation policies. The Compensation Committee does not employ any formal objectives, criteria or analysis, other than those set forth in this Circular. When determining compensation policies and individual compensation levels for the Company's executive officers, the Compensation Committee takes into consideration a variety of factors including the Compensation Committee's understanding of the amount of compensation generally paid by similarly situated companies to their executives who have similar roles and responsibilities; each executive officer's individual performance during the fiscal year;

each executive officer's experience, skills and level of responsibility; the executive's historical compensation and performance within the Company; and existing market standards within the mining industry.

The Compensation Committee periodically reviews the performance of the Directors and executive officers in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

The Compensation Committee is composed of Matthew Fitzgerald, Jason Grace and Christina Kay Hedrich. Matthew Fitzgerald and Jason Grace are considered not to be "independent directors" as defined under applicable Canadian securities laws at the relevant times as Mr. Fitzgerald is the Chief Financial Officer of Sandfire Resources Ltd. and Mr. Grace is the Chief Operating Officer of Sandfire Resources Ltd. Christina Kay Hedrich is considered to be an "independent director" as defined under applicable Canadian securities laws.

The skills and experience of the proposed Compensation Committee members that are relevant to their responsibilities in executive compensation include the following:

- *Matthew Fitzgerald* – Mr. Fitzgerald is a chartered accountant with extensive managerial experience in the natural resource industry.
- *Christina Kay Hedrich* – Ms. Hedrich has around 30 years of experience in the banking industry. Ms. Hedrich currently serves as the Senior Vice President and Chief Loan Officer for Bank of the Rockies, N.A., a Montana based community bank. She is responsible for bank-wide training, policy development, and underwriting standards. She has worked at the Bank of the Rockies since 1988.
- *Jason Grace* – Mr. Grace is a registered geologist with years of experience in Australia and the Asia-Pacific region with extensive managerial experience in the mineral resource industry, including mineral resource evaluation, mine planning and mine geology. Mr. Grace recently completed a Master of Mining Engineering from the University of New South Wales in 2015 and also completed a Master of Enterprise (Executive) from Melbourne University in 2005.

The Company did not retain professional executive compensation consultants in the most recently completed financial year.

Compensation Risk Oversight and Assessment

The Board has not proceeded to a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. The Board intends to review at least once annually the risks, if any, associated with the Company's compensation policies and practices.

As discussed above, the Company employs a compensation model which ensures that an adequate portion of overall compensation for the NEOs is "at risk" and only realized through the performance of the Company over both the short-term and long-term. Short term incentive structures are annual performance-based cash incentives, which are awarded at the sole discretion of the Board and the Compensation Committee based on the executive officer's overall performance. With respect to the longer-term component of executive compensation, stock option grants are generally subject to vesting in equal amounts on the date of grant and the first and second anniversary of the date of the grant, priced at market-value at the time of grant and the number of stock options granted is based on a fixed annual dollar amount using the then applicable Black-Scholes-Merton value per stock option granted. Therefore, the realization of value from the longer-term incentive component of the executive compensation program is largely aligned with longer-term appreciation in Shareholder value.

Further, all elements of executive compensation are discretionary. As a result, it is unlikely an executive officer would take inappropriate or excessive risks at the expense of the Company or the Shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions. Due to the organizational structure of the Company, the Board is able closely monitor executive

performance such that any risks associated with the Company's compensation policies and practices may be promptly identified and mitigated.

The Company has not adopted a formal policy forbidding Directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by Directors or officers. The Company is not, however, aware of any Directors or officers having entered into this type of transaction.

Summary Compensation Table

The following table is presented in accordance with Form 51-102F6 - *Statement of Executive Compensation* and sets forth all annual and long term compensation for services in all capacities to the Company for the three most recently completed financial years in respect of each of the following executive officers of the Company: (a) the CEO of the Company; (b) the CFO of the Company; and, where applicable, (c) the other three most highly compensated executive officers of the Company during the financial year whose individual total compensation for the most recently completed financial year exceeded \$150,000 and any individual who would have satisfied these criteria but for the fact that the individual was neither an executive officer of the Company nor acting in a similar capacity at the end of the most recently completed financial year (collectively the "Named Executive Officers" or "NEOs").

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Robert Scargill ⁽¹⁾⁽⁴⁾ CEO	2021	556,325	N/A	N/A	111,265	N/A	20,028	NIL	687,618
	2020	548,144	N/A	N/A	130,900	N/A	20,371	NIL	699,415
	2019	528,000	N/A	N/A	66,000	N/A	15,840	NIL	609,840
Gerald Zieg ⁽⁴⁾ VP Exploration	2021	277,508	N/A	N/A	26,180	N/A	9,111	15,708	328,507
	2020	270,767	N/A	N/A	65,450	N/A	10,077	15,708	362,011
	2019	265,122	N/A	N/A	26,400	N/A	7,722	15,840	315,316
Nancy Schlepp ⁽³⁾⁽⁴⁾ VP Communications	2021	181,427	N/A	N/A	26,180	N/A	6,228	NIL	213,835
	2020	179,977	N/A	N/A	65,450	N/A	7,273	NIL	249,700
	2019	173,250	N/A	N/A	26,400	N/A	5,198	NIL	204,848
John McGonigle ⁽²⁾⁽⁴⁾ CFO	2021	309,015	N/A	N/A	27,725	N/A	10,102	NIL	346,842
	2020	296,619	N/A	N/A	32,725	N/A	10,077	NIL	345,966
	2019	217,800	N/A	N/A	N/A	N/A	6,233	NIL	224,033

(1) Mr. Scargill replaced John Shanahan as CEO of the Company on June 10, 2018. Mr. Scargill has also served as a Director of the Company since June 1, 2018. Any compensation received for services as a Director, will be disclosed in subsequent footnotes hereunder.

(2) John McGonigle replaced Anthony Jackson as CFO of the Company on April 1, 2019.

(3) Ms. Schlepp was appointed VP – Communications & Corporate Secretary on December 1, 2016.

(4) Mr. Scargill, Mr. Zieg, Ms. Schlepp and Mr. McGonigle are paid in US dollars. The amount in the above table uses an average conversion rate of \$1.267 to Canadian dollars.

The Company's wholly-owned subsidiary entered into an employment agreement with Robert Scargill, CEO of the Company (the "Scargill Agreement") on March 26, 2020. The Scargill Agreement provides for a base salary to Mr. Scargill. In addition, Mr. Scargill is eligible to participate in such incentive bonus plans as may be implemented by

the Company from time to time for its senior executives and the Company will, in its discretion, consider bonuses at least annually. See "*Termination of Employment, Change of Control Benefits and Employment Contracts*" in this Circular for further information regarding significant terms of the Scargill Agreement.

Effective February 23, 2021 the Company's wholly-owned subsidiary entered into an employment agreement with John McGonigle, CFO of the Company (the "**McGonigle Agreement**"). The McGonigle Agreement provides for a base salary to Mr. McGonigle. In addition, Mr. McGonigle is eligible to participate in such incentive bonus plans as may be implemented by the Company from time to time for its senior executives and the Company will, in its discretion, consider bonuses at least annually. See "*Termination of Employment, Change of Control Benefits and Employment Contracts*" in this Circular for further information regarding significant terms of the McGonigle Agreement.

Effective in 2013, the Company entered into an employment agreement with Gerald Zieg (the "**Zieg Agreement**"). The Zieg Agreement provides for a base salary to Mr. Zieg. In addition, Mr. Zieg is eligible to participate in such incentive bonus plans as may be implemented by the Company from time to time for its senior executives and the Company will, in its discretion, consider bonuses at least annually. See "*Termination of Employment, Change of Control Benefits and Employment Contracts*" in this Circular for further information regarding significant terms of the Zieg Agreement.

Effective in 2021, as amended, the Company's wholly-owned subsidiary entered into an employment agreement with Nancy Schlepp (the "**Schlepp Agreement**"). The Schlepp Agreement provides for a base salary to Ms. Schlepp. In addition, Ms. Schlepp is eligible to participate in such incentive bonus plans as may be implemented by the Company from time to time for its senior executives and the Company will, in its discretion, consider bonuses at least annually. See "*Termination of Employment, Change of Control Benefits and Employment Contracts*" in this Circular for further information regarding significant terms of the Schlepp Agreement.

Incentive Plan Awards

Except as set out in this Circular, the Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Named Executive Officers.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company that provide compensation that depends on achieving certain performance goals or similar conditions within a specified period, at the end of the most recently completed financial year ended June 30, 2021, including awards granted before the most recently completed financial year, to each of the Named Executive Officers. The Company does not currently have a share-based awards program.

<i>Option-Based Awards</i>				<i>Share-Based Awards</i>			
<i>Name</i>	<i>Number of Securities Underlying Unexercised Options (#)</i>	<i>Option Exercise Price (\$)</i>	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options⁽¹⁾ (\$)</i>	<i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i>	<i>Market or Payout Value Of Share-Based Awards that have not vested (\$)</i>	<i>Market or Payout Value Of Vested Share-Based Awards Not Paid out or Distributed (\$)</i>
Robert Scargill CEO	1,000,000	0.11	May 31, 2023	83,333	333,334	41,667	NIL
Gerald Zieg VP Exploration	N/A	N/A	N/A	NIL	N/A	N/A	N/A

Nancy Schlepp VP Communications	N/A						
John McGonigle CFO	N/A						

(1) Value calculated using the closing price of the Company's Shares on the TSXV on June 30, 2021 of \$0.235 and subtracting the exercise price of the in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Company's Shares on the date of exercise.

Incentive Plan Awards - Value Vested Or Earned During The Year

The value vested or earned during the most recently completed financial year ended June 30, 2021 of incentive plan awards granted to Named Executive Officers are as follows:

NEO Name	Option-Based Awards - Value Vested During The Year⁽¹⁾ (\$)	Share-Based Awards - Value Vested During The Year⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Robert Scargill CEO	N/A	N/A	N/A
Gerald Zieg VP Exploration	N/A	N/A	N/A
Nancy Schlepp VP Communications	N/A	N/A	N/A
John McGonigle CFO	N/A	N/A	N/A

(1) This amount is the dollar value that would have been realized if the stock options held by such individual had been exercised on the vesting date(s), computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the stock options under the option-based award on the vesting date.

(2) This amount is the dollar value realized computed by multiplying the number of Shares or units by the market value of the underlying Shares on the vesting date.

The Company does not have any incentive plans in place other than the award of stock options disclosed above.

Pension Plan Benefits

The Company does not have any pension plans that provide for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination of Employment, Change of Control Benefits and Employment Contracts

Other than as set out in this Circular, as at the end of the most recently completed financial year, the Company and its subsidiaries had no contracts, agreements, plans or arrangements that provide for payments to a Named Executive Officer at or following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries or a change in responsibilities of the NEO following a change of control of the Company or a change in an NEO's responsibilities.

The Company has entered into employment agreements with certain NEOs that provide for payments to those NEOs at or following or in connection with any termination (whether voluntary, involuntary or constructive) or change of control of the Company or its subsidiaries or a change in responsibilities of the NEO following a change in control of the Company or a change in an NEO's responsibilities, as follows.

Robert Scargill (CEO)

The Company's wholly-owned subsidiary entered into the Scargill Agreement on March 26, 2020 for a term of twenty-four months. The Scargill Agreement provides for a base salary to Mr. Scargill along with such benefits and bonuses that the Company may award, in its discretion. The Company will also reimburse Mr. Scargill for reasonable, authorized travelling and other out-of-pocket expenses incurred by Mr. Scargill.

The Scargill Agreement will terminate immediately in the event of death or without notice or any payment in lieu for Cause (each as defined in the Scargill Agreement). In the event of a Change of Project Status (defined below), the Company may terminate the Scargill Agreement. A "Change of Project Status" shall include any decision by the Board to substantially delay or halt development of the Black Butte Copper Mine Project for any reason, including, but not limited to, permitting, litigation or economic reasons.

Mr. Scargill may terminate the Scargill Agreement at any time by providing the Company with two months' notice in writing to that effect. Upon receiving such notice, the Company may continue Mr. Scargill's employment with the Company for two months thereafter or terminate the Scargill Agreement immediately, provided, that the Company pays Mr. Scargill a lump sum cash payment equal to two months of his salary. Upon termination of the Scargill Agreement for cause, Mr. Scargill will be entitled to receive all wages and accrued vacation leave earned up to and including Mr. Scargill's last day of employment. All benefit coverage and other perquisites of Mr. Scargill's employment shall cease as at the last day of employment.

In the event of a Change of Control, either Mr. Scargill or the Company's subsidiary, in each of their sole discretion, may terminate the Scargill Agreement. For purposes of this provision, a "Change of Control" of the Company's subsidiary shall be deemed to have occurred at such time as:

- (i) any sale, lease, exchange or other transfer (in one transaction or a series of transactions) of all or substantially all of the assets or shares of the Company;
- (ii) a plan of liquidation of the Company's subsidiary or an agreement for the sale or liquidation of the Company's subsidiary is approved and completed; or
- (iii) the Board determines in its sole discretion that a Change in Control has occurred, whether or not any event described above has occurred or is contemplated.

If the Company elects to terminate the Scargill Agreement during or at the end of the term for reasons other than cause, the Company shall pay Mr. Scargill severance pay of US\$200,000.

There are no other significant conditions or obligations that apply to receiving payments or benefits, or significant factors not already mentioned.

Estimated Incremental Payments on Change of Control

The following table provides details regarding the estimated incremental payments from the Company to Robert Scargill assuming that the triggering event occurred on June 30, 2021:

<i>Name of NEO</i>	<i>Total Payments ⁽¹⁾</i>
Robert Scargill	C\$247,880 ⁽²⁾

- (1) The amount in the above table uses the conversion rate of \$1.2394 to Canadian dollars as at June 30, 2021, the last trading day of the financial year end, being the date of the triggering event.
- (2) This represents the entitlement the NEO would receive if the Company terminated the Scargill Agreement before the end of the term without cause and such triggering event had occurred on June 30, 2021. This does not include any accrued vacation or other benefits due under the Scargill Agreement.

John McGonigle (CFO)

The Company's wholly-owned subsidiary entered into the McGonigle Agreement on February 8, 2019, as amended on February 23, 2021, for a term of twenty-four months, effective April 1, 2021. The McGonigle Agreement provides for a base salary to Mr. McGonigle along with an annual allowance whilst Mr. McGonigle acts as CFO, and such benefits and bonuses that the Company may award, in its discretion. The Company will also reimburse Mr. McGonigle for reasonable, authorized travelling and other out-of-pocket expenses incurred by Mr. McGonigle.

The McGonigle Agreement will terminate immediately without notice or severance pay if the Company or Mr. McGonigle terminate the McGonigle Agreement within the first three months of employment. Further, the McGonigle Agreement will terminate immediately without notice or any payment in lieu for Cause (as defined in the McGonigle Agreement). Mr. McGonigle may terminate the McGonigle Agreement at any time by providing the Company with two months written notice, at which time the Company can elect to pay to Mr. McGonigle a lump sum cash payment equal to two months of base salary.

If the Company breaches the McGonigle Agreement by terminating the McGonigle Agreement before the end of the term without Cause, the Company will pay Mr. McGonigle a lump sum cash payment equal to the base salary Mr. McGonigle would have been paid had he remained employed with the Company until the conclusion of the term. Such payment will be made within 30 days after termination.

The McGonigle Agreement provides for a severance payment by the Company upon a Change of Control of the Company, which is defined in the McGonigle Agreement as follows:

For the purposes of this provision, "**Change of Control**" of the Company shall be deemed to have occurred at such time as:

- i) Any sale, lease, exchange or other transfer (In one transaction or a series of transactions) of all or substantially all of the assets of the Company;
- ii) A plan of liquidation of the Company or an agreement for the sale or liquidation of the Company is approved and completed;
- iii) The Company determines in its sole discretion that a Change In Control has occurred, whether or not any event described above has occurred or is contemplated.

Pursuant to the McGonigle Agreement, in the event of a Change of Control, either Mr. McGonigle or the Company, in each of their sole discretion, may terminate the McGonigle Agreement. If the Company terminates the McGonigle Agreement, Mr. McGonigle shall receive a payment of the greater of 12 months of base salary, and the sum of the remaining contract compensation.

The McGonigle Agreement does not provide for any other triggering payments or provisions of other benefits in connection with any termination, resignation, retirement, change of control of the Company or a change in

responsibilities. There are no other significant conditions or obligations that apply to receiving payments or benefits, or significant factors not already mentioned.

Estimated Incremental Payments on Change of Control

The following table provides details regarding the estimated incremental payments from the Company to John McGonigle assuming that the triggering event occurred on June 30, 2021:

<i>Name of NEO</i>	<i>Total Payments⁽¹⁾</i>
John McGonigle	C\$479,751 ⁽²⁾⁽³⁾

- (1) *The amount in the above table uses the conversion rate of \$1.2394 to Canadian dollars as at June 30, 2021, the last trading day of the financial year end, being the date of the triggering event.*
- (2) *This represents the entitlement the NEO would have received if a Change of Control triggering event had occurred on June 30, 2021. This does not include accrued vacation allowance.*
- (3) *This represents the entitlement the NEO would receive if the Company terminated the McGonigle Agreement before the end of the term without Cause and such triggering event had occurred on June 30, 2021. This does not include accrued vacation allowance.*

Gerald Zieg (VP of Exploration)

The Company entered into the Zieg Agreement, effective January 1, 2013, for services provided to the Company by Mr. Zieg as Vice President of Exploration. The Zieg Agreement provides for a severance payment by the Company upon a Change of Control Event, which is defined in the Zieg Agreement as follows:

A "**Change of Control Event**" will occur if within six (6) months of a Change of Control Event (as defined below) there is a Termination Event (as defined below).

