NOTICE OF ANNUAL MEETING OF SHAREHOLDERS DECEMBER 4, 2026

TAKE NOTICE that an Annual and Special Meeting of Shareholders (the "**Meeting**") of Defiance Silver Corp. (the "**Company**") will be held by means of remote communication, rather than in person:

Date: December 4, 2026

Time: 10:00 a.m. (Pacific Time) The purposes of the Meeting are:

1. To receive and consider the financial statements of the Company for the fiscal year ended June 30, 2026 and the auditor's report thereon;

2. To fix the number of directors for the ensuing year at five (5), subject to such increases as may be permitted by the Notice of Articles and Articles of the Company;

3. To elect the directors of the Company;

4. To appoint the auditor and authorize the directors to fix its remuneration;

5. To consider, and if deemed advisable to adopt, a resolution annexed as Schedule "C" to the Information Circular, ratifying and confirming the Corporation's 2021 Omnibus Plan;

6. To transact such other business as may properly be brought before the Meeting.

The Company is conducting a virtual meeting of the shareholders of the Company. **Shareholders will not be able to attend the Meeting in person**. Instead, Registered Shareholders (as defined in the accompanying Circular under the heading "Appointment and Revocation of Proxies") and duly appointed proxyholders can virtually attend, participate, vote or submit questions at the virtual Meeting online **by registering before December 1, 2026 at the following link**:

2026 Annual Meeting Registration

After registering by completing the online survey, you will receive a confirmation email with access instructions.

To ensure a smooth process, the Company is asking registered participants to log in by 9:45 a.m. (Pacific Time) on December 4, 2026.

Just as they would be at an in-person meeting, Registered Shareholders and duly appointed proxyholders will be able to attend the virtual Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the accompanying Circular. Registered Shareholders who are unable to attend the virtual Meeting are requested to complete, sign and date the accompanying form of proxy in accordance with the instructions provided therein and in the Circular and return it in accordance with the instructions and timelines set forth in the Circular. Non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as "guests", but will not be able to participate, submit questions or vote at the virtual Meeting.

If you are unable to attend the Meeting virtually, please date, complete and sign the enclosed form of proxy and deliver it to TSX Trust Corporation either by mail, by facsimile, or over the internet. Proxies must be received by TSX Trust Company, the Company's transfer agent and registrar (the "**Transfer Agent**"), if by mail at Suite 301 - 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, or (ii) by facsimile to 416-595-9593. A shareholder may also vote using the Internet at www.voteproxyonline.com. In order to be valid and acted upon at the Meeting, the form of proxy must be received no later than 10:00 a.m. (Pacific Time) on December 2, 2026.

DATED at Vancouver, British Columbia October 23, 2026.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Christopher Wright
Christopher Wright
President and Chief Executive Officer

INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 4, 2026

This information is given as of October 20, 2026 (the "**Record Date**") unless otherwise noted.

PERSONS MAKING THE SOLICITATION

This Information Circular is furnished in connection with the solicitation of proxies by the management of DEFIANCE SILVER CORP. (the "**Company**") for use at the Annual General and Special Meeting (the "**Meeting**") of the shareholders of the Company, to be held on **Friday, December 4, 2026**, at the time and location and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company. All costs of this solicitation will be borne by the Company.

The Company is conducting a virtual meeting of the shareholders of the Company. **Shareholders will not be able to attend the Meeting in person**. Instead, Registered Shareholders (as defined in the accompanying Circular under the heading "Appointment and Revocation of Proxies") and duly appointed proxyholders can virtually attend, participate, vote or submit questions at the virtual Meeting online **by registering before December 1, 2026 at the following link**:

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APPOINTMENT AND REVOCATION OF PROXIES

Shareholders who do not attend the Meeting virtually may vote by proxy if the shareholder is a registered shareholder, either by mail, by facsimile, or over the internet. Proxies must be received by TSX Trust Company, the Company's transfer agent and registrar (the "**Transfer Agent**"), if by mail at Suite 301 - 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, or by facsimile or over the internet, as set out on the proxy, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment thereof, or delivering it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting.

