

SANDFIRE RESOURCES AMERICA INC.

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INFORMATION CIRCULAR

(As at November 3, 2022, 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 **Tuesday, December 13, 2022**, 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 view of the current evolving COVID-19 outbreak, the Company requests that, if possible, all shareholders vote their shares by proxy and avoid attending the meeting in person, however, if you choose to attend the meeting in person, shareholders are asked to follow the instructions of the Public Health Agency Of Canada.

The Company respectfully asks shareholders not to attend the meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing, or if they have been exposed to anyone exhibiting COVID-19 symptoms within the last 14 days.

The record date for determination of the Shareholders entitled to receive notice of and to vote at the Meeting is Thursday, November 3, 2022. 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

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:	5180941#

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 1,023,352,794 Shares were issued and outstanding as of November 3, 2022, 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 NL ⁽¹⁾	889,173,817	86.89%

(1) Sandfire Resources NL, 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 Nomination Committee, and a Technical, Environmental, Health and Sustainability 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

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⁾
Jason Grace ⁽¹⁾⁽²⁾⁽⁴⁾ Perth, Australia Director	Acting Chief Executive Officer of Sandfire Resources Ltd. since September 2022 and Chief Operating Officer 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 ⁽³⁾⁽⁴⁾ Montana, USA Director	Chief Deputy Attorney General for Montana between 2014-2016; Lawyer since 1975.	Since January 2, 2018.	72,885
Christina Kay Hedrich ⁽¹⁾⁽²⁾⁽³⁾ Montana, USA Director	Director of the Company; Retired Senior Vice President and Chief Loan Officer for Bank of the Rockies 2009-2019.	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 2021 Share Incentive Plan in the form of 2021 Options, 2021 Share Units and 2021 DSUs (defined herein).

For the financial year ended June 30, 2022, 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 2021 Options, 2021 Share Units and 2021 DSUs; and
- medical and other benefits.

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

<u>Element of Compensation</u>	<u>Summary and Purpose of Element</u>
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 award their performance of services while working for the Company or a subsidiary of the Company.
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 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**") through recommendations of the Compensation Committee based on the performance during the previous year.

Long Term Incentive Plan

In November 2021, the Board approved an omnibus share incentive plan (the “**2021 Share Incentive Plan**”) that was subsequently approved by the Shareholders at the Annual General Meeting held on December 9, 2021, comprised of four components: incentive stock options (“**2021 Options**”), restricted share units (“**2021 RSUs**”), performance share units (“**2021 PSUs**” and, collectively with 2021 RSUs, the “**2021 Share Units**”) and deferred share units (“**2021 DSUs**” and together with the 2021 Options and 2021 Share Units, the “**2021 Awards**”).

The Share Incentive Plan is administered by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. Subject to the terms of the 2021 Share Incentive Plan, applicable law and the rules of the TSXV, the Board (or its delegate) will have the power and authority to: (i) designate the employees, officers, directors and consultants (the “**2021 Eligible Persons**”) who will receive 2021 Awards (a 2021 Eligible Participant who receives an Award, a “**2021 Participant**”), (ii) designate the types and amount of 2021 Awards to be granted to each 2021 Participant, (iii) determine the terms and conditions of any 2021 Award, including any vesting conditions or conditions based on performance of the Company or of an individual (“**Performance Criteria**”); (iv) interpret and administer the 2021 Share Incentive Plan and any instrument or agreement relating to it, or any 2021 Award made under it; and (v) make such amendments to the 2021 Share Incentive Plan and Awards as are permitted by the 2021 Share Incentive Plan and the policies of the TSXV.

Subject to adjustment as provided for under the 2021 Share Incentive Plan, and as may be approved by the TSXV and the Shareholders from time to time, the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the exercise of Options granted under the 2021 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 2021 Share Units and 2021 DSUs granted under the 2021 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 2021 Share Units and 2021 DSUs granted under the 2021 Share Incentive Plan shall not exceed 25,583,820 Shares.

As of the date of this Circular, there are 1,250,000 2021 Options outstanding, 1,754,310 2021 Share Units, representing in the aggregate approximately 0.17% of the issued and outstanding Shares, leaving approximately 22,579,510 Shares currently available to be reserved for issuance pursuant to new grants of 2021 Options, 2021 Share Units and 2021 DSUs (subject to maximum number issuable at any given time to 2021 Share Units and 2021 DSUs) under the 2021 Share Incentive Plan.

The purpose of the Proposed Share Incentive Plan is:

- (a) to increase the interest in the Company's welfare of those 2021 Eligible Participants 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 2021 Eligible Participants to continue their services for the Company or a subsidiary of the Company and to encourage such 2021 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 2021 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.

At the Meeting, the Company is seeking shareholder approval to approve the New Long-Term Incentive Plan Resolution (as defined herein). For further information regarding the New Long-Term 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 New Long-Term Incentive Plan". The persons named in the form of proxy accompanying this Circular intend to vote FOR the New Long-Term 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 New Long-Term Incentive Plan Resolution.

Option-based awards

A 2021 Option is granted by the Company to a 2021 Participant entitling such 2021 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 2021 Participant's option agreement, which period shall not exceed 10 years from the date of grant. The Option Price shall not be set at less than the Market Value of a Share (as defined in the 2021 Share Incentive Plan) as of the date of the grant, less any discount permitted by the TSXV. 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.

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 TSXV and to closely align the interests of the executive officers with the interests of Shareholders.

At the Meeting, the Company is seeking shareholder approval to approve the New Long-Term Incentive Plan Resolution (as defined herein). For further information regarding the New Long-Term 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 New Long-Term Incentive Plan*".

Share Units

2021 Share Units are a bonus for services rendered in the year of grant that, upon settlement, entitles the recipient 2021 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 (a 2021 RSU), the achievement of specified Performance Criteria (a 2021 PSU) or both.

The Board shall have sole discretion to determine if any vesting conditions with respect to a 2021 Share Unit, including any Performance Criteria, or other vesting conditions with respect to a 2021 Share Unit have been met and shall communicate to a 2021 Participant as soon as reasonably practicable the date on which all such applicable vesting conditions or Performance Criteria have been satisfied and the 2021 Share Units have vested. Subject to the vesting and other conditions and provisions in the 2021 Share Incentive Plan and in the applicable Share Unit Agreement, each Share Unit awarded to a 2021 Participant shall entitle the 2021 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.

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 2021 Participant's account on the same basis as cash dividends declared and paid on Shares as if the 2021 Participant was a holder of record of Shares on the relevant record date. In the event that the 2021 Participant's applicable Share Units do not vest, all dividend equivalents, if any, associated with such Share Units will be forfeited by the 2021 Participant.

At the Meeting, the Company is seeking shareholder approval to approve the New Long-Term Incentive Plan Resolution (as defined herein). For further information regarding the New Long-Term 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 New Long-Term Incentive Plan*".

Deferred Share Units

2021 DSUs are for services rendered, or for future services to be rendered, and that, upon settlement, entitles the recipient to receive cash or acquire Shares, as determined by the Company in its sole discretion. The grant of a 2021 DSU by the Board shall be evidenced by an agreement in such form not inconsistent with the 2021 Share Incentive Plan.

A 2021 Participant is only entitled to redemption of a 2021 DSU when the 2021 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 2021 DSU Agreement, each 2021 DSU awarded to a 2021 Participant shall entitle the 2021 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.

Dividend equivalents may, as determined by the Board in its sole discretion, be awarded in respect of 2021 DSUs in a 2021 Participant's account on the same basis as cash dividends declared and paid on Shares as if the 2021 Participant was a holder of record of Shares on the relevant record date. In the event that the 2021 Participant's applicable 2021 DSUs do not vest, all dividend equivalents, if any, associated with such 2021 DSUs will be forfeited by the 2021 Participant.

At the Meeting, the Company is seeking shareholder approval to approve the New Long-Term Incentive Plan Resolution (as defined herein). For further information regarding the New Long-Term 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 New Long-Term 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, annual performance-based cash incentives and long-term equity incentives.