"**Change of Control**" means:

- i. the acquisition, directly or indirectly, by any person or group of persons acting jointly or in concert, as such terms are defined in the Securities Act, British Columbia, of outstanding common shares of the Company which, when added to all other common shares of the Company at the time held directly or indirectly by such person or persons acting jointly or in concert, constitutes for the first time in the aggregate 50% or more of the outstanding common shares of the Company;
- ii. the consummation of a sale of all or substantially all of the assets of the Company;
- iii. the consummation of a reorganization, plan of arrangement, merger or other transaction which has substantially the same effect as paragraph (i), (ii) or (iii) above; or
- iv. the common shares of the Company cease to be listed on a recognized stock exchange.

"**Termination Event**" means:

- a. the employment of the Executive is terminated by the Company without cause;
- b. there is a change by the Company (other than changes that are clearly and exclusively consistent with a promotion) in the position, duties or responsibilities (including, without limitation, the person(s) to whom the Executive reports, and who report to the Executive, title or office of the Executive in effect immediately prior to the Change of Control, which includes any removal of the Executive from or any failure to re-employ the Executive in such position;

- c. the Company taking any action to deprive the Executive of any material fringe benefits not mentioned above and enjoyed by the Executive immediately prior to the Change of Control, or the Company failing to increase or improve such material fringe benefits on a basis consistent with increases or improvements granted to the Company's other administrative personnel;
- d. any material breach by the Company of any provision of the Executive's Agreement;
- e. the good faith determination by the Executive that, as a result of the Change of Control or any action or event thereafter, the Executive's status or responsibility in the Company has been diminished or the Executive is effectively being prevented from carrying out the duties and responsibilities of the Executive as they existed immediately prior to the Change of Control; or
- f. failure by the Company to obtain, in a form satisfactory to the Executive, an effective assumption of its obligations hereunder by any successor to the Company, including a successor to a material portion

If a Change of Control Event occurs, or if the Company terminates the Zieg Agreement without cause, the Company shall pay an amount equal to one (1) year of his base salary at that time. In addition, Mr. Zieg's Benefits (as defined in the Zieg Agreement) will terminate effective at the end of the month following the termination of Mr. Zieg's employment, for whatever reason. All equity or equity based compensation received by Mr. Zieg and held by him immediately prior to termination or election upon a Change of Control Event shall fully vest, if not already vested, and shall be exercisable by Mr. Zieg following such termination or election, as the case may be, in accordance with their terms.

The accelerated option value of the aforementioned NEOs' existing stock options as of June 30, 2021 is detailed under "*Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards*" in this Circular.

Estimated Incremental Payments on Change of Control

The following table provides details regarding the estimated incremental payments from the Company to Gerald Zieg, assuming that the triggering event occurred on June 30, 2021:

Name of NEO	Total Payments
Gerald Zieg	C\$262,753 ⁽¹⁾⁽²⁾⁽³⁾

- (1) This represents the entitlement the NEO would have received if a Change of Control triggering event had occurred on June 30, 2021. This does not include accrued vacation allowance.
- (2) This represents the entitlement the NEO would receive if the Company terminated the Zieg Agreement before the end of the term without Cause and such triggering event had occurred on June 30, 2021. This does not include accrued vacation allowance.
- (3) The amount in the above table uses the conversion rate of \$1.2394 to Canadian dollars as at June 30, 2021, the last trading day of the financial year end, being the date of the triggering event.

Nancy Schlepp (VP Communications)

On January 21, 2019 the Company's wholly-owned subsidiary entered into the Schlepp Agreement, as amended March 1, 2021, relating to Ms. Schlepp's services as Vice President - Communications of the Company for a term expiring on January 20, 2023. The Schlepp Agreement provides for a base salary to Ms. Schlepp along with such benefits and bonuses that the Company may award, in its discretion. The Company will also reimburse Ms. Schlepp for reasonable and necessary business expenses incurred by Ms. Schlepp.

Jason Grace	NIL						
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Other than amounts already included in the above table, the Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Circular.

Currently, the Company's Stock Option Plan enables the Company to grant incentive stock options to the Directors, officers and employees of the Company. The purpose of granting such stock options to the Company's Directors is to assist the Company in compensating, attracting, retaining and motivating the Directors and to closely align the personal interests of the Directors to that of the Company's Shareholders.

At the Meeting, the disinterested shareholders of the Company will be asked to consider and, if deemed advisable, to pass, with or without variation, the Share Incentive Plan Resolution (as defined herein) confirming and approving the Proposed Share Incentive Plan. The directors of the Company unanimously recommend that shareholders vote in favour of the Share Incentive Plan Resolution. For further information regarding the Proposed Share Incentive Plan and a summary of its material terms see the section in this Circular titled "*Particulars of Other Matters To Be Acted Upon – Approval of Proposed Share Incentive Plan*".

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all option-based awards outstanding at the end of the most recently completed financial year ended June 30, 2021, including awards granted before the most recently completed financial year, to each of the Directors who are not Named Executive Officers as at June 30, 2021. The Company does not currently have a share-based awards program.

<i>Director Name</i>	<i>Option-Based Awards</i>				<i>Share-Based Awards</i>		
	<i>Number of Securities Underlying Unexercised Options (#)</i>	<i>Option Exercise Price (\$)</i>	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options⁽¹⁾ (\$)</i>	<i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i>	<i>Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)</i>	<i>Market or Payout Value Of Vested Share-Based Awards Not Paid out or Distributed (\$)</i>
Matthew Fitzgerald	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Alan Joscelyn	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Christina Kay Hedrich	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Jason Grace	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(1) Value calculated using the closing price of the Company's Shares on the TSXV on June 30, 2021 of \$0.235 and subtracting the exercise price of the in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Company's Shares on the date of exercise.

Incentive Plan Awards - Value Vested Or Earned During The Year

The value vested or earned during the most recently completed financial year ended June 30, 2021 of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

Director Name	Option-Based Awards - Value Vested During The Year⁽¹⁾ (\$)	Share-Based Awards - Value Vested During The Year⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Matthew Fitzgerald	NIL	NIL	NIL
Alan Joscelyn	NIL	NIL	NIL
Christina Kay Hedrich	NIL	NIL	NIL
Jason Grace	NIL	NIL	NIL

(1) This amount is the dollar value that would have been realized if the stock options held by such individual had been exercised on the vesting date(s) computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the stock options under the option-based award on the vesting date.

(2) This amount is the dollar value realized computed by multiplying the number of Shares or units by the market value of the underlying Shares on the vesting date.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾ (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽²⁾ (c)
Equity compensation plans approved by securityholders	1,600,000	\$0.10	100,725,279
Equity compensation plans not approved by securityholders	NIL	NIL	NIL
Total	1,600,000	\$0.10	100,725,279

(1) Represents the number of Shares available for issuance upon exercise of outstanding stock options as at June 30, 2021.

(2) Represents the number of Shares remaining available for future issuance under stock options available for grant as of June 30, 2021 under the Stock Option Plan. The maximum number of Shares which may be issued pursuant to stock options granted under the Stock Option Plan is 10% of the issued and outstanding Shares at the time of grant.

Proposed Share Incentive Plan

At the Meeting, the disinterested shareholders of the Company will be asked to consider and, if deemed advisable, to pass, with or without variation, the Share Incentive Plan Resolution (as defined herein) confirming and approving the Proposed Share Incentive Plan. The directors of the Company unanimously recommend that shareholders vote in favour of the Share Incentive Plan Resolution. **The persons named in the form of proxy accompanying this Circular intend to vote FOR the Share Incentive Plan Resolution, unless the shareholder of the Company who has given such proxy has directed that the Shares represented by such proxy be voted against the Share Incentive Plan Resolution.** For further information regarding the Proposed Share Incentive Plan and a summary of its material terms see the section in this Circular titled "Particulars of Other Matters To Be Acted Upon – Approval of Proposed Share Incentive Plan".

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS AND OTHERS

As at the Record Date, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries, or, which is owing to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out in this Circular, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting, except that the Directors and executive officers of the Company may have an interest in the resolution regarding the approval of the Proposed Share Incentive Plan, as such persons are eligible to participate in such plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person (as defined in National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102")) or proposed Director and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITORS

Ernst & Young LLP, of 700 West Georgia Street, Vancouver, British Columbia are the auditors of the Company. Ernst & Young LLP were first appointed as auditors of the Company on June 14, 2011. **Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Ernst and Young LLP as the auditors of the Company to hold office for the ensuing year at a remuneration to be fixed by the Directors.**

MANAGEMENT CONTRACTS

No management functions of the Company or its subsidiaries are performed to any substantial degree by a person other than the Directors or executive officers of the Company or its subsidiaries.

AUDIT COMMITTEE

The Audit Committee's Charter

The following is the text of the Audit Committee Charter of the Company.

Mandate

The primary function of the Audit Committee is to assist the Company's board of directors (the "**Board of Directors**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting, and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Audit Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee shall be elected by the Board of Directors at its first meeting following the annual Shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

Meetings

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.

Composition of the Audit Committee

The following are the members of the Audit Committee:

Christina Kay Hedrich	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Alan Joscelyn	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Matthew Fitzgerald	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾

(1) As defined by National Instrument 52-110 – Audit Committees ("NI 52-110").

Relevant Education and Experience

Set out below is a general description of the education and experience of each Audit Committee member which is relevant to the performance of his responsibilities as an Audit Committee member.

- *Christina Kay Hedrich (Chairperson)* – Ms. Hedrich has around 30 years of experience in the banking industry. Ms. Hedrich currently serves as the Senior Vice President and Chief Loan Officer for Bank of the Rockies, N.A., a Montana based community bank. She is responsible for bank-wide training, policy development, and underwriting standards. She has worked at the Bank of the Rockies since 1988.
- *Alan Joscelyn* – Mr. Joscelyn has 40 plus years of experience as a Montana lawyer.
- *Matthew Fitzgerald* – Mr. Fitzgerald has more than 15 years of experience as a finance executive in the natural resource sector. Furthermore, Mr. Fitzgerald has experience in board governance.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "*Audit Committee - The Audit Committee's Charter - External Auditors*".

External Auditors Service Fees (By Category)

The aggregate fees billed to the Company for the last two (2) fiscal years by Ernst & Young LLP are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
June 30, 2021	\$187,767	N/A	\$0	\$41,000
June 30, 2020	\$132,300	N/A	\$0	\$0

(1) "Audit Fees" include the aggregate fees billed in each financial year for audit fees.

(2) "Audit Related Fees" include the aggregate fees in each financial year for assurance and related services to the performance of the audit or review of the Company's financial statements not already disclosed under "Audit Fees".

(3) "Tax Fees" are the aggregate fees billed by the auditor for tax compliance, tax advice and tax planning.

(4) "All Other Fees" include aggregate fees billed for products or services not already reported in the above table.

Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board is committed to sound corporate governance practices which are both in the interest of its Shareholders and contribute to effective and efficient decision making.

National Policy 58-201 - *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all public companies. The guidelines deal with such matters as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance practices. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices which disclosure is set out below.

Independence of Members of the Board

As of the date of this Circular, the Company's Board consists of five (5) Directors, two (2) of whom are independent based upon the tests for independence set forth in NI 52-110. Christina Kay Hedrich and Alan Joscelyn are independent. Robert Scargill is not independent as he is the CEO of the Company, Jason Grace is not independent as he is the Chief Operating Officer of Sandfire Resources Ltd. and Matthew Fitzgerald is not independent as he is the Chief Financial Officer of Sandfire Resources Ltd.

Management Supervision by Board

The size of the Company is such that all the Company's operations are conducted by a small management team which is also represented on the Board. The Board considers that management is effectively supervised by the independent Directors on an informal basis as the independent Directors are actively and regularly involved in reviewing and supervising the operations of the Company and have regular and full access to management. The independent Directors are, however, able to meet at any time without any members of management including the non-independent Directors being present. Further supervision is performed through the Audit Committee. The Board may appoint from time to time a lead Director to direct Board operations.

The Board met five (5) times during fiscal year 2021.

Participation of Directors in Other Reporting Issuers

The participation of the Directors in other reporting issuers is described in the table provided under "*Election of Directors*" in this Circular.

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

- (a) information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
- (b) access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information; and
- (c) access to management, technical experts and consultants.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's

assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to Shareholders. The Board has adopted a *Code of Business Conduct and Ethics* (the "**Code**") and has instructed its management and employees to abide by the Code. A copy of the Code is posted on the Company's website at www.sandfireamerica.com. The Board intends that it will review compliance with the Code on an annual basis until the Company has grown to a size which warrants more frequent monitoring.

The Board, through its meetings with management and other informal discussions with management, encourages a culture of ethical business conduct and believes the Company's high caliber management team promotes a culture of ethical business conduct throughout the Company's operations and is expected to monitor the activities of the Company's employees, consultants and agents in that regard.

It is a requirement of applicable corporate law that Directors and senior officers who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and, in the case of Directors, abstain from discussions and voting in respect to same if the interest is material. These requirements are also contained in the Company's Articles, which are made available to Directors and senior officers of the Company.

Nomination of Directors

The Board's Governance and Nomination Committee has the responsibility of providing the Board with recommendations relating to board size and composition, the candidate selection process and the orientation of new members. The recruitment of new candidates for Board nomination has involved both formal and informal discussions among committee members and the CEO.

Compensation of Directors and the CEO

The Compensation Committee has responsibility to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters and for determining compensation for the Directors and senior management. The Compensation Committee currently consists of three members, being Matthew Fitzgerald, Jason Grace and Christina Kay Hedrich. If elected, it is proposed that Matthew Fitzgerald, Christina Kay Hedrich and Jason Grace be appointed to the Compensation Committee.

To determine compensation payable, the Compensation Committee reviews compensation paid for Directors and CEOs of companies of similar size and stage of development in the mining industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the Compensation Committee periodically reviews the performance of the CEO in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives. The Compensation Committee's role in the compensation of Directors and the CEO of the Company is further described under "*Statement of Executive Compensation - Compensation Governance*" of this Circular.

Board Committees

As at the date of this Circular, the Company has four (4) committees at present, being the *Audit Committee*, the *Compensation Committee*, the *Governance and Nomination Committee* and the *Technical, Environmental, Sustainability, and Safety Committee*.

The *Audit Committee* is, at present, comprised of three (3) of the Company's five (5) Directors: Christina Kay Hedrich (Chairperson), Matthew Fitzgerald and Alan Joscelyn.

The *Compensation Committee* is, at present, comprised of three (3) of the Company's five (5) Directors: Matthew Fitzgerald (Chairman), Jason Grace and Christina Kay Hedrich.

The *Governance and Nomination Committee* is, at present, comprised of two (2) of the Company's five (5) Directors: Alan Joscelyn (Chairman) and Matthew Fitzgerald.

The *Technical, Environmental, Sustainability, and Safety Committee* is, at present, comprised of three (3) of the Company's five (5) Directors: Robert Scargill, Jason Grace and Alan Joscelyn. The *Technical, Environmental, Sustainability, and Safety Committee* has the overall responsibility for monitoring, evaluating, assessing, and reviewing the Company's environmental policies and activities, activities related to sustainability and safety issues, engineering and geological reports and data or any documentation pertaining to the acquisition, exploration, development or disposal of mineral properties.

As the Directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of directors, the Board has determined that additional standing committees are not necessary at this stage of the Company's development. The Board will consider additional standing committees as appropriate as the Company progresses.

Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board monitors, but does not formally assess, the performance of individual Board members or committee members or their contributions.

Expectations of Management

The Board expects management to operate the business of the Company in a manner that enhances Shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of Proposed Share Incentive Plan

Effective August 19, 2009, the Board adopted the Stock Option Plan, which was drafted in accordance with the latest TSXV policies and rules. Effective January 1, 2011, the Board approved an amendment of the Stock Option Plan to address recent changes to the Income Tax Act (Canada) with respect to the withholding and remittance of source deductions on the exercise of stock options, which amendment replaced section 7.4 of the Stock Option Plan. The Stock Option Plan was approved by the Shareholders at the Annual General Meeting held each year, and was accepted for filing by the TSXV.

Following a review by the board of directors of the Company of the Company's existing Stock Option Plan, the board of directors concluded that it was advisable to replace the Stock Option Plan, subject to the receipt of the requisite regulatory and shareholder approvals, with a new omnibus share incentive plan (the "**Proposed Share Incentive Plan**"), providing for the grant of options ("**Options**"), restricted share units ("**RSUs**"), performance share units ("**PSUs**" and together with the RSUs, "**Share Units**") and deferred share units ("**DSUs**" and together with the Options and Share Units, "**Awards**").