A proxy must be executed by the registered shareholder or his, her or its attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized. If the form of Proxy is executed by an attorney for an individual shareholder or by an attorney of a shareholder that is a corporation or association, the instrument so empowering the attorney, as the case may be, or a notarial copy thereof, must accompany the form of Proxy. If not dated, the Proxy will be deemed to have been dated the date that it is mailed to shareholders.

A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for such shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy. If you are returning your Proxy to the Transfer Agent, such right may be exercised by inserting in the blank space provided in the enclosed form of Proxy the name of the person to be designated or by completing another proper form of Proxy and delivering it to Transfer Agent as provided above, or to the Chairman of the Meeting

Proxies given by shareholders for use at the Meeting may be revoked prior to their use:

(a) by depositing an instrument in writing executed by the shareholder or by such shareholder's attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing at the registered office, Suite 2900 – 550 Burrard Street, Vancouver, BC, V6C 0A3, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof;

(b) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or

(c) in any other manner permitted by law.

Only registered shareholders have the right to revoke a Proxy. Non-registered shareholders that wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact the Transfer Agent or their intermediary to arrange to change their voting instructions.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the common shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. The common shares represented by the proxy will be voted or withheld from voting 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 on, the common shares will be voted accordingly. **In the absence of such direction, where the management nominees are appointed as proxyholder, such common shares will be voted in favour of the passing of the matters set out in the Notice and for the nominees of management for directors and auditor. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Information Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Company should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Some shareholders of the Company are "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. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of the person (the "**Non-Registered Shareholder**") but which are registered in the name of an intermediary (the "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the shares. 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 in the name of a clearing agency (such as The Canadian Depository of Securities Limited) of which the Intermediary is a participant.

There are two kinds of Non-Registered Shareholders – those who object to their name being made known to the Company (called OBOs for "**Objecting Beneficial Owners**") and those who do not object to the Company knowing who they are (called NOBOs for "**Non-Objecting Beneficial Owners**").

The Company takes advantage of certain provisions of NI 54-101 which permit the Company to directly deliver proxy related materials to NOBOs who have not waived the right to receive them. As a result, NOBOs can expect to receive a scannable VIF from the Transfer Agent, together with this the Notice of Meeting and the Information Circular. These VIFs are to be completed and returned to the Transfer Agent in accordance with the instructions. The Transfer Agent is required to follow the voting instructions properly received from NOBOs. The Transfer Agent will tabulate the results of the VIFs received from NOBOs and will provide voting instructions at the Meeting with respect to the common shares represented by the VIFs they receive. If the VIF is executed by an attorney for an individual shareholder or by an officer or attorney of a shareholder that is a company or association, documentation evidencing the power to execute the VIF may be required with signing capacity stated. If you are a Non-Registered Shareholder, and the Company has sent these proxy related materials directly to you, your name and address and information about your holdings of common shares have been obtained in accordance with applicable securities requirements from the Intermediary on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF or voting instruction form.

The Company has distributed the Notice of Meeting and the Information Circular to the Intermediaries for onward distribution to OBOs. Intermediaries are required to forward the Notice of Meeting and the Information Circular to OBOs. Very often, Intermediaries will use service companies to forward the Notice of Meeting and the Information Circular to OBOs. With the Notice of Meeting and the Information Circular, Intermediaries or their service companies should provide OBOs with a "request for voting instruction form" which, when properly completed and signed by such OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the common shares that they beneficially own. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by OBOs in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to an OBO by its Intermediary is identical to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the OBOs. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Investor Services Inc. ("**Broadridge**"). Broadridge typically mails the voting instruction forms or proxy forms to the OBOs and asks the OBOs to return the forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. An OBO receiving a proxy or voting instruction form from Broadridge cannot use that proxy to vote common shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the common shares voted. The Company will not pay for an Intermediary to deliver proxy related materials and voting instruction forms to OBOs. If you are a Non-Registered Shareholder who is an OBO, you will not receive the materials unless your Intermediary assumes the costs of delivery.