In setting the base salary, long-term incentives, and annual performance-based cash incentives for the CEO, the Compensation Committee evaluates the performance of the CEO considering 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 interim Chief Executive Officer and 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 over 30 years of experience in the banking industry. Ms. Hedrich recently retired as the Senior Vice President and Chief Loan Officer for Bank of the Rockies, N.A., a Montana based community bank. She currently is a consultant for the Bank of the Rockies.
- *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 has a Master of Mining Engineering from the University of New South Wales (2015) and a Master of Enterprise (Executive) from Melbourne University (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 (\$)		Benefit Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Robert Scargill ⁽¹⁾⁽⁵⁾ CEO	2022	570,993	199,992	NIL	80,835	N/A	19,555	NIL	871,375
	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
Gerald Zieg ⁽⁵⁾ VP Exploration	2022	285,876	99,996	NIL	19,020	N/A	9,147	NIL	429,255
	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
Nancy Schlepp ⁽³⁾⁽⁵⁾ VP Communications	2022	193,682	99,996	NIL	19,020	N/A	6,381	NIL	319,079
	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
Lincoln Greenidge ⁽⁴⁾⁽⁵⁾ CFO	2022	105,667	NIL	NIL	19,020	NIL	NIL	NIL	124,687
	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
John McGonigle ⁽²⁾⁽⁵⁾ Former CFO	2022	185,722	NIL	NIL	0.00	N/A	5,572	NIL	191,294
	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

(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. Greenidge replaced John McGonigle as CFO of the Company on January 27, 2022.

(5) Mr. Scargill, Mr. Zieg, Ms. Schlepp, Mr. McGonigle and Mr. Greenidge are paid in US dollars. The amount in the above table, for 2022, uses an average conversion rate of \$1.268 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. Mr. McGonigle left the Company on January 27, 2022.

Effective in 2022, the Company's wholly-owned subsidiary entered into an employment agreement with Lincoln Greenidge, CFO of the Company (the "**Greenidge Agreement**"). The Greenidge Agreement provides for a base salary to Mr. Greenidge. In addition, Mr. Greenidge 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 Greenidge 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, 2022, including awards granted before the most recently completed financial year, to each of the Named Executive Officers.

Option-Based Awards				Share-Based Awards			
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value Of Share-Based Awards that have not vested (\$)	Market or Payout Value Of Vested Share-Based Awards Not Paid out or Distributed (\$)
Robert Scargill CEO	1,000,000	0.11	May 31, 2023	NIL	701,724	77,190	N/A
Gerald Zieg VP Exploration	N/A	N/A	N/A	NIL	250,516	27,557	N/A
Nancy Schlepp VP Communications	N/A	N/A	N/A	N/A	250,516	27,557	N/A
Lincoln Greenidge CFO ⁽²⁾	N/A	N/A	N/A	NIL	N/A	N/A	N/A
John McGonigle Former CFO ⁽²⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Value calculated using the closing price of the Company's Shares on the TSXV on June 30, 2022 of \$0.11 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.

(2) Mr. Greenidge replaced John McGonigle as CFO of the Company on January 27, 2022.

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, 2022 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 (\$)
		RSUs	PSUs	
Robert Scargill CEO	NIL	28,420	3,789	N/A
Gerald Zieg VP Exploration	N/A	14,210	1,895	N/A
Nancy Schlepp VP Communications	N/A	14,210	1,895	N/A
Lincoln Greenidge CFO	N/A	N/A	N/A	N/A
John McGonigle Former CFO	N/A	NIL	NIL	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 currently has in place the 2021 Share Incentive Plan. At the Meeting, the Company is seeking shareholder approval to approve the New Long-Term Incentive Plan Resolution (as defined herein). For further information regarding the New Long-Term 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 New Long-Term Incentive Plan".

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. This agreement has since been extended to December 31, 2022. 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 herein), 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, 2022:

Name of NEO	Total Payments ⁽¹⁾
Robert Scargill	C\$257,500 ⁽²⁾

(1) The amount in the above table uses the conversion rate of \$1.2875 to Canadian dollars as of June 30, 2022, 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, 2022. 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, 2022:

Name of NEO	Total Payments⁽¹⁾
John McGonigle	N/A

(1) John McGonigle was replaced by Lincoln Greenidge, as CFO of the Company on January 27, 2022. Consequently, the above payment does not apply.

Lincoln Greenidge (CFO)

The Company's wholly-owned subsidiary entered into the Greenidge Agreement on January 21, 2022, for a term of twenty-four months, effective April 1, 2021. The Greenidge Agreement provides for a base salary to Mr. Greenidge along with an annual allowance whilst Mr. Greenidge acts as CFO, and such benefits and bonuses that the Company may award, in its discretion. The Company will also reimburse Mr. Greenidge for reasonable, authorized travelling and other out-of-pocket expenses incurred by Mr. Greenidge.

The Greenidge 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 Lincoln Greenidge assuming that the triggering event occurred on June 30, 2022:

Name of NEO	Total Payments⁽¹⁾⁽²⁾
Lincoln Greenidge	N/A

(1) Lincoln Greenidge replaced John McGonigle, as CFO of the Company on January 27, 2022

(2) The Greenidge Agreement did not allow for any payments to be made upon Change of Control or termination without Cause.

Gerald Zieg (Senior Vice President)

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, 2022 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, 2022:

Name of NEO	Total Payments⁽¹⁾
Gerald Zieg	C\$286,597 ⁽²⁾⁽³⁾

- (1) The amount in the above table uses the conversion rate of \$1.2875 to Canadian dollars as at June 30, 2022, 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, 2022. This does not include accrued vacation allowance.
- (3) 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, 2022. This does not include accrued vacation allowance.

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.

The Schlepp Agreement will terminate immediately in the event of Disability or incapacity, death or without notice or any payment in lieu for discharge for Cause (each as defined in the Schlepp Agreement). Ms. Schlepp may terminate the Schlepp Agreement at any time by providing the Company with two months written notice or termination may be agreed mutually with 30 days written notice.

If the Company elects to terminate the Schlepp Agreement before the end of the term without Cause or in the event of a Change of Control (as defined in the Schlepp Agreement), the Company will pay Ms. Schlepp a lump sum cash payment equal to the greater of 12 months or the remaining base salary Ms. Schlepp would have been paid had she remained employed with the Company until the conclusion of the term. Such payment will be made within 30 days after termination.

The Schlepp Agreement does not provide for any other triggering payments or provisions of other benefits in connection with any termination, resignation, retirement 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.

The accelerated option value of the aforementioned NEOs' existing stock options as of June 30, 2022 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 Nancy Schlepp assuming that the triggering event occurred on June 30, 2022:

Name of NEO	Total Payments
Nancy Schlepp	C\$203,282 ⁽¹⁾⁽²⁾⁽³⁾

- (1) The amount in the above table uses the conversion rate of \$1.2875 to Canadian dollars as at June 30, 2022, 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, 2022. This does not include accrued vacation allowance.
- (3) This represents the entitlement the NEO would receive if the Company terminated the Schlepp Agreement before the end of the term without Cause and such triggering event had occurred on June 30, 2022. This does not include accrued vacation allowance.

Director Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value Of Vested Share-Based Awards Not Paid out or Distributed (\$)
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, 2022 of \$0.11 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, 2022 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⁾⁽²⁾ (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)) ⁽³⁾ (c)
Equity compensation plans approved by securityholders	1,250,000	\$0.11	101,085,279

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾⁽²⁾ (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)) ⁽³⁾ (c)
Equity compensation plans not approved by securityholders	NIL	NIL	NIL
Total	1,250,000	\$0.11	101,085,279

(1) Represents the number of Shares available for issuance upon exercise of outstanding stock options as at June 30, 2022.

(2) Exclude 2021 Share Units.

(3) Represents the number of Shares remaining available for future issuance under stock options available for grant as of June 30, 2022 under the 2021 Share Incentive Plan. The maximum number of Shares which may be issued pursuant to stock options granted under the 2021 Share Incentive Plan is 2.5% of the issued and outstanding Shares at the time of grant.

Proposed Share Incentive Plan

The Company's only current long-term incentive plan is the 2021 Share Incentive Plan. A maximum of 2.5% of the issued and outstanding Shares of the Company are reserved for issuance pursuant to the 2021 Share Incentive Plan. However, the Company is proposing to adopt a new form of 2.5% rolling long-term incentive plan. See "*Particulars of Other Matters To Be Acted Upon – Approval of New Long-Term 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⁾
Jason Grace	Not 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 over 30 years of experience in the banking industry. Ms. Hedrich recently retired as the Senior Vice President and Chief Loan Officer for Bank of the Rockies, N.A., a Montana based community bank. She is currently a consultant for the Bank of the Rockies.
- *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 has a Master of Mining Engineering from the University of New South Wales (2015) and a Master of Enterprise (Executive) from Melbourne University (2005).
- *Matthew Fitzgerald* – Mr. Fitzgerald has more than 20 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, 2022	\$165,383	N/A	\$0	\$0
June 30, 2021	\$187,767	N/A	\$0	\$41,000

(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 2022.