The Proposed Share Incentive Plan includes a "rolling" stock option plan component that sets the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the exercise of Options granted thereunder, together

with the number of Shares reserved for issuance pursuant to the settlement of Share Units and DSUs granted under the Proposed Share Incentive Plan and the number of Shares reserved for issuance pursuant to any other security based compensation arrangement of the Company, at 2.5% of the number of Shares issued and outstanding on a non-diluted basis from time to time. The Proposed Share Incentive Plan sets the actual number of Shares reserved for issuance at any given time, in the aggregate, pursuant to the settlement of Share Units and DSUs granted under the Proposed Share Incentive Plan at 25,581,320 Shares. For clarity, the maximum number of Shares reserved for issuance under the Proposed Share Incentive Plan may be comprised either entirely of Shares reserved for issuance pursuant to the exercise of Options, or a combination of Shares reserved for issuance pursuant to the exercise of Options and the settlement of Share Units and DSUs, provided that the number of such shares settling Share Units and DSUs does not exceed 25,581,320 Shares.

As of the date of this Circular, there are 1,600,000 Options outstanding under the Stock Option Plan, representing in the aggregate approximately 0.16% of the issued and outstanding Shares, leaving approximately 23,981,320 Shares currently available to be reserved for issuance pursuant to new grants of Options, Share Units and DSUs (subject to maximum number issuable at any given time to Share Units and DSUs) under the Proposed Share Incentive Plan.

Subject to the requisite regulatory and shareholder approvals for the Proposed Share Incentive Plan, the Stock Option Plan will be terminated and any outstanding Options granted thereunder shall remain in effect in accordance with the terms and conditions of the Proposed Share Incentive Plan.

Pursuant to the policies of the TSX Venture Exchange, the Company is required to obtain disinterested shareholder approval of the Proposed Share Incentive Plan in connection with the implementation thereof. Accordingly, at the Meeting, the disinterested shareholders of the Company will be asked to pass a resolution to approve the Proposed Share Incentive Plan. For this purpose, disinterested shareholders will include all shareholders of the Company other than insiders of the Company to whom Awards may be granted under the Proposed Share Incentive Plan and each of their respective associates.

Summary of the Proposed Share Incentive Plan

The following is a summary of the key provisions of the Proposed Share Incentive Plan. The following summary is qualified in all respects by the full text of the Proposed Share Incentive Plan, a copy of which is attached hereto as Schedule A. All terms used but not defined in this section have the meaning ascribed thereto in the Proposed Share Incentive Plan.

Purpose

The purpose of the Proposed Share Incentive Plan is:

- (a) to increase the interest in the Company's welfare of those employees, officers, directors and consultants (who are considered "Eligible Participants" under the Proposed Share Incentive Plan) who share responsibility for the management, growth and protection of the business of the Company or a subsidiary of the Company;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Company or a subsidiary of the Company and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company or a subsidiary of the Company are necessary or essential to its success, image, reputation or activities;
- (c) to reward Eligible Participants for their performance of services while working for the Company or a subsidiary of the Company; and
- (d) to provide a means through which the Company or a subsidiary of the Company may attract and retain able persons to enter its employment or service.

Plan Administration

The Proposed Share Incentive Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. Subject to the terms of the Proposed Share Incentive Plan, applicable law and the rules of the TSX Venture Exchange, the Board (or its delegate) will have the power and authority to: (i) designate the Eligible Participants who will receive Awards (an Eligible Participant who receives an Award, a "Participant"), (ii) designate the types and amount of Awards to be granted to each Participant, (iii) determine the terms and conditions of any Award, including any vesting conditions or conditions based on performance of the Company or of an individual ("Performance Criteria"); (iv) interpret and administer the Proposed Share Incentive Plan and any instrument or agreement relating to it, or any Award made under it; and (v) make such amendments to the Proposed Share Incentive Plan and Awards as are permitted by the Proposed Share Incentive Plan and the policies of the TSX Venture Exchange.

Shares Available for Awards

Subject to adjustment as provided for under the Proposed Share Incentive Plan, and as may be approved by the TSX Venture Exchange and the shareholders of the Company from time to time, the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the exercise of Options granted under the Proposed Share Incentive Plan shall be equal to 2.5% of the issued and outstanding Shares on a non-diluted basis from time to time, less the actual number of Shares reserved for issuance at any given time pursuant to the settlement of Share Units and DSUs granted under the Proposed Share Incentive Plan and the number of Shares reserved for issuance pursuant to any other Share Compensation Arrangement of the Company, if any. The maximum number of Shares reserved for issuance, in the aggregate, pursuant to the settlement of Share Units and DSUs granted under the Proposed Share Incentive Plan shall not exceed 25,581,320 Shares.

The Proposed Share Incentive Plan sets out the calculation of the number of Shares reserved for issuance based on whether the Shares are reserved for issuance pursuant to the grant of an Option, Share Unit or DSU.

Participation Limits

The Proposed Share Incentive Plan provides the following limitations on grants:

- (a) In no event shall the Proposed Share Incentive Plan, together with all other previously established and outstanding Share Compensation Arrangements of the Company, permit at any time:
 - (i) the aggregate number of Shares reserved for issuance under Awards granted to Insiders (as a group) at any point in time exceeding 10% of the issued and outstanding Shares on a non-diluted basis; or
 - (ii) the grant to Insiders (as a group), within any 12 month period, of an aggregate number of Awards exceeding 10% of the issued and outstanding Shares on a non-diluted basis, calculated at the date an Award is granted to any Insider,

unless the Company has obtained the requisite disinterested shareholder approval.
- (b) The aggregate number of Awards granted to any one person (and companies wholly-owned by that person) in any 12 month period shall not exceed 5% of the issued and outstanding Shares on a non-diluted basis, calculated on the date an Award is granted to the person, unless the Company has obtained the requisite disinterested shareholder approval.
- (c) The aggregate number of Awards granted to any one Consultant in any 12 month period shall not exceed 2% of the issued and outstanding Shares on a non-diluted basis, calculated at the date an Award is granted to the Consultant.

- (d) The aggregate number of Options granted to all persons retained to provide Investor Relations Activities shall not exceed 2% of the issued and outstanding Shares on a non-diluted basis in any 12 month period, calculated at the date an Option is granted to any such person.

Eligible Participants

In respect of a grant of Options, an Eligible Participant is any director, executive officer, employee or Consultant of the Company or any of its subsidiaries. In respect of a grant of Share Units, an Eligible Participant is any director, executive officer, employee or Consultant of the Company or any of its subsidiaries other than persons retained to provide Investor Relations Activities. In respect of a grant of DSUs, an Eligible Participant is any non-employee director of the Company or any of its subsidiaries other than persons retained to provide Investor Relations Activities.

Description of Awards Options

An Option is an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at a specified exercise price (the "Option Price"). Options are exercisable over a period established by the Board from time to time and reflected in the Participant's Option Agreement, which period shall not exceed 10 years from the date of grant. Notwithstanding the expiration provisions set forth in the Proposed Share Incentive Plan, if the date on which an Option expires falls within a Blackout Period (as defined in the Proposed Share Incentive Plan), the expiration date of the Option will be the date that is ten (10) Business Days after the Blackout Period Expiry Date. The Option Price shall not be set at less than the Market Value of a Share (as defined in the Proposed Share Incentive Plan) as of the date of the grant, less any discount permitted by the TSX Venture Exchange.

The grant of an Option by the Board shall be evidenced by an Option Agreement in such form not inconsistent with the Proposed Share Incentive Plan. At the time of grant of an Option, the Board may establish vesting conditions in respect of each Option grant, which may include performance criteria related to corporate or individual performance. Notwithstanding the foregoing, Options granted to persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one-quarter (1/4) of the Options vesting in any three month period.

No acceleration of the vesting provisions of Options granted to persons retained to provide Investor Relations Activities is allowed without the prior acceptance of the TSX Venture Exchange.

Share Units

A Share Unit is an Award that is a bonus for services rendered in the year of grant that, upon settlement, entitles the recipient Participant to receive a cash payment equal to the Market Value of a Share or, at the sole discretion of the Board, a Share. The right of a holder to have their Share Units redeemed is subject to such restrictions and conditions on vesting as the Board may determine at the time of grant. Restrictions and conditions on vesting conditions may, without limitation, be based on the passage of time during continued employment or other service relationship (commonly referred to as an RSU), the achievement of specified Performance Criteria (commonly referred to as a PSU) or both. The grant of a Share Unit by the Board shall be evidenced by a Share Unit Agreement in such form not inconsistent with the Proposed Share Incentive Plan.

The Board shall have sole discretion to determine if any vesting conditions with respect to a Share Unit, including any Performance Criteria, or other vesting conditions with respect to a Share Unit, as contained in the Share Unit Agreement, have been met and shall communicate to a Participant as soon as reasonably practicable the date on which all such applicable vesting conditions or Performance Criteria have been satisfied and the Share Units have vested. Subject to the vesting and other conditions and provisions in the Proposed Share Incentive Plan and in the applicable Share Unit Agreement, each Share Unit awarded to a Participant shall entitle the Participant to receive, on settlement, a cash payment equal to the Market Value of a Share, or, at the discretion of the Board, one Share or any combination of cash and Shares as the Board in its sole discretion may determine, in each case less any applicable withholding taxes. The Company (or the applicable subsidiary) may, in its sole discretion, elect to settle all or any

portion of the cash payment obligation by the delivery of Shares issued from treasury or acquired by a Designated Broker in the open market on behalf of the Participant. Subject to the terms and conditions in the Proposed Share Incentive Plan, vested Share Units shall be redeemed by the Company (or the applicable subsidiary) as described above on the earlier of the expiry date of the Share Units or the 15th day following the vesting date.

Notwithstanding the foregoing, if the date on which any Share Units would otherwise vest falls within a Blackout Period or within nine Business Days after a Blackout Period expiry date, the vesting date of such Share Units will be deemed to be the date that is the earlier of ten (10) Business Days after the Blackout Period expiry date and the Share Unit expiry date.

Dividend equivalents may, as determined by the Board in its sole discretion, be awarded as a bonus for services rendered in the year in respect of unvested Share Units in a Participant's account on the same basis as cash dividends declared and paid on Shares as if the Participant was a holder of record of Shares on the relevant record date. In the event that the Participant's applicable Share Units do not vest, all dividend equivalents, if any, associated with such Share Units will be forfeited by the Participant.

Deferred Share Units

A DSU is an Award for services rendered, or for future services to be rendered, and that, upon settlement, entitles the recipient Participant to receive cash or acquire Shares, as determined by the Company in its sole discretion. The grant of a DSU by the Board shall be evidenced by a DSU Agreement in such form not inconsistent with the Proposed Share Incentive Plan.

A Participant is only entitled to redemption of a DSU when the Participant ceases to be a director of the Company for any reason, including termination, retirement or death. The Board does not have the right to alter the vesting conditions of DSUs, which conditions will immediately vest upon termination of employment.

Subject to the vesting and other conditions and provisions in the Proposed Share Incentive Plan and in any DSU Agreement, each DSU awarded to a Participant shall entitle the Participant to receive on settlement a cash payment equal to the Market Value of a Share, or, at the discretion of the Board, one Share or any combination of cash and Shares as the Company in its sole discretion may determine.

DSUs shall be redeemed and settled by the Company as soon as reasonably practicable following the Participant's termination date, but in any event not later than, and any payment (either in cash or in Shares) in respect of the settlement of such DSUs shall be made no later than, December 15th of the first calendar year commencing immediately after the Participant's termination date. The Company will have, at its sole discretion, the ability to elect to settle all or any portion of the cash payment obligation by the delivery of Shares issued from treasury or acquired by a Designated Broker in the open market on behalf of the Participant.

Dividend equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's account on the same basis as cash dividends declared and paid on Shares as if the Participant was a holder of record of Shares on the relevant record date. In the event that the Participant's applicable DSUs do not vest, all dividend equivalents, if any, associated with such DSUs will be forfeited by the Participant.

Effect of Termination on Awards

Except as otherwise provided in any Employment Agreement or Consulting Agreement or in any Award Agreement, Awards are subject to the following conditions:

- (a) Resignation: Upon a Participant ceasing to be an Eligible Participant as a result of his or her resignation from the Company or a subsidiary (other than by reason of retirement):

- (i) each unvested Option granted to such Participant shall terminate and become void immediately upon such resignation;
 - (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days after the Participant's termination date (or such later date as the Board may, in its sole discretion, determine) and (B) the expiry date of such Option as set forth in the applicable Option Agreement, after which such vested Option will expire; and
 - (iii) the Participant's participation in the Proposed Share Incentive Plan shall be terminated immediately, and all Share Units credited to such Participant's account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested Share Units shall be forfeited and cancelled on the termination date.
- (b) Termination for Cause: Upon a Participant ceasing to be an Eligible Participant for Cause (as determined by the Company, which determination shall be binding on the Participant for purposes of the Proposed Share Incentive Plan):
- (i) any vested or unvested Options granted to such Participant shall terminate automatically and become void immediately; and
 - (ii) the Participant's participation in the Proposed Share Incentive Plan shall be terminated immediately, and all Share Units credited to such Participant's account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested Share Units shall be forfeited and cancelled on the termination date.
- (c) Termination not for Cause: Upon a Participant ceasing to be an Eligible Participant as a result of his or her employment or service relationship with the Company or a subsidiary being terminated without Cause:
- (i) each unvested Option granted to such Participant shall terminate and become void immediately;
 - (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days after the Participant's termination date (or such later date as the Board may, in its sole discretion, determine) and (B) the expiry date of such Option as set forth in the applicable Option Agreement, after which such vested Option will expire; and
 - (iii) all unvested Share Units in the Participant's account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled (unless the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of such unvested Share Units).
- (d) Termination Due to Retirement or Permanent Disability: Upon a Participant ceasing to be an Eligible Participant by reason of retirement or permanent disability:
- (i) each unvested Option granted to such Participant shall terminate and become void immediately;
 - (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any subsidiary by reason of permanent disability (or such later date as the Board may, in its sole discretion, determine) and (B) the expiry date of such Option as set forth in the applicable Option Agreement, after which such vested Option will expire; and
 - (iii) all unvested Share Units in the Participant's account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled (unless the Board, in its sole discretion, instead

accelerates the vesting or waives vesting conditions with respect to all or some portion of such unvested Share Units).

- (e) Termination Due to Death: Upon a Participant ceasing to be an Eligible Participant by reason of death:
 - (i) each unvested Option granted to such Participant shall terminate and become void immediately;
 - (ii) each vested Option held by such Participant at the time of death may be exercised by the legal representative of the Participant, provided that any such vested Option shall cease to be exercisable on the earlier of (A) the date that is twelve (12) months after the Participant's death and (B) the expiry date of such Option as set forth in the applicable Option Agreement, after which such vested Option will expire; and
 - (iii) all unvested Share Units in the Participant's account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled (unless the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of such unvested Share Units).

- (f) Termination in Connection with a Change of Control: If the Company completes a transaction constituting a Change of Control and within 12 months following the Change of Control, a Participant who was also an officer or employee of, or a Consultant to, the Company prior to the Change of Control has their employment agreement or consulting agreement terminated:
 - (i) all unvested Options granted to such Participant shall immediately vest and become exercisable, and remain open for exercise until the earlier of (A) their expiry date as set out in the applicable Option Agreement and (B) the date that is ninety (90) days after such termination or dismissal; and
 - (ii) all unvested Share Units shall become vested, and the date of such Participant's termination date shall be deemed to be the vesting date.

Change of Control

In the event of a Change of Control, the Board will have the power, in its sole discretion, to accelerate the vesting of Options to assist the Participants to tender into a take-over bid or participate in any other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or any other transaction leading to a Change of Control, the Board shall have the power, in its sole discretion, to (a) provide that any or all Options shall thereupon terminate, provided that any such outstanding Options that have vested shall remain exercisable until consummation of such Change of Control, and (b) permit Participants to conditionally exercise their vested Options immediately prior to the consummation of the take-over bid and the Shares issuable under such Options to be tendered to such bid, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control). In the event of a Change of Control, the Board may also exercise its discretion to accelerate the vesting of, or waive the Performance Criteria or other vesting conditions applicable to, outstanding Share Units, and the date of such action shall be the vesting date of such Share Units.

Assignment

Except as set forth in the Proposed Share Incentive Plan, each Award granted under the Proposed Share Incentive Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of descent and distribution.

Amendment or Discontinuance

The Board may amend the Proposed Share Incentive Plan or any Award at any time without the consent of the Participants, provided that such amendment shall not adversely alter or impair the rights of any Participant without the consent of such Participant (except as permitted by the provisions of the Proposed Share Incentive Plan), is in compliance with applicable law, and subject to any regulatory approvals including, where required, the approval of the TSX Venture Exchange (or any other stock exchange on which the Shares are listed) and is subject to shareholder approval to the extent such approval is required by applicable law or the requirements of the TSX Venture Exchange (or any other stock exchange on which the Shares are listed), provided that the Board may, from time to time, in its absolute discretion and without approval of the shareholders of the Company, make the following amendments:

- (a) other than amendments to the exercise price and the expiry date of any Award, any amendment, with the consent of the Participant, to the terms of an Award previously granted to such Participant under the Proposed Share Incentive Plan;
- (b) any amendment necessary to comply with applicable law (including taxation laws) or the requirements of the TSX Venture Exchange (or any other stock exchange on which the Shares are listed) or any other regulatory body to which the Company is subject;
- (c) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Proposed Share Incentive Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Proposed Share Incentive Plan that is inconsistent with any other provision of the Proposed Share Incentive Plan, correcting grammatical or typographical errors and amending the definitions contained within the Proposed Share Incentive Plan; or
- (d) any amendment regarding the administration of the Proposed Share Incentive Plan.

