

DAURA CAPITAL CORP.

STOCK OPTION PLAN

(As amended and restated on September 19, 2024)

1. PURPOSE OF PLAN

1.1 **Purpose.** The purpose of this stock option plan (the “**Plan**”) of **DAURA CAPITAL CORP.**, a company incorporated under the *Business Corporations Act* (British Columbia), (the “**Company**”) is to advance the interests of the Company by encouraging Directors, Officers, Employees, Management Company Employees and Consultants (as such terms are defined herein) of the Company (collectively, “**Permitted Optionees**”), if any, to acquire Shares (as defined herein), thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

2. DEFINITIONS

2.1 **Definitions.** In this Plan the following words and phrases shall have the following meanings, namely:

- (a) “**Blackout Period**” means “blackout period” as defined in the Exchange Policies.
- (b) “**Board**” means the board of directors of the Company or, if the Board so elects, a committee of directors (which may consist of only one director) appointed by the Board to administer this Plan.
- (c) “**Company**” means Daura Capital Corp. and its Subsidiaries.
- (d) “**Consultant**” means a “Consultant” as defined in the Exchange Policies.
- (e) “**Consultant Company**” means a “Consultant Company” as defined in the Exchange Policies.
- (f) “**CPC**” means a “CPC” as defined in the Exchange Policies.
- (g) “**CPC Escrow Agreement**” means a “CPC Escrow Agreement” as defined in the Exchange Policies.
- (h) “**Director**” means a director of the Company.
- (i) “**Employee**” means an “Employee” as defined in the Exchange Policies.
- (j) “**Exchange**” means the TSX Venture Exchange.
- (k) “**Exchange Hold Period**” means the “Exchange Hold Period” as defined in Exchange Policies.
- (l) “**Exchange Policies**” means the policies included in the Corporate Finance Manual of the Exchange.
- (m) “**Insider**” means an “Insider” as defined in the Exchange Policies.
- (n) “**Investor Relations Activities**” means “Investor Relations Activities” as defined in Exchange Policies.

- (o) **“Investor Relations Service Provider”** means an “Investor Relations Service Provider” as defined in the Exchange Policies.
- (p) **“IPO”** means “Initial Public Offering” or “IPO” as defined in the Exchange Policies.
- (q) **“Management Company Employee”** means a "Management Company Employee" as defined in the Exchange Policies.
- (r) **“Market Price”** means “Market Price” as defined in the Exchange Policies.
- (s) **“Material Information”** means “Material Information” as defined in the Exchange Policies.
- (t) **“Officer”** means an "Officer" as defined in the Exchange Policies.
- (u) **“Option”** means an option to purchase Shares granted to an Optionee under this Plan.
- (v) **“Optionee”** means an optionee granted an Option pursuant to this Plan when such Optionee was a Permitted Optionee and their heirs, executors and administrators.
- (w) **“Permitted Optionee”** means a Director, Officer, Employee, Management Company Employee, Consultant or a corporation, where the corporation’s only shareholder is a Director, Officer, Employee or Consultant (other than a Consultant Company).
- (x) **“Plan”** means this stock option plan as amended, supplemented or restated.
- (y) **“Qualifying Transaction”** as defined in the Exchange Policies.
- (z) **“Resulting Issuer”** means “Resulting Issuer” as defined in the Exchange Policies.
- (aa) **“Seed Shares”** means “Seed Shares” as defined the Exchange Policies.
- (bb) **“Shares”** means common shares in the capital of the Company.
- (cc) **“Subsidiary”** means a body corporate that is controlled by the Company and, for the purposes of this definition, a body corporate will be deemed to be controlled by the Company if the Company, directly or indirectly, has the power to direct the management and policies of the body corporate by virtue of ownership of, or direction over, voting securities in the body corporate.
- (dd) **“Target Company”** means “Target Company” as defined in the Exchange Policies.
- (ee) **“Vendor(s)”** means “Vendor(s)” as defined in the Exchange Policies.
- (ff) **“VWAP”** means “VWAP” as defined in the Exchange Policies.

3. GRANTING OF OPTIONS

3.1 **Administration.** This Plan shall be administered by the Board.

3.2 **Grant by Resolution.** The Board may determine by resolution those Optionees to whom Options should be granted and grant to them such Options as the Board determines to be appropriate. The Board shall not grant any Options unless the Options are allocated to a particular Optionee.