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, Health and Sustainability Committee*.

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

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

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

The *Technical, Environmental, Health and Sustainability Committee* is, at present, comprised of three (3) of the Company's five (5) Directors: Jason Grace (Chair), Robert Scargill 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 New Long-Term Incentive Plan

Effective November 1, 2021, the Board adopted the 2021 Share Incentive Plan. On November 24, 2021, the TSXV made significant policy changes regarding Security Based Compensation. Policy 4.4 – *Incentive Stock Options*

governed only stock option plans. The TSXV has implemented amendments to Policy 4.4, now entitled *Security Based Compensation*, to allow for a variety of forms of security based compensation including stock option plans. The Board of Directors determined it was in the best interests of the Company to adopt a new security-based compensation plan to attract and retain key personnel and encourage equity participation and long term relationships with the Company through the acquisition of Shares and to provide eligible Participants (defined herein) with additional incentives to foster growth and success of the Company and recognize contributions made by the Participant.

The Company is now seeking shareholder approval to approve a new 2.5% rolling long-term incentive plan (the "**New Long-Term Incentive Plan**").

The purpose of the New Long-Term Incentive Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons (as defined below); (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company, in each case as applicable to the type of Eligible Person to whom an Award is granted.

Summary of the New Long-Term Incentive Plan

The following is a summary of the key provisions of the New Long-Term Incentive Plan. The following summary is qualified in all respects by the full text of the New Long-Term Incentive Plan, a copy of which is attached hereto as Schedule "A".

The New Long-Term Incentive Plan shall provide for the award of Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**"), Deferred Share Units ("**DSUs**"), Stock Appreciation Rights ("**SARs**") and options to purchase Shares ("**Options**" and together with RSUs, PSUs, DSUs and SARs, "**Awards**") to Directors, Officers, Employees, Management Company Employees and Consultants (as such terms are defined by TSXV Policy 4.4) of the Company or a subsidiary of the Company, or an Eligible Charitable Organization (collectively, "**Eligible Persons**"), as further described in the following summary. The RSUs, PSUs, DSUs, SARs and Options issuable to any participant under the New Long-Term Incentive Plan (a "**Participant**"), or in the case of Options, any pre-existing stock option plan of the Company, shall be hereinafter referred to as "**Incentive Securities**".

All capitalized terms used but not defined in this section have the meaning ascribed thereto in the New Long-Term Incentive Plan.

Plan Administration

The New Long-Term 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. All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on any Participants of the New Long-Term Incentive Plan and the Company, subject to any required approval of the TSXV.

Shares Available for Awards

Unless otherwise approved by the TSXV and the Shareholders (disinterested, if required) from time to time, the maximum aggregate number of Shares issuable in respect of all Incentive Securities granted or issued under the Company's Security Based Compensation Plans, at any point, shall not exceed 2.5% of the total number of issued and outstanding Shares on a non-diluted basis at such point in time. For greater certainty, this limitation applies to all Incentive Securities granted or issued under the Company's Security Based Compensation Plans at any point in time, including those held by Insiders (as a group) at any point in time.

Participation Limits

The New Long-Term Incentive Plan provides the following limitations on grants:

- (a) The aggregate number of Shares issuable to any one Consultant in any twelve (12) month period in respect of Incentive Securities shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis, calculated at the date an Award is granted to the Consultant.
- (b) The aggregate number of Shares issuable to any one person in any twelve (12) month period in respect of Incentive Securities shall not exceed five percent (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 Shares issuable to all Insiders (as a group) in any twelve (12) month period in respect of Incentive Securities, shall not exceed ten (10%) of the issued and outstanding Shares on a non-diluted basis, calculated on the date an Award is granted to a particular Insider, unless the Company has obtained the requisite disinterested shareholder approval.
- (d) Eligible Persons who are Investor Relations Service Providers may only receive Options as Awards under the New Long-Term Incentive Plan (if the Shares are listed on the TSXV) and the aggregate number of Shares issuable to all Investor Relations Service Providers in respect of Incentive Securities in any twelve (12) month period shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis, calculated on the date an Award is granted to the Investor Relations Service Provider.
- (e) Eligible Persons who are Eligible Charitable Organizations may only receive Options as Awards under the New Long-Term Incentive Plan (if the Shares are listed on the TSXV) and the aggregate number of Shares issuable to all Eligible Charitable Organizations at any point in time in respect of Incentive Securities shall not exceed one (1%) of the issued and outstanding Shares on a non-diluted basis at such point in time. Options granted to Eligible Charitable Organizations will not be included in the other limits set out in the New Long-Term Incentive Plan.

Eligibility and Participation

Subject to the provisions of the New Long-Term Incentive Plan (including, without limitation, restrictions on grants to Investor Relations Service Providers and Eligible Charitable Organizations) and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of RSUs, PSUs, DSUs, SARs and Options to all categories of Eligible Persons.

General Vesting Requirement

No Award granted or issued under the New Long-Term Incentive Plan, other than Options, may vest before the date that is one year following the date it is granted or issued. Subject to the approval of the TSXV with respect to Awards held by Investor Relations Service Providers, vesting may be accelerated by the Board for Awards held by a Participant in the event of death or who ceases to be an Eligible Person under the New Long-Term Incentive Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction. All Options granted to Investor Relations Service Providers must vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Options vesting and becoming exercisable in any three (3) month period.

Description of RSUs

A RSU 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 number of Shares equal to the number of RSUs credited to a Participant's Account on certain vesting dates.

RSUs shall be subject to such restrictions as the Board, in its discretion, may establish or determine in the applicable Award Agreement or at the time an Award is granted. Unless otherwise provided for in an Award Agreement, all RSUs will vest and become payable by the issuance of Shares at the end of the restricted period as specified by the Board in the applicable Award Agreement. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested.

Effect of Termination on RSUs

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the New Long-Term Incentive Plan, RSUs shall be subject to the following conditions:

Death: Upon death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, had not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to the Participant's death, had vested, will accrue to the Participant's estate in accordance with the provisions of the New Long-Term Incentive Plan.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all RSUs granted to such Participant will be immediately and automatically forfeited and cancelled.

Termination of Employment or Service for Cause, Voluntary Termination, Retirement or Disability: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement or due to disability, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach or due to disability, any RSUs granted to such Participant which, prior to termination, had not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the New Long-Term Incentive Plan.

Directorships: Where a Participant ceases to be a Director for any reason, any RSUs granted to such Participant which, prior to cessation, have not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to cessation, have vested, will accrue to the Participant in accordance with the provisions of the New Long-Term Incentive Plan.

Description of PSUs

A PSU is an Award that is awarded based on the attainment of performance criteria within a certain period, which criteria and period shall be selected, settled and determined by the Board. An Award Agreement may provide the Board with the right during a Performance Cycle or after it has ended, to revise Performance Criteria and Award amounts if unforeseen events occur.

All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for a Performance Cycle, as determined by the Board. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all PSUs shall become fully vested.

Effect of Termination on PSUs

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the New Long-Term Incentive Plan, PSUs shall be subject to the following conditions:

Death: Upon death of a Participant, any PSUs granted to such Participant which, prior to the Participant's death, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to the Participant's death, had vested, will accrue to the Participant's estate in accordance with the provisions of the New Long-Term Incentive Plan.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all PSUs granted to such Participant will be immediately and automatically forfeited and cancelled.

Termination of Employment or Service for Cause, Voluntary Termination, Retirement or Disability: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement or due to disability, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach or due to disability, any PSUs granted to such Participant which, prior to termination, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the New Long-Term Incentive Plan.

Directorships: Where a Participant ceases to be a Director for any reason, any PSUs granted to such Participant which, prior to cessation, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to cessation, had vested, will accrue to the Participant in accordance with the provisions of the New Long-Term Incentive Plan.