Notwithstanding the foregoing, the Board shall be required to obtain shareholder approval, including, if required by the applicable stock exchange, disinterested shareholder approval, to make the following amendments:

- (a) any amendment to the maximum percentage or number of Shares that may be reserved for issuance pursuant to the exercise or settlement of Awards granted under the Proposed Share Incentive Plan, including an increase to the fixed maximum percentage of Shares or a change from a fixed maximum percentage of Shares to a fixed maximum number of Shares or vice versa, except in the event of a permitted adjustment arising from a reorganization of the Company's share capital or certain other transactions;
- (b) any amendment which reduces the exercise price of any Award, as applicable, after such Award has been granted or any cancellation of an Award and the replacement of such Award with an Award with a lower exercise price or other entitlements, except in the event of a permitted adjustment arising from a reorganization of the Company's share capital or certain other transactions; provided, however, that, for greater certainty, disinterested shareholder approval will be required for any amendment which reduces the exercise price of any Option if the Participant is an Insider of the Company at the time of the proposed amendment;
- (c) any amendment which extends the expiry date of any Award, or the Restriction Period of any Share Unit beyond the original expiry date or Restriction Period, except in the event of an extension due to a Blackout Period;
- (d) any amendment which would permit Awards granted under the Proposed Share Incentive Plan to be transferable or assignable other than for normal estate settlement purposes;
- (e) any amendment to the definition of an Eligible Participant under the Proposed Share Incentive Plan;
- (f) any amendment to the participation limits set out in the Proposed Share Incentive Plan; or
- (g) any amendment to the amendment provisions of the Proposed Share Incentive Plan.

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

Shareholder Approval of the Proposed Share Incentive Plan

At the Meeting, the disinterested shareholders of the Company will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution (the "Share Incentive Plan Resolution") confirming and approving the Proposed Share Incentive Plan as described below.

In order to be passed, the Share Incentive Plan Resolution requires the approval of a majority of the votes cast thereon by shareholders of the Company present in person or represented by proxy at the Meeting, excluding the votes attaching to Shares beneficially owned by insiders of the Company to whom Awards may be granted under the Proposed Share Incentive Plan and each of their respective associates. In determining whether such approval has been obtained, the votes attaching to the approximately 369,153 Shares collectively held, directly or indirectly, by the insiders of the Company to whom Awards may be granted under the Proposed Share Incentive Plan, and each of their respective associates, will be excluded. The directors of the Company unanimously recommend that shareholders vote in favour of the Share Incentive Plan Resolution. **The persons named in the form of proxy accompanying this Circular intend to vote FOR the Share Incentive Plan Resolution, unless the shareholder of the Company who has given such proxy has directed that the Shares represented by such proxy be voted against the Share Incentive Plan Resolution.**

"BE IT RESOLVED AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

1. the existing stock option plan and deferred share unit plan of the Company be terminated;
2. the omnibus share incentive plan of the Company attached as Schedule A to the management information circular of the Company dated November 1, 2021 be, and the same hereby is, authorized, approved, ratified and confirmed as the share incentive plan of the Company, subject to regulatory approvals;
3. the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the exercise of Awards (as defined in the omnibus share incentive plan) granted under the Proposed Share Incentive Plan shall be equal to 2.5% of the issued and outstanding Shares provided that the number of Shares reserved for issuance, in the aggregate, pursuant to the settlement of Share Units and DSUs granted under the Proposed Share Incentive Plan shall not exceed 25,581,320 Shares;
4. the directors of the Company be expressly authorized to revoke this resolution and not proceed with the termination of the existing stock option plan of the Company or the adoption of the omnibus share incentive plan of the Company without requiring further approval of the shareholders in that regard; and
5. any one officer or any one director of the Company be, and each of them hereby is, authorized and empowered, acting for, in the name of and on behalf of the Company, to execute or to cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such agreements, instruments, certificates, undertakings and other documents, and to do or to cause to be done all such other acts and things, as any one of them shall consider necessary or desirable to give effect to the intent of this resolution."

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at 406-547-3466 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative audited consolidated financial statements and MD&A for its most recently completed financial year ended June 30, 2021, which are filed on SEDAR and will be placed before Shareholders at the Meeting.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

DIRECTORS' APPROVAL

The Board has approved the contents of this Circular and its distribution to each Shareholder entitled to receive notice of the Meeting.

DATED at Vancouver, British Columbia this 1st day of November, 2021.

APPROVED BY THE BOARD OF DIRECTORS

"Robert Scargill"

Robert Scargill
Chief Executive Officer

SCHEDULE A

OMNIBUS SHARE INCENTIVE PLAN DATED NOVEMBER 1, 2021

[See attached.]

SANDFIRE RESOURCES AMERICA INC.

OMNIBUS SHARE INCENTIVE PLAN

November 1, 2021

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SANDFIRE RESOURCES AMERICA INC.

OMNIBUS SHARE INCENTIVE PLAN

Sandfire Resources America Inc. (the "**Corporation**") hereby establishes an omnibus share incentive plan for certain qualified directors, executive officers, employees and consultants of the Corporation or any of its Subsidiaries (as defined herein).

ARTICLE 1 INTERPRETATION

1.1 Definitions

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

"**Account**" means a notional account maintained for each Participant on the books of the Corporation which will be credited with Share Units or DSUs, as applicable, in accordance with the terms of this Plan;

"**Affiliate**" has the meaning ascribed thereto in the *Securities Act* (British Columbia), as amended, supplemented or replaced from time to time;

"**Award**" means any of an Option, Share Unit or DSU granted pursuant to, or otherwise governed by, the Plan;

"**Award Agreement**" means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement, a Share Unit Agreement, a DSU Agreement, an Employment Agreement or a Consulting Agreement;

"**Blackout Period**" means a period during which the Corporation prohibits Participants from trading securities of the Corporation which is formally imposed by the Corporation pursuant to its internal trading policies (which, for greater certainty, does not include a period during which a Participant or the Corporation is subject to a cease trade order (or similar order under securities laws) in respect of the Corporation's securities);

"**Blackout Period Expiry Date**" means the date on which a Blackout Period expires;

"**Board**" means the board of directors of the Corporation as constituted from time to time;

"**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday, when Canadian chartered banks are generally open for business in Vancouver, British Columbia for the transaction of banking business;

"**Canadian Participant**" means a Participant who is a resident of Canada and/or who is granted an Award in respect of, or by virtue of, employment services rendered in Canada, provided that, for greater certainty, a Participant may be both a Canadian Participant and a U.S. Taxpayer;

"Cause" has the meaning ascribed thereto in Section 6.2(1) hereof;

"Change of Control" means, unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:

- (a) any transaction (other than a transaction described in paragraph (b) below) pursuant to which any Person or group of Persons acting jointly or in concert acquires the direct or indirect beneficial ownership of securities of the Corporation representing 50% or more of the aggregate voting power of all of the Corporation's then issued and outstanding securities entitled to vote in the election of directors of the Corporation, other than any such acquisition that occurs upon the exercise or settlement of options or other securities granted by the Corporation under any of the Corporation's equity incentive plans;
- (b) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Corporation and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Corporation immediately prior thereto do not beneficially own, directly or indirectly, either (i) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (ii) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation, merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such transaction;
- (c) the sale, lease, exchange, license or other disposition of assets, rights or properties of the Corporation or any of its Subsidiaries which have an aggregate book value greater than 50% of the book value of the assets, rights and properties of the Corporation and its Subsidiaries on a consolidated basis to any other Person, other than a disposition to a wholly-owned Subsidiary of the Corporation in the course of a reorganization of the assets of the Corporation and its wholly-owned Subsidiaries;
- (d) the passing of a resolution by the Board or shareholders of the Corporation to substantially liquidate the assets of the Corporation or wind up the Corporation's business or significantly rearrange its affairs or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a *bona fide* reorganization of the Corporation in circumstances where the business of the Corporation is continued and the shareholdings remain substantially the same following the re-arrangement); or
- (e) individuals who, immediately prior to a particular time, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board immediately following such time; provided, however, that if

the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board;

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time and the Treasury Regulations promulgated thereunder;

"**Code Section 409A**" means Section 409A of the Code and applicable regulations and guidance issued thereunder;

"**Consultant**" means an individual (other than an employee, executive officer or director of the Corporation or a Subsidiary) or company that: (a) is engaged to provide on an ongoing *bona fide* basis, consulting, technical, management or other services to the Corporation or to a Subsidiary, other than services provided in relation to a distribution; (b) provides the services under a written contract between the Corporation or the Subsidiary and the individual or company, as the case may be; (c) 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 a Subsidiary; and (d) has a relationship with the Corporation or a Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Corporation;

"**Consulting Agreement**" means any written consulting agreement between the Corporation or a Subsidiary and a Participant who is a Consultant;

"**Designated Broker**" means a broker who is independent of, and deals at arm's length with, the Corporation and its Subsidiaries and is designated by the Corporation;

"**Dividend Equivalent**" means additional Share Units or DSUs credited to a Participant's Account as a dividend equivalent pursuant to Section 4.7 or Section 5.6, respectively;

"**DSU**" means a deferred share unit, which is a right awarded to a Participant to receive a payment as provided in Article 5 hereof and subject to the terms and conditions of this Plan;

"**DSU Agreement**" means a written agreement between the Corporation and a Participant evidencing the grant of DSUs and the terms and conditions thereof, a form of which is attached hereto as Exhibit "D";

"**DSU Redemption Date**" means, with respect to a particular DSU, the date on which such DSU is redeemed in accordance with the provisions of this Plan;

"**Eligible Participant**" means: (a) in respect of a grant of Options, any director, executive officer, employee or Consultant of the Corporation or any of its Subsidiaries, (b) in respect of a grant of Share Units, any director, executive officer, employee or Consultant of the Corporation or any of its Subsidiaries other than Persons retained to provide Investor Relations Activities, and (c) in respect of a grant of DSUs, any Non-Employee Director other than Persons retained to provide Investor Relations Activities;

"**Employment Agreement**" means, with respect to any Participant, any written employment agreement between the Corporation or a Subsidiary and such Participant;

"**Exchange**" means the TSXV or, if the Shares are not listed and posted for trading on the TSXV at a particular date, such other stock exchange or trading platform upon which the Shares are listed and posted for trading and which has been designated by the Board;

"**Exercise Notice**" means a notice in writing signed by a Participant and stating the Participant's intention to exercise a particular Option, if applicable;

"**Insider**" has the meaning ascribed thereto in section 1.2 of Policy 1.1 – *Interpretation* of the Corporate Finance Manual of the TSXV;

"**Investor Relations Activities**" has the meaning ascribed thereto in section 1.2 of Policy 1.1 – *Interpretation* of the Corporate Finance Manual of the TSXV;

"**ITA**" means the *Income Tax Act* (Canada), as amended from time to time;

"**ITA Regulations**" means the regulations promulgated under the ITA, as amended from time to time;

"**Market Value of a Share**" means, with respect to any particular date as of which the Market Value of a Share is required to be determined, (a) if the Shares are then listed on the TSXV, the closing price of the Shares on the TSXV on the last Trading Day prior to such particular date; (b) if the Shares are not then listed on the TSXV, the closing price of the Shares on any other stock exchange on which the Shares are then listed (and, if more than one, then using the stock exchange on which a majority of trading in the Shares occurs) on the last Trading Day prior to such particular date; or (c) if the Shares are not then listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith, and such determination shall be conclusive and binding on all Persons;

"**Non-Employee Director**" means a member of the Board who is not otherwise an employee or executive officer of the Corporation or a Subsidiary;

"**Option**" means an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price;

"**Option Agreement**" means a written agreement between the Corporation and a Participant evidencing the grant of Options and the terms and conditions thereof, a form of which is attached hereto as Exhibit "A";

"**Option Price**" has the meaning ascribed thereto in Section 3.2(1) hereof;

"**Option Term**" has the meaning ascribed thereto in Section 3.4 hereof;

"**Outstanding Issue**" means the number of Shares that are issued and outstanding as at a specified time, on a non-diluted basis;

"Participant" means any Eligible Participant that is granted one or more Awards under the Plan;

"Performance Criteria" means specified criteria, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Option or Share Unit;

"Performance Period" means the period determined by the Board at the time any Option or Share Unit is granted or at any time thereafter during which any Performance Criteria and any other vesting conditions specified by the Board with respect to such Option or Share Unit are to be measured;

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

"Plan" means this Omnibus Share Incentive Plan, including the exhibits hereto, as amended or amended and restated from time to time;

"Redemption Date" has the meaning ascribed thereto in Section 4.5(1) hereof;

"Reserved Amount" has the meaning ascribed thereto in Section 2.4(1)(c) hereof;

"Restriction Period" means, with respect to a particular grant of Share Units, the period between the date of grant of such Share Units and the latest Vesting Date in respect of any portion of such Share Units;

"SEC" means the U.S. Securities and Exchange Commission;

"Separation from Service" has the meaning ascribed to it under Code Section 409A;

"Share Compensation Arrangement" means any stock option, stock option plan, employee stock purchase plan, long-term incentive plan or other compensation or incentive mechanism involving the issuance or potential issuance of Shares from treasury, including a share purchase from treasury by a fulltime employee, officer, director, Insider or Consultant which is financially assisted by the Corporation or a Subsidiary by way of a loan, guarantee or otherwise;

"Share Unit" means a right awarded to a Participant to receive a payment as provided in Article 4 hereof and subject to the terms and conditions of this Plan;

"Share Unit Agreement" means a written agreement between the Corporation and a Participant evidencing the grant of Share Units and the terms and conditions thereof, a form of which is attached hereto as Exhibit "C";

"Share Unit Outside Expiry Date" has the meaning ascribed thereto in Section 4.5(4) hereof;

"Shares" means the common shares in the capital of the Corporation;

"**Subsidiary**" means a corporation, company or partnership that is controlled, directly or indirectly, by the Corporation;

"**Termination Date**" means (a) in the event of a Participant's resignation, the date on which such Participant ceases to be a director, executive officer, employee or Consultant of the Corporation or one of its Subsidiaries, (b) in the event of the termination of a Participant's employment, or position as director or executive officer of the Corporation or a Subsidiary, or Consultant, the effective date of the termination as specified in the notice of termination provided to the Participant by the Corporation or the Subsidiary, as the case may be, and (c) in the event of a Participant's death, the date of death, provided that, in all cases, in applying the provisions of this Plan to DSUs granted to a Canadian Participant, the "Termination Date" shall be the latest date on which the Participant is neither a director, executive officer or employee of the Corporation or of any affiliate of the Corporation (where "affiliate" has the meaning ascribed thereto by the Canada Revenue Agency for the purposes of paragraph 6801(d) of the ITA Regulations);

"**Termination of Service**" means that a Participant has ceased to be an Eligible Participant;

"**Trading Day**" means any day on which the TSXV or other applicable stock exchange is open for trading;

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

"**U.S.**" or "**United States**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

"**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended;

"**U.S. Share Unit Outside Expiry Date**" has the meaning ascribed thereto in Section 4.1 hereof;

"**U.S. Taxpayer**" means a Participant who is a U.S. citizen, a U.S. permanent resident or other person who is subject to taxation on their income or in respect of Awards under the Code, provided that, for greater certainty, a Participant may be both a Canadian Participant and a U.S. Taxpayer; and

"**Vesting Date**" has the meaning ascribed thereto in Section 4.4 hereof.

1.2 Interpretation

- (1) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term "discretion" or "authority" means the sole and absolute discretion or authority, as the case may be, of the Board.
- (2) The provision of a table of contents, the division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.

- (3) In this Plan, words importing the singular shall include the plural and vice versa and words importing any gender include any other gender.
- (4) The words "including", "includes" and "include" and any derivatives of such words mean "including (or includes or include) without limitation".
- (5) In this Plan, the expressions "Article", "Section" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.
- (6) Unless otherwise specified in the Participant's Award Agreement, all references to dollar amounts are to Canadian currency, and where any amount is required to be converted to or from a currency other than Canadian currency, such conversion shall be based on the exchange rate quoted by the Bank of Canada on the particular date.
- (7) For purposes of this Plan, the legal representatives of a Participant shall only include the legal representative of the Participant's estate or will.
- (8) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

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

2.1 Purpose of the Plan

The purpose of the Plan is to permit the Corporation to grant Awards to Eligible Participants, subject to certain conditions as hereinafter set forth, for the following purposes:

- (a) to increase the interest in the Corporation's welfare of those Eligible Participants, who share responsibility for the management, growth and protection of the business of the Corporation or a Subsidiary;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Corporation or a Subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Corporation or a Subsidiary are necessary or essential to its success, image, reputation or activities;
- (c) to reward Participants for their performance of services while working for the Corporation or a Subsidiary; and
- (d) to provide a means through which the Corporation or a Subsidiary may attract and retain able Persons to enter its employment or service.