3.3 **Representations to Employees, Consultants, and Management Company Employees.** Every instrument evidencing an Option granted to an Employee, Consultant or Management Company Employee shall contain a representation by the Company and the Optionee that such Optionee is a bona fide Employee, Consultant or Management Company Employee, as applicable.

3.4 **No Grants if Listed on NEX.** The Board shall not grant any Options if the Shares are listed on the NEX Board of the Exchange or the Company has been given notice that its listing will or might be transferred to NEX.

3.5 **Terms of Option.** The Board shall determine and specify in its resolution the number of Shares that should be placed under Option to each such Optionee, the price per Share to be paid for such Shares upon the exercise of each such Option, and the period during which such Option may be exercised.

3.6 **Written Agreement.** Every Option shall be evidenced by a written agreement between the Company and the Optionee. If there is any inconsistency between the terms of the agreement and this Plan, the terms of this Plan shall govern.

4. **CONDITIONS GOVERNING THE GRANTING & EXERCISING OF OPTIONS**

4.1 **Agreements must specify Exercise Period and Price, Vesting and Number of Shares.** In granting an Option, the Board must specify a particular time period or periods during which the Option may be exercised, the exercise price required to purchase the Shares subject to the Option and any vesting terms and conditions of the Option, including the number of Shares in respect of which the Option may be exercised during each such time period.

4.2 **Minimum Exercise Price of Options.** The exercise price of an Option shall not be less than the Market Price, less, if the Shares are listed on the Exchange, the maximum discount permitted by the Exchange, at the time of granting the Option. If the Optionee is subject to the tax laws of the United States of America and owns (as determined in accordance with such laws) greater than 10% of the Shares at the time of granting of the Option the exercise price shall be at least 110% of the Market Price. If the Shares are listed on the Exchange, no Options shall be granted which are exercisable at a price of less than \$0.05 per Share.

4.3 **Number of Shares subject to Option.** The number of Shares reserved for issuance to an Optionee pursuant to an Option granted to the Optionee, together with all of the Company's other previously established or proposed share compensation arrangements, in any 12-month period, shall not exceed, at the time of granting of the Option:

- (a) 5% of the issued and outstanding Shares, unless the Company has obtained disinterested shareholder approval or pursuant to Policy 4.4 of the Exchange;
- (b) 2% of the issued and outstanding Shares, if the Optionee is a Consultant; or
- (c) an aggregate of 2% of the issued and outstanding Shares for all Investor Relations Service Providers.

4.4 **Vesting of Options.** Subject to further vesting requirements required by the Board on granting of an Option, all Options shall vest and be exercisable on the following terms:

- (a) *If Optionee is Performing Investor Relations Activities:* If the Optionee is an Investor Relations Service Provider, any Option granted to such Investor Relations Service Provider must vest in stages over at least 12 months with no more than one quarter of the Option vesting in any three-month period.
- (b) *If there is a Change of Control:* If a Change of Control is agreed to by the Company or

events which might lead to a Change of Control are commenced by third parties, all Options, subject to the Exchange's approval (if required), shall vest immediately and be fully exercisable notwithstanding the terms thereof. For the purposes hereof "**Change of Control**" shall mean:

- (i) any transaction or series of related transactions as a result of which any person, entity or group acquires ownership, after the date of an Option, of at least 20% of the Shares and they or their representatives become a majority of the Board or assume control or direction over the management or day-to-day operations of the Company; or
- (ii) an amalgamation, merger, arrangement, business combination, consolidation or other reorganization of the Company with another entity or the sale or disposition of all or substantially all of the assets of the Company, as a result of either of which the Company ceases to exist, be publicly traded or the management of the Company or Board do not comprise a majority of the management or a majority of the board of directors, respectively, of the resulting entity,

and to permit Optionees to participate in any of the foregoing, the Board may make appropriate provision for the exercise of Options conditional upon the Shares so issued being taken-up and paid for pursuant to any of the foregoing.

Subject to the approval of the Exchange if the Optionee is a Investor Relations Service Provider, the Board may advance, at any time, the dates upon which any or all Options shall vest and become exercisable, regardless of the terms of vesting set out in this Plan or the agreement.