Description of DSUs

A DSU is an Award that is payable after the effective date that a Participant ceases to be an Eligible Person under the New Long-Term Incentive Plan, subject to certain vesting criteria. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all DSUs shall become fully vested.

The payment of DSUs will occur on the date that is designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day, or such earlier date as the Participant and Company may agree. If no notice is given by the Participant for a designated day, the DSUs shall be payable on the first anniversary of the date on which the Participant ceases to be an Eligible Person for any reason or any earlier period on which the DSUs vested, as the case may be, at the sole discretion of the Participant.

Election by Directors - DSUs

Under the New Long-Term Incentive Plan, Directors may elect to receive directorship fees in the form of DSUs which election must be made within certain timeframes as specified in the New Long-Term Incentive Plan. In case of an election by a Director, the number of DSUs to be credited shall be determined by dividing applicable directorship fees with the Market Price on the Grant Date of the DSUs or if more appropriate, another trading range that best represents the period for which the DSUs were earned (subject to minimum pricing requirements under TSXV policies). No fractional DSUs shall be credited to any Director.

Description of Options

An Option is an Award that gives a Participant the right to purchase one Share at a specified price in accordance with the terms of the Option and the New Long-Term Incentive Plan. The exercise price of the Options shall be determined by the Board at the time the Option is granted but in no event shall such exercise price be lower than the discounted Market Price permitted by the TSXV.

The maximum term of any Option shall not exceed ten (10) years and the Board shall determine the vesting, performance and other conditions, if any, that must be satisfied before all or part of an Option may be exercised, subject to any vesting restrictions set out in TSXV Policy 4.4. Unless otherwise determined by the Board, upon the occurrence of a change of control event, all Options shall become fully vested except for Options held by Investor Relations Service Providers which acceleration is subject to acceptance of the TSXV.

Options will be exercised pursuant to their applicable Award Agreement which exercise shall be contingent upon receipt by the Company of a written notice of exercise set forth in the applicable Award Agreement and of a form of cash payment acceptable to the Company for the full purchase price of the Shares to be issued.

Effect of Termination on Options

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the New Long-Term Incentive Plan, Options shall be subject to the following conditions:

Death: Upon death of a Participant, any Options held by such Participant at the date of death shall be exercisable (by an inheritor or the Participant's estate) for a period of 120 days after the date of death or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of death of such Participant.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no Option shall be exercisable from the date of termination as determined by the Board.

Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any Options held by such Participant at the date of termination shall be exercisable for a period of 90 days after the date of termination determined by the Board or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of termination.

Disability: Where a Participant's employment or consulting agreement is terminated by the Company or a subsidiary of the Company due to disability, any Options held by such Participant at the date of termination shall be exercisable for a period of 120 days after the date of termination determined by the Board or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of termination.

Directorships: Where a Participant ceases to be a Director for any reason, any Options held by such Participant on the Cessation Date shall be exercisable for a period of 90 days (120 days in case of termination due to disability) after the Cessation Date or prior to the expiration of the Option, whichever is sooner, only to the extent the Director was entitled to exercise the Option at the Cessation Date.

Description of SARs

A SAR is an Award that gives a Participant the right to receive payment equal to the excess of the Market Price at the date which a SAR is exercised over the applicable grant price of a SAR. The grant price of a SAR shall be determined by the Board at the time the SAR is granted, which in no event shall be lower than the discounted Market Price permitted by the TSXV. Where a SAR is granted in relation to an Option, it shall be a right in respect of the same number of Shares and the grant price shall be the same as the exercise price of the Option it is granted in relation to. The actual number of Shares to be granted to the Participant upon payment of a SAR shall be the aggregate SAR excess amount (Market Price at the date of exercise over grant price of a SAR) divided by the Market Price at the time of exercise.

The maximum term of any SAR shall not exceed ten (10) years and the Board shall determine the vesting, settlement and other terms of any SAR. SARs granted in relation to an Option shall only be exercisable at the same time and to the same extent the related Option is exercisable. In the sole discretion of the Board, the Award Agreement for a SAR may provide that the Company may elect to satisfy the exercise of a SAR by paying to the Participant cash in the amount equal to the SAR excess amount in lieu of Shares.

SARs will be exercised pursuant to their applicable Award Agreement which exercise shall be contingent upon receipt by the Company of a written notice of exercise set forth in the applicable Award Agreement. Unless otherwise

determined by the Board, upon the occurrence of a change of control event, all SARs shall become fully vested, subject to the policies of the TSXV.

Effect of Termination on SARs

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the New Long-Term Incentive Plan, SARs shall be subject to the following conditions:

Death: Upon death of a Participant, any SARs held by such Participant at the date of death shall be exercisable (by an inheritor or the Participant's estate) for a period of 120 days after the date of death or prior to the expiration of the SAR, whichever is sooner, only to the extent the Participant was entitled to exercise the SAR at the date of death of such Participant.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no SAR shall be exercisable from the date of termination as determined by the Board.

Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any SARs held by such Participant at the date of termination shall be exercisable for a period of 90 days after the date of termination determined by the Board or prior to the expiration of the SAR, whichever is sooner, only to the extent the Participant was entitled to exercise the SAR at the date of termination.

Disability: Where a Participant's employment or consulting agreement is terminated by the Company or a subsidiary of the Company due to disability, any SARs held by such Participant at the date of termination shall be exercisable for a period of 120 days after the date of termination determined by the Board or prior to the expiration of the SAR, whichever is sooner, only to the extent the Participant was entitled to exercise the SAR at the date of termination.

Directorships: Where a Participant ceases to be a Director for any reason, any SARs held by such Participant on the Cessation Date shall be exercisable for a period of 90 days (120 days in case of termination by disability) after the Cessation Date or prior to the expiration of the SAR, whichever is sooner, only to the extent the Director was entitled to exercise the SAR at the Cessation Date.

Non-Transferability of Awards

No Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.

Amendment and Termination of the New Long-Term Incentive Plan

The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue the New Long-Term Incentive Plan and may amend the terms and conditions of any Awards granted thereunder, subject to (a) any required approval of any applicable regulatory authority or TSXV, and (b) any required approval of Shareholders in accordance with the TSXV Policy 4.4 or applicable law. Without limitation, Shareholder approval shall not be required for the following amendments:

- (a) amendments to fix typographical errors;
- (b) amendments to clarify existing provisions of the New Long-Term Incentive Plan that do not have the effect of altering the scope, nature and intent of such provisions; and
- (c) amendments that are necessary to comply with applicable law or the requirements of the TSXV.

Amendments to Awards

Subject to compliance with applicable laws and TSXV policies, the Board may make amendments or alterations to Awards, provided that no amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, provided that no such consent shall be required if the amendment or alteration is: (a) either required or advisable in respect of compliance with any law, regulation or requirement of any accounting standard; or (b) not reasonably likely to significantly diminish the benefits provided under such Award.

The Company will be required to obtain disinterested Shareholder approval in accordance with TSXV Policy 4.4 in respect of any extension or reduction in the exercise price of Options granted to any Participant if the Participant is an Insider at the time of the proposed reduction or extension.

New Long-Term Incentive Plan Resolution

At the Meeting, the following resolution (the "**New Long-Term Incentive Plan Resolution**"), with or without variation, will be placed before the Shareholders:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE COMPANY'S SHAREHOLDERS, THAT:

1. the proposed 2.5% long-term incentive plan of the Company (the "**New Long-Term Incentive Plan**"), substantially in the form attached to the Information Circular of the Company dated August 24, 2022 (the "**Information Circular**") as Schedule "A" is hereby approved and confirmed as the long-term incentive plan of the Company;
2. the Board or any director or officer is authorized to make amendments to the New Long-Term Incentive Plan from time to time as required or deemed necessary by the TSX Venture Exchange or as the Board, or director or officer may, in its sole discretion, deem to be necessary, advisable or desirable, provided that such amendments will be subject to the approval of all applicable regulatory authorities; and
3. any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, and to deliver or cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Company may be necessary, advisable or desirable to carry out the terms of the foregoing resolutions.

If the New Long-Term Incentive Plan Resolution is passed by a simple majority of Shareholder votes cast in person or by proxy at the Meeting, the New Long-Term Incentive Plan will take effect following the Meeting. If Shareholders do not approve the New Long-Term Incentive Plan, the Current Plan will continue to be in effect. Management recommends that Shareholders vote in favour of the New Long-Term 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.**

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, 2022, 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 3rd day of November, 2022.