2.2 Implementation and Administration of the Plan

- (1) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. If such committee is appointed for this

purpose, all references to the "Board" herein will be deemed references to such committee. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements, subject to any required approval.

- (2) Subject to Article 7 and any applicable rules of an Exchange, the Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations or vary the terms of this Plan and/or any Award hereunder for carrying out the provisions and purposes of the Plan and/or to address tax or other requirements of any applicable jurisdiction.
- (3) Subject to the provisions of this Plan, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration and operation of the Plan as it may deem necessary or advisable. The interpretation, administration, construction and application of the Plan and any provisions hereof made by the Board shall be final and binding on the Corporation, its Subsidiaries and all Eligible Participants.
- (4) No member of the Board or any Person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder. Members of the Board, or any Person acting at the direction or on behalf of the Board, shall, to the extent permitted by law, be fully indemnified and protected by the Corporation with respect to any such action or determination.
- (5) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issuance of any Shares or any other securities in the capital of the Corporation. For greater clarity, the Corporation shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or varying or amending its share capital or corporate structure.

2.3 Participation in this Plan

- (1) The Corporation makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant, vesting, exercise or settlement of an Award or any transactions in the Shares or otherwise in respect of participation under the Plan. Neither the Corporation nor any of its directors, officers, employees, shareholders or agents shall be liable for anything done or omitted to be done by such Person or any other Person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant (or any Person with whom the Participant does not deal at arm's length within the meaning of the ITA) under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant (or any Person with whom the Participant does not deal at arm's length within the meaning of the Plan) to compensate for a downward fluctuation in the price of the Shares or any shares of the Corporation or of a

related (within the meaning of the ITA) corporation, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Corporation and its Subsidiaries do not assume and shall not have responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with his or her own tax advisors.

- (2) Participants (and their legal representatives) shall have no legal or equitable right, claim or interest in any specific property or asset of the Corporation or any of its Subsidiaries. No asset of the Corporation or any of its Subsidiaries shall be held in any way as collateral security for the fulfillment of the obligations of the Corporation or any of its Subsidiaries under this Plan. Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.
- (3) Unless otherwise determined by the Board, the Corporation shall not offer financial assistance to any Participant in regards to the exercise of any Award granted under this Plan.

2.4 Shares Subject to the Plan

- (1) Subject to adjustment pursuant to Article 7 hereof, and as may be approved by the Exchange and the shareholders of the Corporation from time to time:
 - (a) the securities that may be acquired by Participants pursuant to Awards under this Plan shall consist of authorized but unissued Shares, provided that in the case of Share Units and DSUs, the Corporation (or applicable Subsidiary) may, at its sole discretion, elect to settle such Share Units or DSUs in Shares acquired in the open market by a Designated Broker for the benefit of a Participant;
 - (b) the actual number of Shares reserved for issuance at any given time, in the aggregate, pursuant to the exercise of Options granted under this Plan shall be equal to 2.5% of the Outstanding Issue from time to time, less the Reserved Amount and the number of Shares reserved for issuance pursuant to any other Share Compensation Arrangement of the Corporation; and
 - (c) the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the settlement of Share Units and DSUs granted under this Plan shall not exceed **[102,325,279]** Shares (the "**Reserved Amount**").
- (2) For the purposes of calculating the number of Shares reserved for issuance under this Plan:
 - (a) each Option shall be counted as reserving one Share under the Plan, and
 - (b) notwithstanding that the settlement of any Share Unit or DSU in Shares shall be at the sole discretion of the Corporation as provided herein, each Share Unit and each DSU shall, in each case, be counted as reserving one Share under the Plan.

- (3) No Award may be granted if such grant would have the effect of causing the total number of Shares reserved for issuance under this Plan to exceed the maximum number of Shares reserved for issuance under this Plan as set out above.
- (4) If (a) an outstanding Award (or portion thereof) expires or is forfeited, surrendered, cancelled or otherwise terminated for any reason without having been exercised, or (b) an outstanding Award (or portion thereof) is settled in cash, then in each such case the Shares reserved for issuance in respect of such Award (or portion thereof) will again be available for issuance under the Plan.

2.5 Participation Limits

- (1) In no event shall this Plan, together with all other previously established and outstanding Share Compensation Arrangements of the Corporation, permit at any time:
 - (a) the aggregate number of Shares reserved for issuance under Awards granted to Insiders (as a group) at any point in time exceeding 10% of the Outstanding Issue; or
 - (b) the grant to Insiders (as a group), within any 12 month period, of an aggregate number of Awards exceeding 10% of the Outstanding Issue, calculated at the date an Award is granted to any Insider, unless the Corporation has obtained the requisite disinterested shareholder approval.
- (2) The aggregate number of Awards granted to any one Person (and companies wholly-owned by that Person) in any 12 month period shall not exceed 5% of the Outstanding Issue, calculated on the date an Award is granted to the Person, unless the Corporation has obtained the requisite disinterested shareholder approval.
- (3) The aggregate number of Awards granted to any one Consultant in any 12 month period shall not exceed 2% of the Outstanding Issue, calculated at the date an Award is granted to the Consultant.
- (4) The aggregate number of Options granted to all Persons retained to provide Investor Relations Activities shall not exceed 2% of the Outstanding Issue in any 12 month period, calculated at the date an Option is granted to any such Person.

2.6 Granting of Awards

Any Award granted under or otherwise governed by the Plan shall be subject to the requirement that, if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any stock exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant, exercise or settlement of such Award or the issuance or purchase of Shares thereunder, as applicable, such Award may not be granted, exercised or settled, as applicable, 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.

ARTICLE 3 OPTIONS

3.1 Nature of Options

An Option is an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof. For greater certainty, the Corporation is obligated to issue and deliver the designated number of Shares on the exercise of an Option and shall have no independent discretion to settle an Option in cash or other property other than Shares issued from treasury. For the avoidance of doubt, no Dividend Equivalents shall be granted in connection with an Option.

3.2 Option Awards

- (1) Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Participants who may receive Options under the Plan, (b) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted (which shall not be prior to the date of the resolution of the Board), (c) subject to Section 3.3, determine the price per Share to be payable upon the exercise of each such Option (the "**Option Price**"), (d) determine the relevant vesting provisions (including Performance Criteria, if applicable) and (e) determine the Option Term, the whole subject to the terms and conditions prescribed in this Plan or in any Option Agreement, and any applicable rules of the Exchange. For Options granted to employees, management company employees and Consultants, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a *bona fide* Employee, Management Company Employee or Consultant (in each case as such terms are defined in section 1.2 of Policy 4.4 – *Incentive Stock Options* of the Corporate Finance Manual of the TSXV), as the case may be.
- (2) All Options granted herein shall vest in accordance with the terms of the Option Agreement entered into in respect of such Options. Notwithstanding the foregoing, Options granted to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one-quarter (1/4) of the Options vesting in any three month period. No acceleration of the vesting provisions of Options granted to Persons retained to provide Investor Relations Activities is allowed without the prior acceptance of the TSXV.

3.3 Option Price

The Option Price in respect of any Option shall be determined and approved by the Board when such Option is granted, but shall not be less than the Market Value of a Share as of the date of the grant,

less any discount permitted by the Exchange. A minimum exercise price cannot be established unless the Options are allocated to particular Participants.

3.4 Option Term

The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten (10) years from the date of grant of the Option ("**Option Term**"). Unless otherwise determined by the Board, all unexercised Options shall be cancelled, without any compensation, at the expiry of such Options. Notwithstanding the expiration provisions hereof, if the date on which an Option Term expires falls within a Blackout Period, the expiration date of the Option will be the date that is ten (10) Business Days after the Blackout Period Expiry Date. Notwithstanding anything else herein contained, the ten (10) Business Day period referred to in this Section 3.4 may not be further extended by the Board.

3.5 Exercise of Options

Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board, at the time of granting the particular Option, may determine in its sole discretion.

For greater certainty, any exercise of Options by a Participant shall be made in compliance with the Corporation's insider trading policy.

3.6 Method of Exercise and Payment of Purchase Price

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the legal representative of the Participant) by delivering a fully completed Exercise Notice, a form of which is attached hereto as Exhibit "B", to the Corporation at its registered office to the attention of the Chief Financial Officer of the Corporation (or the individual that the Chief Financial Officer of the Corporation may from time to time designate) or by giving notice in such other manner as the Corporation may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by payment, in full, of (a) the Option Price multiplied by the number of Shares specified in such Exercise Notice, and (b) such amount in respect of withholding taxes and other applicable source deductions as the Corporation may require under Section 8.2. Such payment shall be in the form of cash, certified cheque, bank draft or any other form of payment deemed acceptable by the Board.
- (2) Upon exercise of an Option, the Corporation shall, as soon as practicable after such exercise and receipt of all payments required to be made by the Participant to the Corporation in

connection with such exercise, but no later than ten (10) Business Days following such exercise and payment, forthwith cause the transfer agent and registrar of the Shares either to:

- (a) deliver to the Participant (or to the legal representative of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or the legal representative of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
 - (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the legal representative of the Participant) shall have then paid for and as are specified in such Exercise Notice, which Shares shall be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares.
- (3) No fractional Shares will be issued upon the exercise of Options granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise of an Option, or from an adjustment pursuant to Section 7.1, such Participant will only have the right to acquire the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

3.7 Option Agreements

Options shall be evidenced by an Option Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine with reference to the form attached as Exhibit "A". The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax laws (including, in respect of Canadian Participants, such terms and conditions so as to ensure that the Option shall be continuously governed by section 7 of the ITA) or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Corporation.

ARTICLE 4 RESTRICTED AND PERFORMANCE SHARE UNITS

4.1 Nature of Share Units

A Share Unit is an Award that is a bonus for services rendered in the year of grant, that, upon settlement, entitles the recipient Participant to receive a cash payment equal to the Market Value of a Share or, at the sole discretion of the Board, a Share, and subject to such restrictions and conditions on vesting as the Board may determine at the time of grant, unless such Share Unit expires prior to being settled. Restrictions and conditions on vesting may, without limitation, be based on the passage of time during continued employment or other service relationship (sometimes referred to as a "**Restricted Share Unit**" or "**RSU**"), the achievement of specified Performance Criteria (sometimes referred to as a "**Performance Share Unit**" or "**PSU**"), or both.

Unless otherwise provided in the applicable Share Unit Agreement, it is intended that Share Units awarded to U.S. Taxpayers will be exempt from Code Section 409A under U.S. Treasury Regulation

section 1.409A1(b)(4), and accordingly such Share Units will be settled/redeemed by March 15th of the year following the year in which such Share Units are not, or are no longer, subject to a substantial risk of forfeiture (as such term is interpreted under Code Section 409A). For greater certainty, upon the satisfaction or waiver or deemed satisfaction of all Performance Criteria and other vesting conditions, the Share Units of U.S. Taxpayers will no longer be subject to a substantial risk of forfeiture, and will be settled/redeemed by March 15th of the following year (the "**U.S. Share Unit Outside Expiry Date**"). It is intended that, in respect of Share Units granted to Canadian Participants as a bonus for services rendered in the year of grant, neither the Plan nor any Share Units granted hereunder will constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA, by reason of the exemption in paragraph (k) thereof. All Share Units granted hereunder shall be in addition to, and not in substitution for or in lieu of, ordinary salary and wages received or receivable by any Canadian Participant in respect of his or her services to the Corporation or a Subsidiary, as applicable.

4.2 Share Unit Awards

- (1) Subject to the provisions herein and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Participants who may receive Share Units under the Plan, (b) fix the number of Share Units, if any, to be granted to each Eligible Participant and the date or dates on which such Share Units shall be granted, (c) determine the relevant conditions, vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the Restriction Period of such Share Units, and (d) determine any other terms and conditions applicable to the granted Share Units, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan and in any Share Unit Agreement. For Share Units granted to employees, management company employees and Consultants, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a *bona fide* Employee, Management Company Employee or Consultant (in each case as such terms are defined in section 1.2 of Policy 4.4 – *Incentive Stock Options* of the Corporate Finance Manual of the TSXV), as the case may be.
- (2) All Share Units granted herein shall vest in accordance with the terms of the Share Unit Agreement entered into in respect of such Share Units.
- (3) Subject to the vesting and other conditions and provisions in this Plan and in the applicable Share Unit Agreement, each Share Unit awarded to a Participant shall entitle the Participant to receive, on settlement, a cash payment equal to the Market Value of a Share, or, at the discretion of the Board, one Share or any combination of cash and Shares as the Board in its sole discretion may determine, in each case less any applicable withholding taxes. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any Share Unit, and, notwithstanding any discretion exercised by the Board to settle any Share Unit, or a portion thereof, in the form of Shares, the Board reserves the right to change such form of payment at any time until payment is actually made.

4.3 Share Unit Agreements

- (1) The grant of a Share Unit by the Board shall be evidenced by a Share Unit Agreement in such form not inconsistent with the Plan as the Board may from time to time determine with reference to the form attached as Exhibit "C". Such Share Unit Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Share Unit Agreement. The provisions of the various Share Unit Agreements issued under this Plan need not be identical.
- (2) The Share Unit Agreement shall contain such terms that the Corporation considers necessary in order that the Share Units granted to U.S. Taxpayers will comply with Code Section 409A and any provisions respecting restricted share units in the income tax laws (including, in respect of Canadian Participants, such terms and conditions so as to ensure that the Share Units shall not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA, by reason of the exemption in paragraph (k) thereof) or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Corporation.

4.4 Vesting of Share Units

The Board shall have sole discretion to (a) determine if any vesting conditions with respect to a Share Unit, including any Performance Criteria or other vesting conditions contained in the applicable Share Unit Agreement, have been met, (b) waive the vesting conditions applicable to Share Units (or deem them to be satisfied), and (c) extend the Restriction Period with respect to any grant of Share Units, provided that (i) any such extension shall not result in the Restriction Period for such Share Units extending beyond the Share Unit Outside Expiry Date, and (ii) with respect to any grant of Share Units to a U.S. Taxpayer, such extension constitutes a substantial risk of forfeiture and such Share Units will continue to be exempt from (or otherwise comply with) Code Section 409A. The Corporation shall communicate to a Participant, as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of Share Units to the Participant have been satisfied, waived or deemed satisfied and such Share Units have vested (the "**Vesting Date**"). Notwithstanding the foregoing, if the date on which any Share Units would otherwise vest falls within a Blackout Period or within nine Business Days after a Blackout Period Expiry Date, the Vesting Date of such Share Units will be deemed to be the date that is the earlier of (i) ten Business Days after the Blackout Period Expiry Date (which ten Business Day period may not be further extended by the Board) and (ii) the Share Unit Outside Expiry Date in respect of such Share Units, provided that in no event will the redemption and settlement of any Share Units of a Participant who is a U.S. Taxpayer be delayed beyond March 15th of the calendar year immediately following the year in which such Share Units are not, or are no longer, subject to a substantial risk of forfeiture (as such term is interpreted under Code Section 409A).

4.5 Redemption / Settlement of Share Units

- (1) Subject to the provisions of this Section 4.5 and Section 4.6, a Participant's vested Share Units shall be redeemed in consideration for a cash payment on the date (the "**Redemption Date**") that is the earliest of (a) the 15th day following the applicable Vesting Date for such vested Share Units (or, if such day is not a Business Day, on the immediately following Business Day), (b) the Share Unit Outside Expiry Date, and (c) in the case of a Participant who is a U.S. Taxpayer, the U.S. Share Unit Outside Expiry Date.
- (2) Subject to the provisions of this Section 4.5 and Section 4.6, during the period between the Vesting Date and the Redemption Date in respect of a Participant's vested Share Units, the Corporation (or any Subsidiary that is party to an Employment Agreement or Consulting Agreement with the Participant whose vested Share Units are to be redeemed) shall, at its sole discretion, be entitled to elect to settle all or any portion of the cash payment obligation otherwise arising in respect of the Participant's vested Share Units either (a) by the issuance of Shares to the Participant (or the legal representative of the Participant, if applicable) on the Redemption Date, or (b) by paying all or a portion of such cash payment obligation to the Designated Broker, who shall use the funds received to purchase Shares in the open market, which Shares shall be registered in the name of the Designated Broker in a separate account for the Participant's benefit.
- (3) Settlement of a Participant's vested Share Units shall take place on the Redemption Date as follows:
 - (a) where the Corporation (or applicable Subsidiary) has elected to settle all or a portion of the Participant's vested Share Units in Shares issued from treasury:
 - (i) in the case of Shares issued in certificated form, by delivery to the Participant (or to the legal representative of the Participant, if applicable) of a certificate in the name of the Participant (or the legal representative of the Participant, if applicable) representing the aggregate number of Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 8.2; or
 - (ii) in the case of Shares issued in uncertificated form, by the issuance to the Participant (or to the legal representative of the Participant, if applicable) of the aggregate number of Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2, which Shares shall be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares;
 - (b) where the Corporation or a Subsidiary has elected to settle all or a portion of the Participant's vested Share Units in Shares purchased in the open market, by delivery

by the Corporation or Subsidiary of which the Participant is a director, executive officer, employee or Consultant to the Designated Broker of readily available funds in an amount equal to the Market Value of a Share as of the Redemption Date multiplied by the number of vested Share Units to be settled in Shares purchased in the open market, less the amount of any applicable withholding tax and other applicable source deductions under Section 8.2, along with directions instructing the Designated Broker to use such funds to purchase Shares in the open market for the benefit of the Participant and to be evidenced by a confirmation from the Designated Broker of such purchase;

- (c) any cash payment to which the Participant is entitled (excluding, for the avoidance of doubt, any amount payable in respect of the Participant's Share Units that the Corporation or a Subsidiary has elected to settle in Shares) shall, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2, be paid to the Participant (or to the legal representative of the Participant, if applicable) by the Corporation or Subsidiary of which the Participant is a director, executive officer, employee or Consultant, in cash, by cheque or by such other payment method as the Corporation and Participant may agree; and
 - (d) where the Corporation or a Subsidiary has elected to settle a portion, but not all, of the Participant's vested Share Units in Shares, the Participant shall be deemed to have instructed the Corporation or Subsidiary, as applicable, to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 8.2 and to remit such withheld amount to the applicable taxation authorities on account of any withholding tax obligations, and the Corporation or Subsidiary, as applicable, shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the legal representative of the Participant, if applicable) as soon as reasonably practicable. In the event that the cash portion payable to settle a Participant's Share Units in the foregoing circumstances is not sufficient to satisfy the withholding obligations of the Corporation or a Subsidiary pursuant to Section 8.2, the Corporation or Subsidiary, as applicable, shall be entitled to satisfy any remaining withholding obligation by any other mechanism as may be required or determined by the Corporation or Subsidiary as appropriate.
- (4) Notwithstanding any other provision in this Article 4, no payment, whether in cash or in Shares, shall be made in respect of the settlement of any Share Units later than December 15th of the third (3rd) calendar year following the end of the calendar year in respect of which such Share Unit is granted (the "**Share Unit Outside Expiry Date**").