4.5 **Exercise of Options if Specified Value Exceeds USD \$100,000.** If the Optionee is subject to the tax laws of the United States of America that part of any Option entitling the Optionee to purchase Shares having a value of USD \$100,000 or less shall be treated as an 'Incentive Stock Option' under United States *Internal Revenue Code* (so that the Optionee may defer the payment of tax on such Shares until the year in which such Shares are disposed of by the Optionee). For the purposes hereof value is determined by multiplying the number of shares which are subject to the Option times the Market Price (at the time of granting of the Option). That part of any Option on Shares having a value in excess of USD \$100,000 shall be treated as a non-qualifying stock option for the purposes of the Code and shall not entitle the Optionee to such tax deferral.

4.6 **Expiry of Options.** Each Option shall expire not later than 10 years from the day on which such Option is granted.

4.7 **Expiry of Options during or immediately after Trading Blackout Periods.** If an Option expires during a Blackout Period then, notwithstanding Section 4.6 or the terms of the Option, the term of the Option shall be extended and the Option shall expire 10 business days after the termination of the Blackout Period, provided that: (i) the Blackout Period was formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information, (ii) the Blackout Period expired upon the general disclosure of the undisclosed Material Information referred to in paragraph (i), and (iii) the Company is not subject to a cease trade order or similar order under applicable securities laws.

4.8 **Death or Disability of Optionee.** If an Optionee dies or suffers a Disability prior to the expiry of an Option, the Optionee's legal representatives, before the earlier of the expiry date of the Option and the first anniversary of the Optionee's death or Disability, may exercise that portion of an Option which has vested as at the date of death or Disability. For the purposes hereof "**Disability**" shall mean any inability of the Optionee arising due to medical reasons which the Board considers likely to

permanently prevent or substantially impair such Optionee being able to provide the services necessary to qualify as a Permitted Optionee.

4.9 **Cessation as an Optionee (With Cause)**. If an Optionee ceases to qualify as a Permitted Optionee by reason of termination or removal for cause any Option shall terminate immediately on such termination or removal and not be exercisable by the Optionee unless otherwise determined by the Board.

4.10 **Cessation as an Optionee (Without Cause)**. If an Optionee ceases to qualify as a Permitted Optionee for any reason except as provided in sections 4.8 or 4.9, any Option shall be exercisable to the extent that it has vested and was exercisable as at the date of such cessation, unless further vesting is permitted by the Board as set out in section 4.4, and must terminate on the earlier of the expiry date of the Option and:

- (a) the 90th day after the Optionee ceased to be a Permitted Optionee, or such other date as may be reasonably determined by the Board; or
- (b) if the Optionee is subject to the tax laws of the United States of America, the earlier of the 90th day and the third month after the Optionee ceased to be an Employee or Officer.

4.11 **No Assignment of Options**. No Option or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession, and to the extent permitted by the Exchange Policies.

4.12 **Restriction on Resale of Shares Issued on Exercise of an Option**. The Options and Shares issued upon the exercise of the Options shall be subject to the Exchange Hold Period from the time the Option was granted and the certificates representing such Shares shall be legended accordingly if:

- (a) The Optionee is a Director, Officer or Promotor (as defined in Policy 1.1 of the Exchange);
- (b) The Optionee is a Consultant (as defined in Policy 4.4 of the Exchange);
- (c) The Optionee is a person holding securities carrying more than 10% of the voting rights attached to the Company's securities both immediately before and after the transaction in which the securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Issuer; or
- (d) The Options are exercisable for a price less than the Market Price.

4.13 **Notice of Exercise of an Option**. Options shall be exercised only in accordance with the terms and conditions of the agreements under which they are respectively granted and shall be exercisable only by notice in writing to the Company.

4.14 **Payment on Exercise of an Option**. Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an Optionee on exercise of an Option shall be fully paid for in cash or by certified cheque, bank draft or money order at the time of their purchase.

4.15 **Condition to Issuance of Shares**. The Board may require, as a condition of the issuance of Shares or delivery of certificates representing such Shares upon the exercise of any Option and to ensure compliance with any applicable laws, regulations, rules, orders and requirements that the Optionee or the Optionee's heirs, executors or other legal representatives, as applicable, make such covenants, agreements and representations as the Board deems necessary or desirable.