APPROVED BY THE BOARD OF DIRECTORS

"Robert Scargill"
Robert Scargill
Chief Executive Officer

SCHEDULE A

LONG TERM INCENTIVE PLAN

[See attached]

SANDFIRE RESOURCES AMERICA INC.
(the "Company")

Long-Term Incentive Plan

SECTION 1 ESTABLISHMENT AND PURPOSE OF THE PLAN

The Company wishes to establish this long-term incentive plan ("**Plan**"). The purpose of this Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company, in each case as applicable to the type of Eligible Person to whom an Award is granted.

This Plan provides for the grant of Restricted Share Units, Performance Share Units, Deferred Share Units, Stock Appreciation Rights and Options to Eligible Persons, as further described herein.

This Plan and the Restricted Share Units, Performance Share Units, Deferred Share Units, Stock Appreciation Rights and Options issuable under the Plan are subject to Policy 4.4 – *Security Based Compensation* of the Exchange (the "**Policy**").

This Plan is a "rolling up to 2.5%" security based compensation plan, permitting outstanding Incentive Securities in a maximum aggregate amount that is equal to 2.5% of the issued and outstanding Shares at the date of any Award.

SECTION 2 DEFINITIONS

As used in this Plan, the following terms shall have the meanings set forth below:

- (a) "**Award**" means any award of RSUs, PSUs, DSUs, Options or SARs granted under this Plan or, in the case of Options, any pre-existing stock option plan of the Company;
- (b) "**Award Agreement**" means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;
- (c) "**Board**" means the board of directors of the Company;
- (d) "**Blackout Period**" means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of publicly undisclosed confidential information pertaining to the Company;
- (e) "**Cessation Date**" means the effective date on which a Participant ceases to be an Eligible Person for any reason;
- (f) "**Change of Control**" means the occurrence of any one or more of the following events:
 - (i) a consolidation, reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of

such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;

- (ii) the sale, exchange or other disposition to a person other than an affiliate of the Company of all, or substantially all of the Company's assets;
- (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
- (iv) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or
- (v) any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Company which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or to direct the casting of 20% or more of the votes attached to all of the Company's outstanding Voting Securities which may be cast to elect directors of the Company or the successor Company (regardless of whether a meeting has been called to elect directors);

For the purposes of the foregoing, "**Voting Securities**" means Shares and any other shares entitled to vote for the election of directors and shall include any security, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors including any options or rights to purchase such shares or securities;

- (g) "**Committee**" means such committee of the Board performing functions in respect of compensation as may be determined by the Board from time to time;
- (h) "**Company**" means Sandfire Resources America Inc., a company incorporated under the *Business Corporations Act* (British Columbia), and any of its successors or assigns;
- (i) "**Consultant**" means a "Consultant" as defined in the Policy;
- (j) "**Deferred Share Unit**" or "**DSU**" means a right to receive on a deferred basis a payment in Shares as provided in Subsection 5.3 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (k) "**Determination Date**" means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;
- (l) "**Director**" means a "Director" as defined in the Policy;
- (m) "**Disability**" means any disability with respect to a Participant which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Participant from:

- (i) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
 - (ii) acting as a Director or Officer;
- (n) **"Discounted Market Price"** means "Discounted Market Price" as defined in Policy 1.1 – *Interpretation of the TSX Venture Exchange*;
- (o) **"DSU Payment Date"** has the meaning set out in Subsection 5.3.5;
- (p) **"Effective Date"** has the meaning set out in Section 8;
- (q) **"Election Form"** means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in DSUs under this Plan;
- (r) **"Eligible Person"** means a Director, Officer, Employee, Management Company Employee or Consultant of the Company or a subsidiary of the Company, or an Eligible Charitable Organization;
- (s) **"Employee"** means an "Employee" as defined in the Policy;
- (t) **"Exchange"** means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed;
- (u) **"Exchange Hold Period"** means "Exchange Hold Period" as defined in Policy 1.1 – *Interpretation of the TSX Venture Exchange*;
- (v) **"Extension Period"** has the meaning set out in Section 5.4.5;
- (w) **"Fees"** means the annual board retainer, chair fees, meeting attendance fees or any other fees payable to a Director by the Company;
- (x) **"Grant Date"** means, for any Award, the date specified in an Award Agreement as the date on which an Award is granted;
- (y) **"Incentive Securities"** means the Options, DSUs, RSUs, PSUs and SARs issuable to any Participant under this Plan or, in the case of Options, any pre-existing stock option plan of the Company;
- (z) **"Insider"** means an "Insider" as defined in Policy 1.1 – *Interpretation of the TSX Venture Exchange*;
- (aa) **"Investor Relations Activities"** means "Investor Relations Activities" as defined in Policy 1.1 – *Interpretation of the TSX Venture Exchange*;
- (bb) **"Investor Relations Service Provider"** means "Investor Relations Service Provider" as defined in the Policy;
- (cc) **"Management Company Employee"** means a "Management Company Employee" as defined in the Policy;
- (dd) **"Market Price"** of Shares at any Grant Date means the market price per Share as determined by the Board, provided that if the Company is listed on an Exchange, such price shall not be less than the market price determined in accordance with the rules of

such Exchange;

- (ee) "**Officer**" means an "Officer" as defined in the Policy;
- (ff) "**Option**" means an option to purchase Shares granted pursuant to, or governed by, this Plan and any pre-existing stock option plan of the Company;
- (gg) "**Option Plan**" means the Company's Stock Option Plan dated September 22, 2021, as may be amended or restated from time to time;
- (hh) "**Participant**" means any Eligible Person to whom Awards are granted;
- (ii) "**Participant's Account**" means a notional account maintained for each Participant's participation in this Plan which will show any Incentive Securities credited to a Participant from time to time;
- (jj) "**Performance Criteria**" means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of the PSUs;
- (kk) "**Performance Cycle**" means the applicable performance cycle of the PSUs as may be specified by the Board in the applicable Award Agreement;
- (ll) "**Performance Share Unit**" or "**PSU**" means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.2 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (mm) "**Person**" means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (nn) "**Restriction Period**" means the time period between the Grant Date and the Vesting Date of an Award of RSUs specified by the Board in the applicable Award Agreement, which is subject to the requirements of this Plan with respect to vesting;
- (oo) "**Restricted Share Unit**" or "**RSU**" means a right awarded to a Participant to receive a payment in Shares as provided in Subsection 5.1 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (pp) "**Retirement**" means retirement from active employment with the Company or a subsidiary of the Company with the consent of an Officer;
- (qq) "**Security Based Compensation**" means "Security Based Compensation" as defined in the Policy;
- (rr) "**Security Based Compensation Plans**" has the meaning set out in Subsection 4.1.1;
- (ss) "**Stock Appreciation Right**" or "**SAR**" means a right awarded to a Participant to receive a payment in Shares as provided in Subsection 5.5 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (tt) "**SAR Amount**" has the meaning set out in Subsection 5.5.3;
- (uu) "**SAR Grant Price**" has the meaning set out in Subsection 5.5.2;
- (vv) "**Securities Act**" means the *Securities Act* (British Columbia), as amended from time to

time;

- (ww) "**Shares**" means the common shares of the Company;
- (xx) "**Trading Day**" means any date on which the Exchange is open for trading; and
- (yy) "**Vesting Date**" means, for any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement.

SECTION 3 ADMINISTRATION

- 3.1 **BOARD TO ADMINISTER PLAN.** Except as otherwise provided herein, this Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary in order to comply with the requirements of this Plan.
- 3.2 **DELEGATION TO COMMITTEE.** All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by the Committee or such other committee as the Board may determine.
- 3.3 **INTERPRETATION.** All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company, subject to any required approval of the Exchange.
- 3.4 **NO LIABILITY.** No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.

SECTION 4 SHARES AVAILABLE FOR AWARDS

- 4.1 **LIMITATIONS ON SHARES AVAILABLE FOR ISSUANCE.**
 - 4.1.1 The maximum aggregate number of Shares issuable in respect of all Incentive Securities granted or issued under this Plan and all of the Company's other previously established or proposed Security Based Compensation plans to which these limitations apply under Exchange policies (collectively, "**Security Based Compensation Plans**"), at any point in time, shall not exceed 2.5% of the total number of issued and outstanding Shares on a non-diluted basis at such point in time.
 - 4.1.2 The maximum aggregate number of Shares issuable to any one Consultant in any twelve (12) month period in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date.
 - 4.1.3 The maximum aggregate number of Shares issuable to any one Participant in any twelve (12) month period in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed five percent (5%) of the issued and

outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Policy.