4.6 Determination of Amounts

- (1) The cash payment obligation arising in respect of the redemption and settlement of a vested Share Unit pursuant to Section 4.5 shall be equal to the Market Value of a Share as of the applicable Redemption Date. For the avoidance of doubt, the aggregate cash amount to be paid to a Participant (or the legal representative of the Participant, if applicable) in respect of

a particular redemption of the Participant's vested Share Units shall, subject to any adjustments in accordance with Section 7.1 and any withholding required pursuant to Section 8.2, be equal to the Market Value of a Share as of the Redemption Date for such vested Share Units multiplied by the number of vested Share Units in the Participant's Account at the commencement of the Redemption Date (after deducting any such vested Share Units in the Participant's Account in respect of which the Corporation (or applicable Subsidiary) makes an election under Section 4.5(2) to settle such vested Share Units in Shares).

- (2) If the Corporation (or applicable Subsidiary) elects in accordance with Section 4.5(2) to settle all or a portion of the cash payment obligation arising in respect of the redemption of a Participant's vested Share Units by the issuance of Shares, the Corporation shall, subject to any adjustments in accordance with Section 7.1 and any withholding required pursuant to Section 8.2, issue to the Participant (or the legal representative of the Participant, if applicable), for each vested Share Unit which the Corporation (or applicable Subsidiary) elects to settle in Shares, one Share. Where, as a result of any adjustment in accordance with Section 7.1 and/or any withholding required pursuant to Section 8.2, the aggregate number of Shares to be received by a Participant upon an election by the Corporation (or applicable Subsidiary) to settle all or a portion of the Participant's vested Share Units in Shares includes a fractional Share, the aggregate number of Shares to be received by the Participant shall be rounded down to the nearest whole number of Shares.

4.7 Award of Dividend Equivalents

- (1) Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded as a bonus for services rendered in the year in respect of unvested Share Units in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional Share Units, the number of which shall be equal to a fraction where the numerator is the product of (a) the number of Share Units in such Participant's Account on the date that dividends are paid multiplied by (b) the dividend paid per Share and the denominator of which is the Market Value of a Share calculated as of the date that dividends are paid. Any additional Share Units credited to a Participant's Account as a Dividend Equivalent shall be subject to the same terms and conditions (including vesting, Restriction Periods and expiry) as the Share Units in respect of which such additional Share Units are credited.
- (2) In the event that the Participant's applicable Share Units do not vest, all Dividend Equivalents, if any, associated with such Share Units will be forfeited by the Participant.

ARTICLE 5 DEFERRED SHARE UNITS

5.1 Nature of DSUs

A DSU is an Award for services rendered, or for future services to be rendered, and that, upon settlement, entitles the recipient Participant to receive cash or acquire Shares, as determined by the Corporation in its sole discretion, unless such DSU expires prior to being settled.

For greater certainty, the aggregate of all amounts each of which may be received in respect of a DSU shall depend, at all times, on the fair market value of shares in the capital of the Corporation or any corporation related (within the meaning of the ITA) thereto within the period that commences one year prior to the Participant's Termination Date and ends at the time the amount is received.

5.2 DSU Awards

- (1) Subject to the provisions of this Plan, any shareholder or regulatory approval which may be required, and the requirements of paragraph 6801(d) of the ITA Regulations and Code Section 409A, the Board shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Participants who may receive DSUs under the Plan, (b) fix the number of DSUs, if any, to be granted to any Eligible Participant and the date or dates on which such DSUs shall be granted, and (c) determine the relevant conditions and vesting provisions for such DSUs, subject to the terms and conditions prescribed in this Plan and in any DSU Agreement, as applicable.
- (2) All DSUs granted herein shall vest in accordance with the terms of the DSU Agreement entered into in respect of such DSUs. Notwithstanding any express or implied term of this Plan to the contrary, the Board does not have the right to alter the vesting conditions of DSUs, which conditions will immediately vest upon termination of employment.
- (3) Subject to the vesting and other conditions and provisions in this Plan and in any DSU Agreement, each DSU awarded to a Participant shall entitle the Participant to receive on settlement a cash payment equal to the Market Value of a Share, or, at the discretion of the Board, one Share or any combination of cash and Shares as the Corporation in its sole discretion may determine. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any DSU, and, notwithstanding any discretion exercised by the Corporation to settle any DSU, or portion thereof, in the form of Shares, the Corporation reserves the right to change such form of payment at any time until payment is actually made.

5.3 DSU Agreements

- (1) The grant of a DSU by the Board shall be evidenced by a DSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine with reference to the form attached as Exhibit "D". Such DSU Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including

without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a DSU Agreement. The provisions of the various DSU Agreements issued under this Plan need not be identical.

- (2) Each DSU Agreement shall contain such terms that the Corporation considers necessary in order that the DSUs granted thereunder to U.S. Taxpayers will comply with Code Section 409A and any provisions respecting deferred share units in the income tax laws (including, in respect of Canadian Participants, such terms and conditions so as to ensure that the DSUs shall not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA by reason of the exemption in paragraph 6801(d) of the ITA Regulations) or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Corporation.

5.4 Redemption / Settlement of DSUs

- (1) Except as otherwise provided in this Section 5.4 or Section 8.8 of this Plan, (i) DSUs of a Participant who is a U.S. Taxpayer shall be redeemed and settled by the Corporation as soon as reasonably practicable following the Participant's Separation from Service, and (ii) DSUs of a Participant who is a Canadian Participant (or who is neither a U.S. Taxpayer nor a Canadian Participant) shall be redeemed and settled by the Corporation as soon as reasonably practicable following the Participant's Termination Date, but in any event not later than, and any payment (whether in cash or in Shares) in respect of the settlement of such DSUs shall be made no later than, December 15th of the first (1st) calendar year commencing immediately after the Participant's Termination Date. Notwithstanding the foregoing, if a payment in settlement of DSUs of a Participant who is both a U.S. Taxpayer and a Canadian Participant:
 - (a) is required as a result of his or her Separation from Service in accordance with clause (i) above, but such payment would result in such DSUs failing to satisfy the requirements of paragraph 6801(d) of the ITA Regulations, and the Board determines that it is not practical to make such payment in some other manner or at some other time that complies with both Code Section 409A and paragraph 6801(d) of the ITA Regulations, then such payment will be made to a trustee to be held in trust for the benefit of the Participant in a manner that causes the payment to be included in the Participant's income under the Code but does not contravene the requirements of paragraph 6801(d) of the ITA Regulations, and the amount shall thereafter be paid out of the trust at such time and in such manner as complies with the requirements of paragraph 6801(d) of the ITA Regulations; or
 - (b) is required pursuant to clause (ii) above, but such payment would result in such DSUs failing to satisfy the requirements of Code Section 409A because the Participant has not experienced a Separation from Service, and if the Board determines that it is not practical to make such payment in some other manner or at some other time that satisfies the requirements of both Code Section 409A and paragraph 6801(d) of the

ITA Regulations, then the Participant shall forfeit such DSUs without compensation therefor.

- (2) The Corporation will have, at its sole discretion, the ability to elect to settle all or any portion of the cash payment obligation otherwise arising in respect of the redemption and settlement of a Participant's DSUs either (a) by the issuance of Shares to the Participant (or the legal representative of the Participant, if applicable) on the DSU Redemption Date, or (b) by paying all or a portion of such cash payment obligation to the Designated Broker, who shall use the funds received to purchase Shares in the open market, which Shares shall be registered in the name of the Designated Broker in a separate account for the Participant's benefit.
- (3) For greater certainty, the Corporation shall not pay any cash or issue or deliver any Shares to a Participant in satisfaction of the redemption of a Participant's DSUs prior to the Corporation being satisfied, in its sole discretion, that all applicable withholding taxes and other applicable source deductions under Section 8.2 will be timely withheld or received and remitted to the appropriate taxation authorities in respect of any particular Participant and any particular DSUs.
- (4) The redemption and settlement of a Participant's DSUs shall occur on the applicable DSU Redemption Date as follows:
 - (a) where the Corporation has elected to settle all or a portion of the Participant's DSUs in Shares issued from treasury:
 - (i) in the case of Shares issued in certificated form, by delivery to the Participant (or to the legal representative of the Participant, if applicable) of a certificate in the name of the Participant (or the legal representative of the Participant, if applicable) representing the aggregate number of Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 8.2; or
 - (ii) in the case of Shares issued in uncertificated form, by the issuance to the Participant (or to the legal representative of the Participant, if applicable) of the aggregate number of Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2, which Shares shall be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares;
 - (b) where the Corporation has elected to settle all or a portion of the Participant's DSUs in Shares purchased in the open market, by delivery by the Corporation to the Designated Broker of readily available funds in an amount equal to the Market Value of a Share as of the applicable DSU Redemption Date multiplied by the number of DSUs to be settled in Shares purchased in the open market, less the amount of any

applicable withholding tax and other applicable source deductions under Section 8.2, along with directions instructing the Designated Broker to use such funds to purchase Shares in the open market for the benefit of the Participant and to be evidenced by a confirmation from the Designated Broker of such purchase;

- (c) any cash payment to which the Participant is entitled (excluding, for the avoidance of doubt, any amount payable in respect of the Participant's DSUs that the Corporation has elected to settle in Shares) shall, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2, be paid to the Participant (or to the legal representative of the Participant, if applicable) by the Corporation in cash, by cheque or by such other payment method as the Corporation and Participant may agree; and
- (d) where the Corporation has elected to settle a portion, but not all, of the Participant's DSUs in Shares, the Participant shall be deemed to have instructed the Corporation to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 8.2 and to remit such withheld amount to the applicable taxation authorities on account of any withholding obligations of the Corporation, and the Corporation shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the legal representative of the Participant, if applicable) as soon as reasonably practicable. In the event that the cash portion elected by the Corporation to settle the Participant's DSUs is not sufficient to satisfy the withholding obligations of the Corporation pursuant to Section 8.2, any remaining amounts shall be satisfied by the Corporation by any other mechanism as may be required or determined by the Corporation as appropriate.

5.5 Determination of Amounts

- (1) The cash payment obligation by the Corporation in respect of the redemption and settlement of a DSU pursuant to Section 5.4 shall be equal to the Market Value of a Share as of the applicable DSU Redemption Date. For the avoidance of doubt, the aggregate cash amount to be paid to a Participant (or the legal representative of the Participant, if applicable) in respect of a particular redemption of the Participant's DSUs shall, subject to any adjustment in accordance with Section 7.1 and any withholding required pursuant to Section 8.2, be equal to the Market Value of a Share as of the DSU Redemption Date for such DSUs multiplied by the number of DSUs being redeemed (after deducting any such DSUs in respect of which the Corporation makes an election under Section 5.4(2) to settle such DSUs in Shares).
- (2) If the Corporation elects in accordance with Section 5.4(2) to settle all or a portion of the cash payment obligation arising in respect of the redemption of a Participant's DSUs by the issuance of Shares, the Corporation shall, subject to any adjustments in accordance with Section 7.1 and any withholding required pursuant to Section 8.2, issue to the Participant, for each DSU which the Corporation elects to settle in Shares, one Share. Where, as a result of any adjustment in accordance with Section 7.1 and/or any withholding required pursuant to Section 8.2, the aggregate number of Shares to be received by a Participant upon an election

by the Corporation to settle all or a portion of the Participant's DSUs includes a fractional Share, the aggregate number of Shares to be received by the Participant shall be rounded down to the nearest whole number of Shares.

5.6 Award of Dividend Equivalents

- (1) Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional DSUs, the number of which shall be equal to a fraction where the numerator is the product of (a) the number of DSUs in such Participant's Account on the date that dividends are paid multiplied by (b) the dividend paid per Share and the denominator of which is the Market Value of a Share calculated as of the date that dividends are paid. Any additional DSUs credited to a Participant's Account as a Dividend Equivalent shall be subject to the same terms and conditions (including vesting conditions) as the DSUs in respect of which such additional DSUs are credited.
- (2) In the event that the Participant's applicable DSUs do not vest, all Dividend Equivalents, if any, associated with such DSUs will be forfeited by the Participant.

ARTICLE 6 GENERAL CONDITIONS

6.1 General Conditions Applicable to Awards

Each Award shall be subject to the following conditions:

- (1) **Vesting Period.** Each Award granted hereunder shall vest in accordance with the terms of this Plan and the Award Agreement entered into in respect of such Award. Subject to Article 5.2(2), the Board has the right, in its sole discretion, to waive any vesting conditions or accelerate the vesting of any Award, or to deem any Performance Criteria or other vesting conditions to be satisfied, notwithstanding the vesting schedule set forth for such Award; provided, however, that no acceleration of the vesting provisions of Options granted to Persons retained to provide Investor Relations Activities is allowed without the prior acceptance of the TSXV.
- (2) **Employment.** Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee by the Corporation or a Subsidiary to the Participant of employment or another service relationship with the Corporation or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Corporation or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Corporation or any of its Subsidiaries in connection with the employment, retention or termination of any such Participant. The loss of existing or potential profit in Shares underlying Awards granted under

this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.

- (3) **Grant of Awards.** Eligibility to participate in this Plan does not confer upon any Eligible Participant any right to be granted Awards pursuant to this Plan. Granting Awards to any Eligible Participant does not confer upon any Eligible Participant the right to receive nor preclude such Eligible Participant from receiving any additional Awards at any time. The extent to which any Eligible Participant is entitled to be granted Awards pursuant to this Plan will be determined in the sole discretion of the Board. Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship or employment with the Corporation or any Subsidiary.
- (4) **Rights as a Shareholder.** Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as a shareholder in respect of any Shares covered by such Participant's Awards by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Without in any way limiting the generality of the foregoing and except as provided under this Plan, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.
- (5) **Conformity to Plan.** In the event that an Award is granted or an Award Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.
- (6) **Non-Transferability.** Except as set forth herein, each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of descent and distribution. Awards may be exercised only by:
 - (a) the Participant to whom the Awards were granted;
 - (b) upon the Participant's death, by the legal representative of the Participant's estate;
or
 - (c) upon the Participant's incapacity, the legal representative having authority to deal with the property of the Participant;

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

- (7) **Participant's Entitlement.** Except as otherwise provided in this Plan (including, without limiting the generality of the foregoing, pursuant to Section 6.2), or unless the Board permits

otherwise, upon any Subsidiary of the Corporation ceasing to be a Subsidiary of the Corporation, Awards previously granted under this Plan that, at the time of such change, are held by a Person who is a director, executive officer, employee or Consultant of such Subsidiary of the Corporation and not of the Corporation itself, whether or not then exercisable, shall automatically terminate on the date of such change.