4.16 **Withholding or Deductions of Taxes**. The Company may deduct, withhold or require an

Optionee, as a condition of exercise of an Option, to withhold, pay, remit or reimburse any taxes or similar charges, which are required to be paid, remitted or withheld in connection with the exercise of any Option, provided however, that any such withholding or deduction arrangement must comply with Policy 4.4 of the Exchange and shall not, without limitation, result in an alteration of the exercise price of an Option or create a "Net Exercise" as defined in the Exchange Policies except where permitted under this Plan and pursuant to Policy 4.4 of the Exchange.

4.17 **Cashless Exercise of Options.** Subject to Section 4.19 hereof and the approval of the Board, which approval shall be at the Board's sole discretion, an Optionee (other than an Optionee that is an Investor Relations Service Provider) may exercise an Option by means of a "cashless exercise", where, with the assistance of a brokerage firm with which the Company has an arrangement (a "Brokerage") the subject Option may be exercised as follows:

- (a) The Brokerage shall loan money to the Optionee to exercise the Options;
- (b) The Brokerage shall sell a sufficient number of Shares to cover the aggregate exercise price of the Options being exercised in order to repay the loan made to the Optionee by the Brokerage; and
- (c) The Brokerage shall receive an equivalent number of Shares from the exercise of the Options by the Optionee, and the Optionee shall then receive the balance of the Shares from the exercise of the Option or the cash proceeds from the balance of such Shares.

For greater certainty, the Company is not obligated to permit, facilitate or enable a "cashless exercise" of any Option pursuant to this Section 4.17 hereof or to enter into or maintain any arrangement with any Brokerage. Whether an Option may be exercised by way of a "cashless exercise" pursuant to this Section 4.17 hereof shall be at the sole discretion of the Board.

4.18 **Net Exercise of Options.** Subject to Section 4.19 hereof and the approval of the Board, which approval shall be at the Board's sole discretion, an Optionee (other than an Optionee that is an Investor Relations Service Provider), may exercise an Option by means of a "net exercise", where by the Optionee shall not be required to deliver payment of the exercise price in respect of the subject Option being so exercised, and instead the Optionee shall receive only the number of Shares that is equal to the quotient obtained by dividing:

- (a) The product of (i) the number of Shares in respect of which the subject Option is being exercised, and (ii) the difference between the VWAP of the Shares and the exercise price of the subject Option; by
- (b) The VWAP of the Shares.

For greater certainty, the Company is not obligated to permit, facilitate or enable a "net exercise" of any Option pursuant to this Section 4.18. Whether an Option may be exercised by way of a "net exercise" pursuant to this Section 4.18 shall be at the sole discretion of the Board

4.19 **Additional Provisions Regarding Cashless Exercise and Net Exercise.** Notwithstanding any other provision of this Plan:

- (a) The "cashless exercise" provisions of Section 4.17 hereof and the "net exercise" provisions of Section 4.18 hereof are at all times subject to the Exchange Policies; and
- (b) Options granted to an Investor Relations Service Provider may not be exercised by means of a "cashless exercise" pursuant to Section 4.17 hereof or a "net exercise" pursuant to Section 4.18 hereof.

- (c) Upon the exercise of any Option pursuant to a “cashless exercise” under Section 4.17 hereof or a “net exercise” under Section 4.18 hereof, the number of Options so exercised, surrendered or converted, and not the number of Shares actually issued, shall be used for calculating any limits with respect to the number of Options that may be granted or exercised under this Plan.

5. RESERVATION OF SHARES FOR OPTIONS

5.1 **Sufficient Authorized Shares to be Reserved.** Whenever the constating documents of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of Options. Shares that were the subject of Options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an Option.

5.2 **Maximum Number of Shares to be Reserved Under Plan.** The aggregate number of Shares which may be subject to issuance pursuant to Options and any stock options granted under any other previous or current stock option plan or security compensation arrangement shall be 10% of the issued and outstanding Shares at the time of granting the Options. If any Option settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised, and pursuant to which no securities have been issued, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan, subject to Section 4.19(c) hereof.

5.3 **Maximum Number of Shares Reserved.** All Options, together with all of the Company’s other previously granted stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result in:

- (a) the number of Shares reserved for issuance pursuant to Options granted to Insiders exceeding 10% of the Shares issued and outstanding at any point in time;
- (b) the issuance to Insiders, within a one-year period, of Shares totalling in excess of 10% of the Shares issued outstanding in any 12-month period; or
- (c) the issuance to any one individual (and where permitted under this Plan, to any companies that are wholly owned by such individual), in any 12-month period, of Shares totalling in excess of 5% of the Shares issued and outstanding,

unless the disinterested shareholders have approved thereof.