- 4.1.4 The maximum aggregate number of Shares issuable to all Insiders (as a group) at any point in time in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis at such point in time.
 - 4.1.5 The maximum aggregate number of Shares issuable to all Insiders (as a group) in any twelve (12) month period in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Policy.
 - 4.1.6 Eligible Persons who are Investor Relations Service Providers may only receive Options as Awards under this Plan if the Shares are listed on the TSX Venture Exchange at the time of issuance or grant, and the maximum aggregate number of Shares issuable to all Investor Relations Service Providers in any twelve (12) month period pursuant to the exercise of Options shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date.
 - 4.1.7 Eligible Persons who are Eligible Charitable Organizations may only receive Options as Awards under this Plan if the Shares are listed on the TSX Venture Exchange at the time of issuance or grant, and the maximum aggregate number of Shares issuable to all Eligible Charitable Organizations at any point in time in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed one percent (1%) of the issued and outstanding Shares on a non-diluted basis at such point in time. Notwithstanding any other provisions of this Plan, Options granted to Eligible Charitable Organizations will not be included in the other limits set out in this Section 4 or elsewhere in this Plan.
- 4.2 ACCOUNTING FOR AWARDS. The number of Shares underlying an Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting or issuing Awards under this Plan. As this Plan is a "rolling up to 2.5%" Security Based Compensation plan, as such term is used in the Policy, the number of Incentive Securities issuable under this Plan will replenish in an amount equal to the number of Shares issued pursuant to the exercise or vesting, as applicable, of such Incentive Securities at any point in time. Notwithstanding anything herein to the contrary, any Shares related to Awards which have been settled in cash, cancelled, surrendered, forfeited, expired or otherwise terminated without the issuance of such Shares shall be available again for granting Awards under this Plan.
- 4.3 ADJUSTMENTS FOR SHARE SPLITS AND CONSOLIDATIONS. If the number of outstanding Shares is increased or decreased as a result of a Share split or consolidation, the Board may make appropriate adjustments, in accordance with the terms of this Plan, the policies of the Exchange, and applicable laws, to the number and price (or other basis upon which an Award is measured) of Incentive Securities credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.
- 4.4 OTHER ADJUSTMENTS. Any adjustment, other than as noted in section 4.3, to an Award granted or issued under this Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, recapitalization, spin-off, dividend or other distribution. Any increase in the number of Shares underlying outstanding Awards as a result of the adjustment provisions provided in this section 4.3 or 4.4 is subject to compliance with the limits set out in section 4.1 and, if any increase in the

number of Shares underlying outstanding Awards as a result of the adjustment provisions provided in section 4.3 or 4.4 would result in any limit set out in section 4.1 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchanges, if applicable), make payment in cash to the Participant in lieu of increasing the number of Shares underlying outstanding Awards in order to properly reflect any diminution in value of the underlying Shares as a result of the event that triggers the adjustment.

- 4.5 VESTING REQUIREMENT. No Award granted or issued under this Plan, other than Options, may vest before the date that is one year following the date it is granted or issued. Notwithstanding this provision, subject to the approval of the Exchange with respect to Awards held by Investor Relations Service Providers, vesting may be accelerated by the Board in its sole discretion for Awards held by a Participant who dies or who ceases to be an Eligible Person under this Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction. All Options granted to Investor Relations Service Providers must vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Options vesting and becoming exercisable in any three (3) month period.
- 4.6 OPTION PLAN. As of the Effective Date, Options which are outstanding under the Option Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of this Plan except to the extent that the terms of this Plan are more restrictive than the terms of the Option Plan under which such Options were originally granted, in which case the Option Plan shall govern, provided that any Options granted, issued or amended after November 23, 2021 must comply with the Policy (as at November 24, 2021).
- 4.7 RESALE RESTRICTIONS. All Incentive Securities shall be subject to any applicable resale restrictions pursuant to applicable securities laws. In addition, Incentive Securities and Shares underlying Incentive Securities that are subject to the Exchange Hold Period pursuant to Exchange Policy 1.1 must contain a legend with the Exchange Hold Period commencing on the Grant Date, and the Award Agreement shall contain any applicable resale restriction or Exchange Hold Period.
- 4.8 BONA FIDE PARTICIPANTS. In respect of Awards granted to Employees, Consultants, Consultant Companies or Management Company Employees, the Company and the Participant is representing herein and in the applicable Award Agreement that the Participant is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or a subsidiary of the Company. The execution of an Award Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

SECTION 5. AWARDS

5.1 RESTRICTED SHARE UNITS

- 5.1.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of RSUs to Eligible Persons. RSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of RSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each RSU shall, contingent upon the lapse of any restrictions, represent one (1) Share, unless otherwise specified in the applicable Award Agreement. The number of RSUs granted pursuant to an Award and the Restriction Period in respect of such RSUs shall be specified in the applicable Award Agreement.

- 5.1.2 **RESTRICTIONS.** RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.
- 5.1.3 **VESTING.** All RSUs will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement.
- 5.1.4 **CHANGE OF CONTROL.** Unless otherwise determined by the Board, in the event of a Change of Control, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested in the Participant and will accrue to the Participant in accordance with Subsection 5.1.9.
- 5.1.5 **DEATH.** Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Subsection 5.1.9 hereof.
- 5.1.6 **TERMINATION OF EMPLOYMENT OR SERVICE.**
- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board.
 - (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under this Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, Retirement or breach of agreement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.
- 5.1.7 **DISABILITY.** Where a Participant becomes afflicted by a Disability, all RSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such RSUs, provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under this Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the

date of termination determined by the Board, provided, however, that any RSUs granted to such Participant that, prior to the Participant's termination due to Disability, had vested pursuant to term of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.

- 5.1.8 **CESSATION OF DIRECTORSHIP.** Where, in the case of Directors, a Participant ceases to be a Director for any reason, any RSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that any RSUs granted to such Participant which, prior to the Cessation Date for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.
- 5.1.9 **PAYMENT OF AWARD.** As soon as practicable after each Vesting Date of an Award of RSUs, and subject to the applicable Award Agreement, the Company shall issue from treasury to the Participant, or if Subsection 5.1.5 applies, to the Participant's estate, a number of Shares equal to the number of RSUs credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the RSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such RSUs. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement.

5.2 PERFORMANCE SHARE UNITS

- 5.2.1 **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of PSUs to Eligible Persons. PSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of PSUs to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each PSU shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share, unless otherwise specified in the applicable Award Agreement. The number of PSUs granted pursuant to an Award, the Performance Criteria that must be satisfied in order for the PSUs to vest and the Performance Cycle in respect of such PSUs shall be specified in the applicable Award Agreement.
- 5.2.2 **PERFORMANCE CRITERIA.** The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the PSUs, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the original Performance Criteria unfair or inappropriate unless a revision is made. Notices will be provided by the Company to the Exchange, if required, with respect to the foregoing.
- 5.2.3 **VESTING.** All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle, the determination of which shall be made by the Board on the Determination Date.
- 5.2.4 **CHANGE OF CONTROL.** Unless otherwise determined by the Board, in the event of a Change of Control, all PSUs granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and shall become payable to the Participant in accordance with Subsection 5.2.9 hereof.

- 5.2.5 DEATH. Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all PSUs granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever, provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.6 TERMINATION OF EMPLOYMENT OR SERVICE.
- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all PSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board.
- (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant which, prior to the Participant's termination, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the date of termination determined by the Board, provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.7 DISABILITY. Where a Participant becomes afflicted by a Disability, all PSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such PSUs, provided, however, that no PSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant under this Plan that have not vested will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.8 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any PSUs granted to the Participant under this Plan that

have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.

5.2.9 PAYMENT OF AWARD. Subject to the applicable Award Agreement, payment to Participants in respect of vested PSUs shall be made after the Determination Date for the applicable Award and in any case within ninety (90) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement. The Company shall issue from treasury to the Participant, or if Subsection 5.2.5 applies, to the Participant's estate, a number of Shares equal to the number of PSUs that have vested. As of the Vesting Date, the PSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such PSUs.