6.2 General Conditions Applicable to Options

Except as otherwise provided in any Employment Agreement or Consulting Agreement or in any Award Agreement, each Option shall be subject to the following conditions:

- (1) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for Cause, any vested or unvested Option granted to such Participant shall terminate automatically and become void immediately. For the purposes of the Plan, the determination by the Corporation that the Participant was discharged for Cause shall be binding on the Participant. "Cause" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Corporation's codes of conduct and any other reason determined by the Corporation to be cause for termination.
- (2) **Termination not for Cause.** Upon a Participant ceasing to be an Eligible Participant as a result of his or her employment or service relationship with the Corporation or a Subsidiary being terminated without Cause (including, for the avoidance of doubt, as a result of any Subsidiary of the Corporation ceasing to be a Subsidiary of the Corporation, as contemplated by Section 6.1(7)), (a) each unvested Option granted to such Participant shall terminate and become void immediately upon such termination, and (b) each vested Option held by such Participant shall cease to be exercisable on the earlier of (i) ninety (90) days after the Participant's Termination Date (or such later date as the Board may, in its sole discretion, determine) and (ii) the expiry date of such Option as set forth in the applicable Award Agreement, after which such vested Option will expire.
- (3) **Resignation.** Upon a Participant ceasing to be an Eligible Participant as a result of his or her resignation from the Corporation or a Subsidiary, (a) each unvested Option granted to such Participant shall terminate and become void immediately upon such resignation, and (b) each vested Option held by such Participant shall cease to be exercisable on the earlier of (i) ninety (90) days after the Participant's Termination Date (or such later date as the Board may, in its sole discretion, determine) and (ii) the expiry date of such Option as set forth in the applicable Award Agreement, after which such vested Option will expire.
- (4) **Retirement/Permanent Disability.** Upon a Participant ceasing to be an Eligible Participant by reason of retirement or permanent disability, (a) each unvested Option granted to such Participant shall terminate and become void immediately, and (b) each vested Option held by such Participant shall cease to be exercisable on the earlier of (i) ninety (90) days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Corporation or any Subsidiary by reason of permanent disability (or such later date as the Board may, in its sole discretion, determine) and (ii) the expiry date

of such Option as set forth in the applicable Award Agreement, after which such vested Option will expire.

- (5) **Death.** Upon a Participant ceasing to be an Eligible Participant by reason of death, (a) each unvested Option granted to such Participant shall terminate and become void immediately, and (b) each vested Option held by such Participant at the time of death may be exercised by the legal representative of the Participant, provided that any such vested Option shall cease to be exercisable on the earlier of (i) the date that is twelve (12) months after the Participant's death or (ii) the expiry date of such Option as set forth in the applicable Award Agreement, after which such vested Option will expire.
- (6) **Leave of Absence.** Upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, the Board may determine, at its sole discretion but subject to applicable laws, that such Participant's participation in the Plan shall be terminated, provided that all vested Options shall remain outstanding and in effect until the applicable exercise date, or an earlier date determined by the Board at its sole discretion.

6.3 General Conditions Applicable to Share Units

Except as otherwise provided in any Employment Agreement or Consulting Agreement or in any Award Agreement, each Share Unit shall be subject to the following conditions:

- (1) **Termination for Cause and Resignation.** Upon a Participant ceasing to be an Eligible Participant for Cause or as a result of his or her resignation from the Corporation or a Subsidiary, the Participant's participation in the Plan shall be terminated immediately, all Share Units credited to such Participant's Account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested Share Units shall be forfeited and cancelled on the Termination Date.
- (2) **Death, Leave of Absence or Termination of Service.** Except as otherwise determined by the Board from time to time, at its sole discretion, upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, or upon a Participant ceasing to be Eligible Participant as a result of (a) death, (b) retirement, (c) Termination of Service for reasons other than for Cause, (d) his or her employment or service relationship with the Corporation or a Subsidiary being terminated by reason of injury or disability or (e) becoming eligible to receive long-term disability benefits, all unvested Share Units in the Participant's Account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled. Notwithstanding the foregoing, if the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested Share Units, the date of such action is the Vesting Date.
- (3) **General.** For greater certainty, where (a) a Participant's employment or service relationship with the Corporation or a Subsidiary is terminated pursuant to Section 6.3(1) or Section 6.3(2) hereof or (b) a Participant elects for a voluntary leave of absence pursuant to Section 6.3(2)

hereof following the satisfaction of all vesting conditions in respect of particular Share Units but before receipt of the corresponding distribution or payment in respect of such Share Units, the Participant shall remain entitled to such distribution or payment.

ARTICLE 7 ADJUSTMENTS AND AMENDMENTS

7.1 Adjustment to Shares Subject to Outstanding Awards

At any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award or the forfeiture or cancellation of such Award, in the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of the Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the Corporation with or into another corporation, or (v) any distribution to all holders of Shares or other securities in the capital of the Corporation of cash, evidences of indebtedness or other assets of the Corporation (excluding an ordinary course dividend in cash or shares, but including for greater certainty shares or equity interests in a Subsidiary or business unit of the Corporation or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit) or any transaction or change having a similar effect, then the Board shall in its sole discretion, subject to the required approval of any Exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such occurrence or change, including, without limitation:

- (a) adjustments to the exercise price of such Award without any change in the total price applicable to the unexercised portion of the Award;
- (b) adjustments to the number of Shares or cash payment to which the Participant is entitled upon exercise or settlement of such Award; or
- (c) adjustments to the number or kind of shares reserved for issuance pursuant to the Plan.

7.2 Change of Control

- (1) In the event of a potential Change of Control, the Board shall have the power, in its sole discretion, to accelerate the vesting of Options to assist the Participants to tender into a takeover bid or participate in any other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or any other transaction leading to a Change of Control, the Board shall have the power, in its sole discretion, to (a) provide that any or all Options shall thereupon terminate, provided that any such outstanding Options that have vested shall remain exercisable until the consummation of such Change of Control, and (b) permit Participants to conditionally exercise their vested Options immediately prior to the consummation of the take-over bid and the Shares issuable under such Options to be tendered to such bid, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such takeover bid in accordance with the

terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the potential Change of Control referred to in this Section 7.2 is not completed within the time specified therein (as the same may be extended), then notwithstanding this Section 7.2 or the definition of "Change of Control": (i) any conditional exercise of vested Options shall be deemed to be null, void and of no effect, and such conditionally exercised Options shall for all purposes be deemed not to have been exercised, (ii) Shares which were issued pursuant to the exercise of Options which vested pursuant to this Section 7.2 shall be returned by the Participant to the Corporation and reinstated as authorized but unissued Shares, and (iii) the original terms applicable to Options which vested pursuant to this Section 7.2 shall be reinstated. In the event of a Change of Control, the Board may exercise its discretion to accelerate the vesting of, or waive the Performance Criteria or other vesting conditions applicable to, outstanding Share Units, and the date of such action shall be the Vesting Date of such Share Units.

- (2) If the Corporation completes a transaction constituting a Change of Control and within twelve (12) months following the Change of Control a Participant who was also an officer or employee of, or Consultant to, the Corporation prior to the Change of Control has their Employment Agreement or Consulting Agreement terminated, then: (a) all unvested Options granted to such Participant shall immediately vest and become exercisable, and remain open for exercise until the earlier of (i) their expiry date as set out in the applicable Award Agreement, and (ii) the date that is 90 days after such termination or dismissal; and (b) all unvested Share Units shall become vested, and the date of such Participant's Termination Date shall be deemed to be the Vesting Date.

7.3 Amendment or Discontinuance of the Plan

- (1) The Board may amend the Plan or any Award at any time without the consent of the Participants, provided that such amendment shall:
 - (a) not adversely alter or impair the rights of any Participant, without the consent of such Participant, except as permitted by the provisions of the Plan;
 - (b) be in compliance with applicable law (including Code Section 409A and the provisions of the ITA, to the extent applicable), and subject to any regulatory approvals including, where required, the approval of the TSXV (or any other stock exchange on which the Shares are listed); and
 - (c) be subject to shareholder approval to the extent such approval is required by applicable law or the requirements of the TSXV (or any other stock exchange on which the Shares are listed), provided that the Board may, from time to time, in its absolute discretion and without approval of the shareholders of the Corporation, make the following amendments:
 - (i) other than amendments to the exercise price and the expiry date of any Award as described in Section 7.3(2)(b) and Section 7.3(2)(c), any amendment,

with the consent of the Participant, to the terms of an Award previously granted to such Participant under the Plan;

- (ii) any amendment necessary to comply with applicable law (including taxation laws) or the requirements of the TSXV (or any other stock exchange on which the Shares are listed) or any other regulatory body to which the Corporation is subject;
 - (iii) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correcting grammatical or typographical errors and amending the definitions contained within the Plan; or
 - (iv) any amendment regarding the administration or implementation of the Plan.
- (2) Notwithstanding Section 7.3(1)(c), the Board shall be required to obtain shareholder approval, including, if required by the applicable Exchange, disinterested shareholder approval, to make the following amendments:
- (a) any amendment to the maximum percentage or number of Shares that may be reserved for issuance pursuant to the exercise or settlement of Awards granted under the Plan, including an increase to the fixed maximum percentage of Shares or a change from a fixed maximum percentage of Shares to a fixed maximum number of Shares or vice versa, except in the event of an adjustment pursuant to Section 7.1;
 - (b) any amendment which reduces the exercise price of any Award, as applicable, after such Award has been granted or any cancellation of an Award and the replacement of such Award with an Award with a lower exercise price or other entitlements, except in the event of an adjustment pursuant to Section 7.1; provided, however, that, for greater certainty, disinterested shareholder approval will be required for any amendment which reduces the exercise price of any Option if the Participant is an Insider of the Corporation at the time of the proposed amendment;
 - (c) any amendment which extends the expiry date of any Award, or the Restriction Period of any Share Unit beyond the original expiry date or Restriction Period, except in the event of an extension due to a Blackout Period;
 - (d) any amendment which would permit Awards granted under the Plan to be transferable or assignable other than for normal estate settlement purposes as allowed by Section 6.1(6);
 - (e) any amendment to the definition of an Eligible Participant under the Plan;
 - (f) any amendment to the participation limits set out in Section 2.5; or

- (g) any amendment to this Section 7.3 of the Plan;
- (3) The Board may, by resolution, but subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment or engagement shall not apply for any reason acceptable to the Board.
- (4) The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan.

ARTICLE 8 MISCELLANEOUS

8.1 Use of an Administrative Agent

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

8.2 Tax Withholding

Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the legal representative of the Participant) under this Plan shall be made net of any applicable withholdings, including in respect of applicable withholding taxes required to be withheld at source and other source deductions, as the Corporation determines. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then the withholding obligation may be satisfied in such manner as the Corporation determines, including (a) by the sale of a portion of such Shares by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 8.1, on behalf of and as agent for the Participant, as soon as permissible and practicable, with the proceeds of such sale being used to satisfy any withholding and remittance obligations of the Corporation (and any remaining proceeds, following such withholding and remittance, to be paid to the Participant), (b) by requiring the Participant, as a condition of receiving such Shares, to pay to the Corporation an amount in cash sufficient to satisfy such withholding, or (c) any other mechanism as may be required or determined by the Corporation as appropriate.

8.3 Securities Law Compliance

- (1) The Plan (including any amendments to it), the terms of the grant of any Award under the Plan, the grant of any Award, the exercise of any Option, the delivery of any Shares upon exercise of any Option, or the Corporation's election to deliver Shares in settlement of any Share Units or DSUs, shall be subject to all applicable federal, provincial, state and foreign laws, rules and regulations, the rules and regulations of applicable Exchanges and to such approvals by any regulatory or governmental agency as may, as determined by the

Corporation, be required. The Corporation shall not be obliged by any provision of the Plan or the grant of any Award or exercise of any Option hereunder to issue, sell or deliver Shares in violation of such laws, rules and regulations or any condition of such approvals.

- (2) No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of the Plan or of the Shares under the securities laws of any jurisdiction or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void.
- (3) Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws.
- (4) If Shares cannot be issued to a Participant upon the exercise of an Option due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares shall terminate and any funds paid to the Corporation in connection with the exercise of such Option will be returned to the applicable Participant as soon as practicable.
- (5) U.S. Securities Laws
 - a) With respect to Awards granted in the United States or to U.S. Persons (as defined under Regulation S under the U.S. Securities Act) or at such time as the Corporation ceases to be a "foreign private issuer" (as defined under Regulation S under the U.S. Securities Act), unless the Shares which may be issued upon the exercise or settlement of such Awards are registered under the U.S. Securities Act and any applicable state securities laws, the Awards granted hereunder and any Shares that may be issuable upon the exercise or settlement of such Awards will be considered "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act) or under applicable state securities, as the case may be. Accordingly, any such Awards or Shares issued prior to an effective registration statement filed with the SEC or qualification under applicable state securities laws may not be transferred, sold, assigned, pledged, hypothecated or otherwise disposed by the Participant, directly or indirectly, without registration under the U.S. Securities Act and applicable state securities laws, as the case may be, or unless in compliance with an available exemption therefrom. Certificate(s) representing the Awards and any Shares issued upon the exercise or settlement of such Awards prior to an effective registration statement filed with the SEC, and all certificate(s) issued in exchange therefor or in substitution thereof, will be endorsed with the following or a similar legend until such time as it is no longer required under the applicable requirements of the U.S. Securities Act:

"THE SECURITIES REPRESENTED HEREBY [for Awards add: AND ANY SECURITIES ISSUABLE UPON EXERCISE OR SETTLEMENT HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR

UNDER ANY OTHER APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED EXCEPT (A) TO THE CORPORATION, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING SUCH SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE U.S. SECURITIES ACT. THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT GOOD DELIVERY OF THE SHARES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE."

- b) Any Participant that is in the United States or is a U.S. Person shall by acceptance of an Award under this Plan be deemed to represent, warrant, acknowledge and agree with the Corporation that: (A) the Participant is acquiring the Award for his or her own account, as principal, (B) unless otherwise notified by the Corporation, the Award and the Shares underlying the Award, if any, have not been registered under the U.S. Securities Act and are "restricted securities" under Rule 144 under the U.S. Securities Act, (C) the certificates representing the Award and any Shares issued upon exercise or settlement thereof will bear the restrictive legend set forth above, and (D) the Corporation is relying on these representations and warranties to support the conclusion of the Corporation that the granting of the Award and any Shares issuable upon exercise or settlement thereof do not require registration under the U.S. Securities Act or any applicable state securities laws.

8.4 Reorganization of the Corporation

The existence of any Awards shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, reclassification, 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.

8.5 Quotation of Shares

So long as the Shares are listed on one or more Exchanges, the Corporation must apply to such Exchange or Exchanges for the listing or quotation, as applicable, of the Shares underlying the Awards granted under the Plan, however, the Corporation cannot guarantee that such Shares will be listed or quoted on any Exchange.

8.6 Governing Laws

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

8.7 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.

8.8 Code Section 409A

It is intended that any payments under the Plan to U.S. Taxpayers shall be exempt from or comply with Code Section 409A, and all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Code Section 409A. Solely to the extent that Awards of a U.S. Taxpayer are determined to be subject to Code Section 409A, the following will apply with respect to the rights and benefits of U.S. Taxpayers under the Plan:

- (1) Except as permitted under Code Section 409A, any deferred compensation (within the meaning of Code Section 409A) payable to or for the benefit of a U.S. Taxpayer may not be reduced by, or offset against, any amount owing by the U.S. Taxpayer to the Corporation or any of its Affiliates.
- (2) If a U.S. Taxpayer becomes entitled to receive payment in respect of any Share Units or any DSUs that are subject to Code Section 409A, as a result of his or her Separation from Service and the U.S. Taxpayer is a "specified employee" (within the meaning of Code Section 409A) at the time of his or her Separation from Service, and the Board makes a good faith determination that (a) all or a portion of the Share Units or DSUs constitute "deferred compensation" (within the meaning of Code Section 409A) and (b) any such deferred compensation that would otherwise be payable during the six-month period following such Separation from Service is required to be delayed pursuant to the six-month delay rule set forth in Code Section 409A in order to avoid taxes or penalties under Code Section 409A, then payment of such "deferred compensation" shall not be made to the U.S. Taxpayer before the date which is six months after the date of his or her Separation from Service (and shall be paid in a single lump sum on the first day of the seventh month following the date of such Separation from Service) or, if earlier, the U.S. Taxpayer's date of death.
- (3) A U.S. Taxpayer's status as a "specified employee" (within the meaning of Code Section 409A) shall be determined by the Corporation as required by Code Section 409A on a basis consistent with Code Section 409A and such basis for determination will be consistently applied to all plans, programs, contracts, agreements, etc. maintained by the Corporation that are subject to Code Section 409A.

- (4) Although the Corporation intends that Share Units will be exempt from Code Section 409A or will comply with Code Section 409A, and that DSUs will comply with Code Section 409A, the Corporation makes no assurances that the Share Units will be exempt from Code Section 409A or will comply with it. Each U.S. Taxpayer, any beneficiary or the U.S. Taxpayer's estate, as the case may be, is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Taxpayer in connection with this Plan (including any taxes and penalties under Code Section 409A), and neither the Corporation nor any Subsidiary shall have any obligation to indemnify or otherwise hold such U.S. Taxpayer or beneficiary or the U.S. Taxpayer's estate harmless from any or all of such taxes or penalties.
- (5) In the event that the Board determines that any amounts payable hereunder will be taxable to a Participant under Code Section 409A prior to payment to such Participant of such amount, the Corporation may (a) adopt such amendments to the Plan and Share Units and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Board determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by the Plan and Share Units hereunder and/or (b) take such other actions as the Board determines necessary or appropriate to avoid or limit the imposition of an additional tax under Code Section 409A.
- (6) In the event the Corporation amends, suspends or terminates the Plan or Share Units as permitted under the Plan, such amendment, suspension or termination will be undertaken in a manner that does not result in adverse tax consequences under Code Section 409A.