6. CAPITAL REORGANIZATIONS

6.1 **Adjustments in Shares.** If the Shares are at any time increased, decreased or changed into or exchanged for a different number or kind of shares or securities of the Company through an amalgamation, merger, arrangement, reorganization, spin-off or recapitalization, subject to the prior approval of the Exchange, an appropriate and proportionate adjustment shall be made by the Board, in its discretion.

6.2 **Share Consolidation or Subdivision.** If the Shares are at any time subdivided or consolidated, the number of Shares reserved for Options shall be similarly increased or decreased and the price payable for any Shares that are then subject to issuance shall be decreased or increased proportionately, as the case may require, so that upon exercising each Option the same proportionate shareholdings at the same aggregate purchase price shall be acquired after such subdivision or consolidation as would have been acquired before.

6.3 **Stock Dividend.** If the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for Options shall be increased proportionately and the price payable for any Shares that are then subject to issuance shall be decreased proportionately so that upon exercising each Option the same proportionate shareholdings at the same aggregate purchase price shall be acquired after such stock dividend as would have been acquired before, subject to the prior approval of the Exchange, provided that such approval is then a requirement of the Exchange. Where an adjustment under this Section 6.3 would result in a number of Shares being reserved for issuance in excess of the limits in Sections 4.3, 5.2 and 5.3 hereof, the Company shall, subject to approval of the Exchange (if such approval is required under the the Exchange Policies), pay to the holders of such Options a cash amount deemed appropriate and proportionate by the Board, in its discretion, in respect of such excess.

6.4 **No Fractional Shares.** No adjustment made pursuant to this Part shall require the Company to issue a fraction of a Share and any fractions of a Share shall be rounded up or down to the nearest whole number, with one-half a Share being rounded up to one Share.

6.5 **No Adjustment for Cash Dividends or Rights Offerings.** No adjustment shall be made to any Option pursuant to this Part in respect of the payment of any cash dividend or the distribution to the shareholders of the Company of any rights to acquire Shares or other securities of the Company.

7. EXCHANGE'S RULES & POLICIES GOVERN & APPLICABLE LAW

7.1 **Exchange's Rules and Policies Apply.** This Plan and the granting and exercise of any Options are also subject to such other terms and conditions as are set out in the rules and policies on stock options of the Exchange and any securities commission having authority and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. If there is an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern.

7.2 **Compliance With Applicable Laws.** Notwithstanding anything herein to the contrary, the Company shall not be obliged to cause any Shares to be issued or certificates evidencing Shares to be delivered pursuant to this Plan, where issuance and delivery is not, or would result in the Company not, being in compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities and the requirements of the Exchange. **If any provision of this Plan, any Option or any agreement entered into pursuant to this Plan contravenes any applicable law, rule, regulation or order, or any policy, bylaw or regulation of the Exchange or any regulatory body having authority over the Company or this Plan, such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith, but the Company shall not be responsible to pay and shall not incur any penalty, liability or further obligation in connection therewith.**

7.3 **No Obligation to File Prospectus.** The Company shall not be liable to compensate any Optionee and in no event shall it be obliged to take any action, including the filing of any prospectus, registration statement or similar document, in order to permit the issuance and delivery of any Shares upon the exercise of any Option in order to comply with any applicable laws, regulations, rules, orders or requirements of any securities regulatory authority.

7.4 **Governing Law.** This Plan shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

8. AMENDMENT OF PLAN & OPTIONS

8.1 **Board May Amend Plan or Options.** The Board may amend or terminate this Plan or any Options but no such amendment or termination, except with the written consent of the Optionees concerned or unless required to make this Plan or the Options comply with the Exchange Policies, shall affect the terms and conditions of Options which have not then been exercised or terminated.

8.2 **Shareholder Approval.** The approval of disinterested shareholders for an amendment to this Plan or any Option shall be required in respect of Options granted to Insiders involving the extension of the term of such Option or a reduction of the exercise price, including a reduction effected by cancelling an existing Option and granting a new Option exercisable at a lower price within the subsequent one-year period.