5.2.10 PERFORMANCE EVALUATION; ADJUSTMENT OF GOALS. At the time that a PSU is first issued, the Board, in the Award Agreement or in another written document, may specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be: (A) judgments entered or settlements reached in litigation; (B) the write down of assets; (C) the impact of any reorganization or restructuring; (D) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results; (E) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year; (F) the impact of any mergers, acquisitions, spin-offs or other divestitures; (G) foreign exchange gains and losses; and (H) other extraordinary events having a similar impact on a Participant's ability to satisfy Performance Criteria, as determined in the discretion of the Board.

5.2.11 ADJUSTMENT OF PERFORMANCE SHARE UNITS. The Board shall have the sole discretion to adjust the determination of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant PSU. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any PSU that will increase the amount payable under any such PSU. The Board shall retain the sole discretion to adjust PSUs downward or to otherwise reduce the amount payable with respect to any Award of PSUs.

5.3 DEFERRED SHARE UNITS

5.3.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of DSUs to Eligible Persons. DSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each DSU shall, contingent upon the occurrence of the applicable vesting criteria, represent one (1) Share. The number of DSUs granted pursuant to an Award and the vesting criteria in respect of such DSUs shall be specified in the applicable Award Agreement.

5.3.2 ELECTION BY DIRECTORS. Each Director may elect to receive any part or all of his or

her Fees in DSUs under this Plan. Elections by Participants regarding the amount of their Fees that they wish to receive in DSUs shall be made no later than 90 days after this Plan is adopted by the Board, and thereafter no later than December 31 of any given year with respect to Fees for the following year. Any Director who becomes a Participant during a fiscal year and wishes to receive an amount of his or her Fees for the remainder of that year in DSUs must make his or her election within 60 days of becoming a Director.

- 5.3.3 **CALCULATION.** In the case of an election by a Director, the number of DSUs to be credited to the Participant's Account shall be calculated by dividing the amount of Fees selected by an Director in the applicable Election Form by the Market Price on the Grant Date, or if more appropriate, another trading range that best represents the period for which the award was earned (subject to minimum pricing requirements under Exchange policies). If, as a result of the foregoing calculation, a Participant shall become entitled to a fractional DSU, the Participant shall only be credited with a full number of DSUs (rounded down) and no payment or other adjustment will be made with respect to the fractional DSU.
- 5.3.4 **CHANGE OF CONTROL.** Unless otherwise determined by the Board, in the event of a Change of Control, all DSUs granted to a Participant shall become fully vested in such Participant and shall become payable to the Participant in accordance with Subsection 5.3.5 hereof.
- 5.3.5 **PAYMENT OF AWARD.** After the effective date that the Participant ceases to be an Eligible Person for any reason or any earlier vesting period(s) as may be set forth in the applicable Award Agreement, each Participant shall be entitled to receive on the DSU Payment Date that number of Shares equal to the number of DSUs credited to the Participant's Account, such Shares to be issued from treasury of the Company. The aforementioned payment will occur on the date (the "**DSU Payment Date**") that is one of two (2) dates designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day (or such earlier date as the Participant and the Company may agree, which dates shall be no earlier than then ninetieth (90) day following the year of the Cessation Date and no later than the end of the calendar year following the year of the Cessation Date, or any earlier period in which the DSUs vested, as the case may be) and if no such notice is given, then on the first anniversary of the Cessation Date or any earlier period on which the DSUs vested, as the case may be, at the sole discretion of the Participant.
- 5.3.6 **DEATH.** Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, such Shares that would have otherwise been payable in accordance with Subsection 5.3.5 hereof to the Participant upon such Participant ceasing to be an Eligible Person.

5.4 OPTIONS

- 5.4.1 **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Options to Eligible Persons. Options granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each vested Option shall represent the right to purchase one (1) Share in accordance with its terms and the terms of this Plan. The number of Options granted pursuant to an Award shall be specified in the applicable Award Agreement.
- 5.4.2 **EXERCISE PRICE.** The exercise price of the Options shall be determined by the Board at the time the Option is granted. In no event shall such exercise price be lower than the

discounted Market Price permitted by the Exchange, which shall be the Discounted Market Price if the Shares are listed on the TSX Venture Exchange at the time of grant. The Board shall not reprice any Options granted under this Plan, except in accordance with the rules and policies of the Exchange. For greater certainty, the Company will be required to obtain disinterested shareholder approval in accordance with the Policy in respect of any extension or reduction in the exercise price of Options granted to any Participant if the Participant is an Insider at the time of the proposed reduction or extension.

- 5.4.3 **TIME AND CONDITIONS OF EXERCISE.** The Board shall determine the time or times at which an Option may be exercised in whole or in part, provided that the term of any Option granted under this Plan shall not exceed ten years. In the case of an Option granted to an Eligible Charitable Organization, such Option must be exercised on or before the earlier of (a) ten years from the date of grant and (b) the 90th day following the date that the holder ceases to be an Eligible Charitable Organization. The Board shall also determine the vesting, performance and/or other conditions, if any, that must be satisfied before all or part of an Option may be exercised. Vesting provisions applied to Options granted to Participants who are Investor Relations Service Providers must be in compliance with Section 4.5.
- 5.4.4 **EVIDENCE OF GRANT.** All Options shall be evidenced by a written Award Agreement. The Award Agreement shall reflect the Board's determinations regarding the exercise price, time and conditions of exercise (including vesting provisions) and such additional provisions as may be specified by the Board.
- 5.4.5 **EXERCISE.** The exercise of any Option will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the Option is being exercised, and which shall be accompanied by a cheque, bank draft or other method of cash payment as is acceptable to the Company for the full purchase price of such Shares with respect to which the Option is exercised. Certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice and payment. Neither the Participants nor their legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to Options under this Plan are issued to such Participants under the terms of this Plan. In the event that the expiry date of an Option falls during a Blackout Period, the expiry date of such Option shall automatically be extended to a date which is ten (10) trading days following the end of such Blackout Period (the "**Extension Period**"), subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such Option within ten (10) trading days following the end of the last imposed Blackout Period.
- 5.4.6 **CHANGE OF CONTROL.** In the event of a Change of Control, each outstanding Option, to the extent that it has not otherwise become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and immediately vested and exercisable, without regard to any other applicable vesting requirement, subject to the Policy. For greater certainty, any acceleration of vesting of Options held by a Participant who is a Investor Relations Servicer Provider is subject to prior Exchange acceptance.
- 5.4.7 **DEATH.** Where a Participant shall die, any Option held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the Option shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the

Participant or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of death of such Participant.

5.4.8 TERMINATION OF EMPLOYMENT OR SERVICE.

- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no Option held by such Participant shall be exercisable from the date of termination determined by the Board.
- (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of termination determined by the Board.
- (c) Where a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, any Option held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of termination determined by the Board.

5.4.9 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Option held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the Cessation Date) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the Cessation Date) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date.

5.5 STOCK APPRECIATION RIGHTS

5.5.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may determine, the Board may, from time to time, in its discretion, grant Awards of SARs to Eligible Persons either on a stand-alone basis or in relation to any Option. SARs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of SARs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. The number of SARs granted pursuant to an Award shall be specified in the applicable Award Agreement.

5.5.2 SAR GRANT PRICE. The exercise price of the SAR (the "**SAR Grant Price**") shall be determined by the Board at the time the SAR is granted. In no event shall the SAR Grant Price be lower than the discounted Market Price permitted by the Exchange, which shall be the Discounted Market Price if the Shares are listed on the TSX Venture Exchange at the time of grant. Where a SAR is granted in relation to an Option, it shall be a right in respect of the same number of Shares, and the SAR Grant Price shall be the same as the exercise price of the Option it is granted in relation to. The Board shall not reprice the SAR Grant Price of any SAR granted under this Plan, except in accordance with the rules and policies of the Exchange. For greater certainty, the Company will be required to obtain disinterested shareholder approval in accordance with the Policy in respect of any reduction in the SAR Grant Price applicable to SARs granted to any Participant if the Participant is an Insider at the time of the proposed reduction.

5.5.3 PAYMENT.

(a) Subject to the provisions hereof, a SAR is the right to receive a payment in Shares equal to the excess, if any, of:

(i) the Market Price at the date such SAR is exercised; *over*

(ii) the SAR Grant Price,

multiplied by the number of Shares in respect of which the SAR is being exercised (less any amount required to be withheld for taxes by applicable law) (the "**SAR Amount**").