8.9 Effective Date of the Plan

The Plan shall become effective upon a date to be determined by the Board; provided, however, that the Share Unit and DSU components of the Plan shall be subject to disinterested shareholder approval.

EXHIBIT "A"
TO OMNIBUS SHARE INCENTIVE PLAN OF SANDFIRE RESOURCES AMERICA INC.

FORM OF OPTION AGREEMENT

This Option Agreement is entered into between Sandfire Resources America Inc. (the "**Corporation**") and the Participant named below, pursuant to the Corporation's Omnibus Share Incentive Plan (the "**Plan**"), a copy of which is attached hereto, and confirms that on:

1. _____ (the "**Grant Date**"),
2. _____ (the "**Participant**")
3. was granted ___ options ("**Options**") to purchase common shares of the Corporation (each, a "**Share**"), in accordance with the terms of the Plan, which Options will bear the following terms:
 - (a) Exercise Price and Expiry. Subject to the vesting conditions specified below, the Options will be exercisable by the Participant at a price of CAD\$[●] per Share (the "**Option Price**") at any time prior to expiry on [●] (the "**Expiration Date**").
 - (b) Vesting; Time of Exercise. Subject to the terms of the Plan, the Options shall vest and become exercisable as follows:

Number of Options	Vested On
_____	_____
_____	_____
_____	_____

If the aggregate number of Shares vesting in a tranche set forth above includes a fractional Share, the aggregate number of Shares will be rounded down to the nearest whole number of Shares. Notwithstanding anything to the contrary herein, the Options shall expire on the Expiration Date set forth above and must be exercised, if at all, on or before the Expiration Date. Options are denominated in Canadian dollars (CAD\$).

4. The Options shall be exercisable only by delivery to the Corporation of a duly completed and executed notice in the form attached to this Option Agreement (the "**Exercise Notice**"), together with (a) payment of the Option Price for each Share covered by the Exercise Notice, and (b) payment of any withholding taxes as required in accordance with the terms of the

Exercise Notice. Any such payment to the Corporation shall be made by certified cheque or wire transfer in readily available funds.

5. Subject to the terms of the Plan, the Options specified in an Exercise Notice shall be deemed to be exercised upon receipt by the Corporation of such written Exercise Notice, together with the payment of all amounts required to be paid by the Participant to the Corporation pursuant to paragraph 4 of this Option Agreement.
6. The Participant hereby represents and warrants (on the date of this Option Agreement and upon each exercise of Options) that:
 - (a) the Participant has not received any offering memorandum, or any other documents (other than annual financial statements, interim financial statements or any other document the content of which is prescribed by statute or regulation, other than an offering memorandum) describing the business and affairs of the Corporation that has been prepared for delivery to, and review by, a prospective purchaser in order to assist it in making an investment decision in respect of the Shares;
 - (b) the Participant is acquiring the Shares without the requirement for the delivery of a prospectus or offering memorandum, pursuant to an exemption under applicable securities legislation and, as a consequence, is restricted from relying upon the civil remedies otherwise available under applicable securities legislation and may not receive information that would otherwise be required to be provided to it;
 - (c) the Participant has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Corporation and does not desire to utilize a registrant in connection with evaluating such merits and risks;
 - (d) the Participant acknowledges that an investment in the Shares involves a high degree of risk, and represents that it understands the economic risks of such investment and is able to bear the economic risks of this investment;
 - (e) the Participant acknowledges that he or she is responsible for paying any applicable taxes and withholding taxes arising from the exercise of any Options, as provided in Section 8.2 of the Plan;
 - (f) this Option Agreement constitutes a legal, valid and binding obligation of the Participant, enforceable against him or her in accordance with its terms; and
 - (g) the execution and delivery of this Option Agreement and the performance of the obligations of the Participant hereunder will not result in the creation or imposition of any lien, charge or encumbrance upon the Shares.

The Participant acknowledges that the Corporation is relying upon such representations and warranties in granting the Options and issuing any Shares upon exercise thereof.

7. The Participant: (a) acknowledges and represents that the Participant fully understands and agrees to be bound by the terms and provisions of this Option Agreement and the Plan; (b) agrees and acknowledges that the Participant has received a copy of the Plan and that the terms of the Plan form part of this Option Agreement, and (c) hereby accepts these Options subject to all of the terms and provisions hereof and of the Plan. To the extent of any inconsistency between the terms of this Option Agreement and those of the Plan, the terms of the Plan shall govern. The Participant has reviewed this Option Agreement and the Plan, and has had an opportunity to obtain the advice of counsel prior to executing this Option Agreement.

8. This Option Agreement and the terms of the Plan incorporated herein (with the Exercise Notice, if the Option is exercised) constitutes the entire agreement of the Corporation and the Participant (collectively, the "**Parties**") with respect to the Options and supersedes in its entirety all prior undertakings and agreements of the Parties with respect to the subject matter hereof, and may not

be modified adversely to the Participant's interest except by means of a writing signed by the Parties. This Option Agreement and the terms of the Plan incorporated herein are to be construed in accordance with and governed by the laws of the Province of British Columbia. Should any provision of this Option Agreement or the Plan be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

9. In accordance with Section 8.3(5) of the Plan, if the Options and the underlying Shares are not registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, the Options may not be exercised in the "United States" or by "U.S. Persons" (each as defined in Rule 902 of Regulation S under the U.S. Securities Act) unless an exemption from the registration requirements of the U.S. Securities Act is available. Any Shares issued to Option holders in the United States that have not been registered under the U.S. Securities Act will be deemed "restricted securities" (as defined in Rule 144(a)(3) of the U.S. Securities Act) and bear a restrictive legend to such effect.

All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Plan.

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IN WITNESS WHEREOF the Corporation and the Participant have executed this Option Agreement as of _____, 20__.

SANDFIRE RESOURCES AMERICA INC.

Per:

Authorized Signatory

[NAME OF PARTICIPANT]

Note to Plan Participants

This Agreement must be signed where indicated and returned to the Corporation within 30 days of receipt. Failure to acknowledge acceptance of this grant will result in the cancellation of your Options.

EXHIBIT "B"
TO OMNIBUS SHARE INCENTIVE PLAN OF SANDFIRE RESOURCES AMERICA INC.

FORM OF OPTION EXERCISE NOTICE

TO: SANDFIRE RESOURCES AMERICA INC.

This Exercise Notice is made in reference to the Omnibus Share Incentive Plan (the "**Plan**") of Sandfire Resources America Inc. (the "**Corporation**").

The undersigned (the "**Participant**") holds options ("**Options**") under the Plan to purchase [**●**] common shares of the Corporation (each, a "**Share**") at a price per Share of CAD\$[**●**] (the "**Option Price**") pursuant to the terms and conditions set out in that certain option agreement between the Participant and the Corporation dated [**●**] (the "**Option Agreement**"). The Participant confirms the representations and warranties contained in the Option Agreement.

The Participant hereby:

<input type="checkbox"/>	<p>irrevocably gives notice of the exercise of _____ Options held by the Participant pursuant to the Option Agreement at the Option Price, for an aggregate exercise price of CAD\$_____ (the "Aggregate Option Price"), on the terms specified in the Option Agreement and encloses herewith a certified cheque payable to the Corporation or evidence of wire transfer to the Corporation in full satisfaction of the Aggregate Option Price.</p> <p>The Participant acknowledges and agrees that: (i) in addition to the Aggregate Option Price, the Corporation may require the Participant to also provide the Corporation with a certified cheque or evidence of wire transfer equal to the amount of any applicable withholding taxes associated with the exercise of such Options, before the Corporation will issue any Shares to the Participant in settlement of the Options; and (ii) the Corporation shall have the sole discretion to determine the amount of any applicable withholding taxes associated with the exercise of such Options, and shall inform the Participant of such amount as soon as reasonably practicable upon receipt of this completed Exercise Notice.</p>
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Registration:

The Shares issued pursuant to this Exercise Notice are to be registered in the name of the undersigned and are to be delivered, as directed below:

Name: _____

Address: _____

Date

Name of Participant

Signature of Participant

EXHIBIT "C"
TO OMNIBUS SHARE INCENTIVE PLAN OF SANDFIRE RESOURCES AMERICA INC.

FORM OF SHARE UNIT AGREEMENT

This Share Unit Agreement is entered into between Sandfire Resources America Inc. (the "**Corporation**") and the Participant named below, pursuant to the Corporation's Omnibus Share Incentive Plan (the "**Plan**"), a copy of which is attached hereto, and confirms that on:

1. _____ (the "**Grant Date**"),
2. _____ (the "**Participant**")
3. was granted _____ Share Units ("**Share Units**"), in accordance with the terms of the Plan, which Share Units will vest as follows:

Number of Share Units	Time Vesting Condition	Performance Vesting Conditions
_____	_____	_____
_____	_____	_____

all on the terms and subject to the conditions set out in the Plan.

4. Subject to the terms and conditions of the Plan, the performance period for any performance-based Share Units granted hereunder commences on the Grant Date and ends at the close of business on [●] (the "**Performance Period**"), while the restriction period for any time-based Share Units granted hereunder commences on the Grant Date and ends at the close of business on [●] (the "**Restriction Period**"). Subject to the terms and conditions of the Plan, Share Units will be redeemed and settled fifteen days after the applicable Vesting Date, all in accordance with the terms of the Plan.
5. By signing this Share Unit Agreement, the Participant:
 - (a) acknowledges that he or she has read and understands the Plan and agrees with the terms and conditions thereof, which terms and conditions shall be deemed to be incorporated into and form part of this Share Unit Agreement (subject to any specific variations contained in this Share Unit Agreement);
 - (b) acknowledges that, subject to the vesting and other conditions and provisions in this Share Unit Agreement, each Share Unit awarded to the Participant shall entitle the Participant to receive on settlement an aggregate cash payment equal to the Market Value of a Share or, at the election of the Corporation and in its sole discretion, one Share of the Corporation. For greater certainty, no Participant shall have any right to

demand to be paid in, or receive, Shares in respect of any Share Unit, and, notwithstanding any discretion exercised by the Corporation to settle any Share Unit, or portion thereof, in the form of Shares, the Corporation reserves the right to change such form of payment at any time until payment is actually made;

- (c) acknowledges that he or she is responsible for paying any applicable taxes and withholding taxes arising from the vesting and redemption of any Share Unit, as determined by the Corporation in its sole discretion;
 - (d) agrees that a Share Unit does not carry any voting rights;
 - (e) acknowledges that the value of the Share Units granted herein is denominated in Canadian dollars (CAD\$), and such value is not guaranteed; and
 - (f) recognizes that, at the sole discretion of the Corporation, the Plan can be administered by a designee of the Corporation by virtue of Section 2.2 of the Plan and any communication from or to the designee shall be deemed to be from or to the Corporation.
6. The Participant: (a) acknowledges and represents that the Participant fully understands and agrees to be bound by the terms and provisions of this Share Unit Agreement and the Plan; (b) agrees and acknowledges that the Participant has received a copy of the Plan and that the terms of the Plan form part of this Share Unit Agreement, and (c) hereby accepts these Share Units subject to all of the terms and provisions hereof and of the Plan. To the extent of any inconsistency between the terms of this Share Unit Agreement and those of the Plan, the terms of the Plan shall govern. The Participant has reviewed this Share Unit Agreement and the Plan, and has had an opportunity to obtain the advice of counsel prior to executing this Share Unit Agreement.
7. This Share Unit Agreement and the terms of the Plan incorporated herein constitutes the entire agreement of the Corporation and the Participant (collectively, the "**Parties**") with respect to the Share Units and supersedes in its entirety all prior undertakings and agreements of the Parties with respect to the subject matter hereof, and may not be modified adversely to the Participant's interest except by means of a writing signed by the Parties. This Share Unit Agreement and the terms of the Plan incorporated herein are to be construed in accordance with and governed by the laws of the Province of British Columbia. Should any provision of this Share Unit Agreement or the Plan be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.
8. In accordance with Section 8.3(5) of the Plan, unless the Shares that may be issued upon the settlement of vested Share Units granted pursuant to this Share Unit Agreement are registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and any applicable state securities laws, such Shares may not be issued in the "United States" or to "U.S. Persons" (each as defined in Rule 902 of Regulation S under the U.S. Securities Act) unless an exemption from the registration requirements of the U.S. Securities Act is available. Any Shares issued to a Participant in the United States that have not been

registered under the U.S. Securities Act will be deemed "restricted securities" (as defined in Rule 144(a)(3) of the U.S. Securities Act) and bear a restrictive legend to such effect.

All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Plan.

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IN WITNESS WHEREOF the Corporation and the Participant have executed this Share Unit Agreement as of _____, 20__.

SANDFIRE RESOURCES AMERICA INC.

Per:

Authorized Signatory

[NAME OF PARTICIPANT]

Note to Plan Participants

This Agreement must be signed where indicated and returned to the Corporation within 30 days of receipt. Failure to acknowledge acceptance of this grant will result in the cancellation of your Share Units.

EXHIBIT "D"
TO OMNIBUS SHARE INCENTIVE PLAN OF SANDFIRE RESOURCES AMERICA INC.

FORM OF DSU AGREEMENT

This DSU Agreement is entered into between Sandfire Resources America Inc. (the "**Corporation**") and the Participant named below, pursuant to the Corporation's Omnibus Share Incentive Plan (the "**Plan**"), a copy of which is attached hereto, and confirms that on:

1. _____ (the "**Grant Date**"),
2. _____ (the "**Participant**")
3. was granted _____ deferred share units ("**DSUs**"), in accordance with the terms of the Plan.
4. The DSUs subject to this DSU Agreement [are fully vested] [will become vested as follows: _____].
5. Subject to the terms of the Plan, the settlement of the DSUs, in cash (or, at the election of the Corporation, in Shares or a combination of cash and Shares), shall be payable to you, net of any applicable withholding taxes in accordance with the Plan, not later than December 15th of the first (1st) calendar year commencing immediately after the Termination Date, provided that if you are a U.S. Taxpayer, the settlement will be as soon as administratively feasible following your Separation from Service. If the Participant is both a U.S. Taxpayer and a Canadian Participant, the settlement of the DSUs will be subject to the provisions of Section 5.4(1) of the Plan.
6. By signing this agreement, the Participant:
 - (a) acknowledges that he or she has read and understands the Plan and agrees with the terms and conditions thereof, which terms and conditions shall be deemed to be incorporated into and form part of this DSU Agreement (subject to any specific variations contained in this DSU Agreement);
 - (b) acknowledges that he or she is responsible for paying any applicable taxes and withholding taxes arising from the vesting and redemption of any DSU, as determined by the Corporation in its sole discretion;
 - (c) agrees that a DSU does not carry any voting rights;
 - (d) acknowledges that the value of the DSUs granted herein is denominated in Canadian dollars (CAD\$), and such value is not guaranteed; and
 - (e) recognizes that, at the sole discretion of the Corporation, the Plan can be administered by a designee of the Corporation by virtue of Section 2.2 of the Plan and

any communication from or to the designee shall be deemed to be from or to the Corporation.

7. The Participant: (a) acknowledges and represents that the Participant fully understands and agrees to be bound by the terms and provisions of this DSU Agreement and the Plan; (b) agrees and acknowledges that the Participant has received a copy of the Plan and that the terms of the Plan form part of this DSU Agreement, and (c) hereby accepts these DSUs subject to all of the terms and provisions hereof and of the Plan. To the extent of any inconsistency between the terms of this

DSU Agreement and those of the Plan, the terms of the Plan shall govern. The Participant has reviewed this DSU Agreement and the Plan, and has had an opportunity to obtain the advice of counsel prior to executing this DSU Agreement.

8. This DSU Agreement and the terms of the Plan incorporated herein constitutes the entire agreement of the Corporation and the Participant (collectively, the "**Parties**") with respect to the DSUs and supersedes in its entirety all prior undertakings and agreements of the Parties with respect to the subject matter hereof, and may not be modified adversely to the Participant's interest except by means of a writing signed by the Parties. This DSU Agreement and the terms of the Plan incorporated herein are to be construed in accordance with and governed by the laws of the Province of British Columbia. Should any provision of this DSU Agreement or the Plan be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.
9. In accordance with Section 8.3(5) of the Plan, unless the Shares that may be issued upon the settlement of the DSUs are registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and any applicable state securities laws, such Shares may not be issued in the "United States" or to "U.S. Persons" (each as defined in Rule 902 of Regulation S under the

U.S. Securities Act) unless an exemption from the registration requirements of the U.S. Securities Act is available. Any Shares issued to a Participant in the United States that have not been registered under the U.S. Securities Act will be deemed "restricted securities" (as defined in Rule 144(a)(3) of the U.S. Securities Act) and bear a restrictive legend to such effect.

All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Plan.

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IN WITNESS WHEREOF the Corporation and the Participant have executed this DSU Agreement as of _____, 20__.

SANDFIRE RESOURCES AMERICA INC.

Per:

Authorized Signatory

[NAME OF PARTICIPANT]

Note to Plan Participants

This Agreement must be signed where indicated and returned to the Corporation within 30 days of receipt. Failure to acknowledge acceptance of this grant will result in the cancellation of your DSUs.

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