Approval by holders of Shares is required for:

- (a) persons eligible to be granted or issued Options under this Plan;
- (b) the maximum number or percentage of Shares that may be issuable under this Plan;
- (c) the limits under this Plan on the amount of Options that may be granted or issued to any one person or any category of persons;
- (d) the method for determining the exercise price of the Options;
- (e) the maximum term of the Options;
- (f) the expiry and termination provisions applicable to the Options, including the addition of a Blackout Period;
- (g) the addition of a Net Exercise (as defined in the Exchange Policies) provision; and
- (h) any method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to an Optionee, including but not limited to the formula for calculating the appreciation of a Stock Appreciation Right (as defined in the Exchange Policies),

provided that disinterested shareholder approval will be required as set out in sections 4.3(a), 5.3 and 8.2 of the Plan and the Exchange Policies.

No approval by any holders of Shares is required for (a) amendments to fix typographical errors; and (b) amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions.

8.3 **Exchange Approval Required.** Any amendment to this Plan or shall not become effective until such amendments have been accepted for filing by the Exchange.

9. PLAN DOES NOT AFFECT OTHER COMPENSATION PLANS

9.1 **Other Plans Not Affected.** This Plan shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Permitted Optionees.

10. OPTIONEE'S RIGHTS AS A SHAREHOLDER

10.1 **No Rights Until Option Exercised.** An Optionee shall not be entitled to the rights pertaining to share ownership, such as voting rights, dividend entitlement or rights on liquidation, only with respect to Shares that have been fully paid for and issued to the Optionee upon exercise of an Option.

11. EFFECTIVE DATE & EXPIRY OF PLAN

11.1 **Effective Date.** This Plan has been adopted by the Board subject to the approval of the Exchange and if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained. Thereafter this Plan shall be approved by the holders of the Shares annually, if the Shares are listed on the TSX-V. If such annual approvals are not obtained, Options may no longer be granted. Options may be granted, but cannot be exercised, prior to the receipt of such approvals.

11.2 **Termination.** This Plan shall terminate upon a resolution to that effect being passed by the Board. Any Options shall continue to be exercisable according to their terms after the termination of this Plan.

12. CAPITAL POOL COMPANY PROVISIONS

12.1 **CPC Provisions.** For so long as the Company is a CPC, notwithstanding any other provision in this Plan, the following additional terms, conditions and restrictions shall apply:

- (a) Options granted by the Company may only entitle the Optionee to acquire Shares.
- (b) Options may only be granted to a Director or Officer of the Company, and where permitted by applicable securities laws, a technical consultant whose particular industry expertise in relation to the business of the Vendors or the Target Company, as the case may be, is required to evaluate the proposed Qualifying Transaction, or a company, all of whose securities are owned, directly and indirectly, by such a Director, Officer, or technical consultant.
- (c) The total number of Shares reserved for issuance pursuant to Options may not exceed 10% of the Shares outstanding as at the date of grant of the respective Option;
- (d) The number of Shares reserved for issuance pursuant to Options granted to any individual Director or Officer may not exceed 5% of the Shares outstanding as of the date of grant of any Option. The number of Shares reserved for issuance pursuant to Options granted to all technical consultants may not exceed 2% of the Shares outstanding as of the date of grant of any Option.
- (e) No Options may be granted to any person providing Investor Relations Activities or promotional or market-making services.
- (f) The exercise price of any Option granted prior to closing of the Company's IPO may not be less than the lowest price at which Seed Shares were issued by the Company.

- (g) No Option may be granted by the Company unless the Optionee first enters into a CPC Escrow Agreement agreeing to deposit the Option, and the Shares acquired pursuant to the exercise of the Option, into escrow as described in Policy 2.4 of the Exchange, as amended. All Options granted while the Company is a CPC, and all Shares issued pursuant to the exercise of such Option, must be held in escrow in accordance with the terms of the CPC Escrow Agreement and Policy 2.4 of the Exchange, as amended.
- (h) All Options granted while the Company is a CPC must expire no later than 12 months after the Optionee ceases to be a Director, Officer or technical consultant of the Company or of the Resulting Issuer, as the case may be, subject to any earlier expiry date of such Option.

12.2 **Termination.** The provisions of Section 12.1 shall automatically cease to apply, without any further action by the Board or the shareholders of the Company upon the Company ceasing to be a CPC.

Adopted by the Board of Directors on September 19, 2024.