(b) For greater clarity, the actual number of Shares to be granted to the Participant pursuant to Subsection 5.5.3(a) shall be equal to the aggregate SAR Amount divided by the Market Price at the time of exercise.

(c) Notwithstanding the foregoing, in the sole discretion of the Board, the Award Agreement may provide that the Company may elect to satisfy the exercise of a SAR (in whole or in part) by paying to the Participant cash in an amount equal to the SAR Amount in lieu of Shares.

5.5.4 TERMS OF SARs GRANTED IN CONNECTION WITH AN OPTION. SARs may be granted in relation to an Option either at the time of the grant of the Option or by adding the SAR to an existing Option. SARs granted in relation to an Option shall be exercisable only at the same time, by the same persons and to the same extent, that the related Option is exercisable. Upon the exercise of any SAR related to an Option, the corresponding portion of the related Option shall be surrendered to the Company and cancelled, and upon the exercise of any Option which has an accompanying SAR, the corresponding portion of the related SAR shall be surrendered to the Company and

cancelled.

- 5.5.5 **TERMS OF SARs GRANTED ON A STAND-ALONE BASIS.** SARs shall be granted on such terms as shall be determined by the Board and set out in the Award Agreement (including any terms pertaining to vesting and settlement), provided the term of any SAR granted under this Plan shall not exceed ten (10) years.
- 5.5.6 **EXERCISE.** The exercise of any SAR will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the SAR is being exercised. If the Participant is to receive Shares, certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice. Neither the Participant nor his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to SARs under this Plan are issued to such Participant under the terms of this Plan. In the event that the expiry date of a SAR falls during a Blackout Period, the expiry date of such SAR shall automatically be extended to the Extension Period, subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such SAR within ten (10) trading days following the end of the last imposed Blackout Period.
- 5.5.7 **CHANGE OF CONTROL.** In the event of a Change of Control, each outstanding SAR issued to Eligible Persons, to the extent that it shall not otherwise have become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and immediately vested and exercisable, without regard to any otherwise applicable vesting requirement, but subject to the policies of the Exchange.
- 5.5.8 **DEATH.** Where a Participant shall die while holding a SAR, any SAR held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the SAR shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of death of such Participant.
- 5.5.9 **TERMINATION OF EMPLOYMENT OR SERVICE.**
- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no SAR held by such Participant shall be exercisable from the date of termination determined by the Board.
- (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any SAR held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that

such Participant was entitled to exercise the SAR at the date of termination determined by the Board.

- (c) Where a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of termination determined by the Board.

5.5.10 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any SAR held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date.

5.6 GENERAL TERMS APPLICABLE TO AWARDS

5.6.1 FORFEITURE EVENTS. The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

5.6.2 AWARDS MAY BE GRANTED SEPARATELY OR TOGETHER. Without limiting Subsection 5.5, Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award. Awards granted in addition to or in tandem with other Awards, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

5.6.3 NON-TRANSFERABILITY OF AWARDS. No Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company. The Company does not intend to make Awards assignable or transferable, except where required by law or in certain estate proceedings

described herein.

- 5.6.4 **CONDITIONS AND RESTRICTIONS UPON SECURITIES SUBJECT TO AWARDS.** The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation: (A) restrictions under an insider trading policy or pursuant to applicable law; (B) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant; (C) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and (D) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.
- 5.6.5 **SHARE CERTIFICATES.** All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- 5.6.6 **CONFORMITY TO PLAN.** In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted by the Board to become, in all respects, in conformity with this Plan.

SECTION 6 AMENDMENT AND TERMINATION

- 6.1 **SHAREHOLDER APPROVAL OF PLAN.** This Plan is subject to annual shareholder approval in accordance with the Policy. The initial shareholder approval requirements and related matters are set out in section 8.1 of this Plan.
- 6.2 **AMENDMENTS AND TERMINATION OF THIS PLAN.** The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to (a) any required approval of any applicable regulatory authority or Exchange, and (b) any required approval of shareholders of the Company in accordance with the Policy or applicable law. Without limitation, shareholder approval shall not be required for the following amendments:
- 6.2.1 amendments to fix typographical errors;
- 6.2.2 amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions; and
- 6.2.3 amendments that are necessary to comply with applicable law or the requirements of the Exchange.
- If this Plan is terminated, Awards granted or issued prior to the date of termination shall remain outstanding and in effect in accordance with their applicable terms and conditions.
- 6.3 **AMENDMENTS TO AWARDS.** Subject to compliance with applicable laws and Exchange policies, the Board may waive any conditions or rights under, amend any terms of, or amend,

alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either (i) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of any accounting standard, or (ii) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7 GENERAL PROVISIONS

7.1 **NO RIGHTS TO AWARDS.** No Eligible Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award, and further there is no obligation for uniformity of treatment of Eligible Persons under this Plan. The terms and conditions of Awards need not be the same with respect to each recipient, subject to compliance with the terms of this Plan and the Policy.

7.2 **WITHHOLDING.** The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under this Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under this Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes. Without in any way limiting the generality of the foregoing, whenever cash is to be paid on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by:

7.2.1 electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld, or

7.2.2 delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and to deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.

For greater certainty, the application of this Section 7.2 to any payment due or transfer made under any Award or under this Plan shall not conflict with the policies of the Exchange that are in effect at the relevant time and the Company will obtain prior Exchange acceptance and/or shareholder approval of any application of this Section 7.2 if required pursuant to such policies.

7.3 **NO LIMIT ON OTHER SECURITY-BASED COMPENSATION ARRANGEMENTS.** Subject to compliance with the Policy and to Sections 4.1.1 through 4.1.5 hereof, nothing contained in this Plan shall prevent the Company or a subsidiary of the Company from adopting or continuing in effect other security-based compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

7.4 **NO RIGHT TO EMPLOYMENT.** The grant of an Award shall not constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this

Plan or in any Award Agreement.

- 7.5 **NO RIGHT AS SHAREHOLDER.** Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholders in respect of any Shares covered by such Participant's Award, until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.
- 7.6 **CURRENCY.** Unless expressly stated otherwise, all dollars amounts in this Plan are in Canadian dollars.
- 7.7 **GOVERNING LAW.** This Plan and all of the rights and obligations arising here from shall be interpreted and applied in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- 7.8 **SEVERABILITY.** If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person, or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.
- 7.9 **NO TRUST OR FUND CREATED.** Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.
- 7.10 **NO FRACTIONAL SHARES.** No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.
- 7.11 **HEADINGS.** Headings are given to the Sections and Subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.
- 7.12 **NO REPRESENTATION OR WARRANTY.** The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.
- 7.13 **NO REPRESENTATIONS OR COVENANTS WITH RESPECT TO TAX QUALIFICATION.** Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.
- 7.14 **CONFLICT WITH AWARD AGREEMENT.** In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.
- 7.15 **COMPLIANCE WITH LAWS.** The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under

this Plan prior to:

- 7.15.1 obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- 7.15.2 completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

SECTION 8 EFFECTIVE DATE OF THIS PLAN AND SHAREHOLDER APPROVAL

- 8.1 **EFFECTIVE DATE AND SHAREHOLDER APPROVAL.** This Plan shall become effective upon the date (the "**Effective Date**") of approval by the Board and will remain subject to shareholder approval and Exchange approval, provided that, if the Company grants or issues Awards under this Plan that it would not otherwise be permitted to grant under its existing Option Plan prior to the requisite shareholder approval for this Plan having been obtained, the Company must also obtain specific (and separate) shareholder approval for such grants or issuances. If shareholder approval for this Plan is obtained after the Effective Date, no right under any Award (other than an Option, which was or could have been granted under the Option Plan) that is granted or issued under this Plan prior to such shareholder approval may vest or be exercised, as applicable, before the date of the shareholders' meeting held to approve this Plan and such grants or issuances (as applicable). The requisite shareholder approvals must be obtained in accordance with the Policy and, if the requisite shareholder approvals are not obtained, this Plan and all Awards granted hereunder (other than Options, which were or could have been granted under the Option Plan), will terminate.

Approved by the Board of Directors of the Company effective November 11, 2022.

Approved by the shareholders of the Company on _____, 2022.