Although Non-Registered Shareholders may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of their Intermediary, a Non-Registered Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their common shares in that capacity by following the procedures below.

Should a NOBO wish to attend and vote at the Meeting virtually, the NOBO must insert his or her name (or the name of the person that the NOBO wants to attend and vote on the NOBO's behalf) in the space provided on the VIF and return it to the Company or its transfer agent. If the Company receives a written request that the NOBO or its nominee be appointed as proxyholder, if management is holding a proxy with respect to common shares beneficially owned by such NOBO, the Company will arrange, without expense to the NOBO, to appoint the NOBO or its nominee as proxyholder in respect of those common shares. Under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators ("**NI 54-101**"), unless corporate law does not allow it, if the NOBO or its nominee is appointed as proxyholder by the Company in this manner, the

NOBO or its nominee, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of management in respect of all matters that come before the meeting and any adjournment or postponement of the meeting. If the Company receives such instructions at least one business day before the deadline for submission of proxies, it is required to deposit the proxy within that deadline, in order to appoint the NOBO or its nominee as proxyholder. **If a NOBO requests that the NOBO or its nominee be appointed as proxyholder, the NOBO or its appointed nominee, as applicable, will need to attend the meeting virtually in order for the NOBOs vote to be counted.**

Should an objecting beneficial owner (an "**OBO**") wish to attend and vote at the Meeting virtually, the OBO should insert his or her name (or the name of the person the OBO wants to attend and vote on the OBO's behalf) in the space provided for that purpose on the request for voting instructions form and return it to the OBO's Intermediary or send the Intermediary another written request that the OBO or its nominee be appointed as proxyholder. The Intermediary is required under NI 54-101 to arrange, without expense to the OBO, to appoint the OBO or its nominee as proxyholder in respect of the OBO's common shares. Under NI 54-101, unless corporate law does not allow it, if the Intermediary makes an appointment in this manner, the OBO or its nominee, as applicable, must be given authority to attend, vote and otherwise act for and on behalf of the Intermediary (who is the registered shareholder) in respect of all matters that come before the meeting and any adjournment or postponement of the meeting. An Intermediary who receives such instructions at least one business day before the deadline for submission of proxies is required to deposit the proxy within that deadline, in order to appoint the OBO or its nominee as proxyholder. **If an OBO requests that an Intermediary appoint the OBO or its nominee as proxyholder, the OBO or its appointed nominee, as applicable, will need to attend the meeting virutally in order for the OBOs vote to be counted.**

OBOs should carefully follow the instructions of their Intermediary, including those regarding when and where the completed request for voting instructions is to be delivered. Only registered shareholders have the right to revoke a proxy. OBOs who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set out above.

Shareholders with questions respecting the voting of shares held through an Intermediary should contact that Intermediary for assistance.

All references to shareholders in this Information Circular and the accompanying form of proxy and Notice are to shareholders of record unless specifically stated otherwise.

United States Shareholders

This solicitation of proxies involves securities of a corporation located in Canada and is being affected in accordance with the corporate laws of the province of British Columbia, Canada and provincial or territorial securities laws of the applicable Canadian jurisdictions. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of the applicable provincials and territories of Canada differ from the disclosure and proxy solicitation requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), some of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

NOTICE-AND-ACCESS

National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations* allow for the use of the notice and access system for the delivery to shareholders of certain materials, including notice of meeting, management information circular, annual

financial statements and management's discussion and analysis (collectively, the "**Meeting Materials**") by reporting issuers.

Under the notice and access system, reporting issuers are permitted to deliver the Meeting Materials by posting them on SEDAR+ at www.sedarplus.ca as well as a website other than SEDAR+ and sending a notice package to shareholders that includes: (i) the relevant form of proxy or voting instruction form; (ii) basic information about the meeting and the matters to be voted on; (iii) instructions on how to obtain a paper copy of the Meeting Materials; and (iv) a plain language explanation of how the notice and access system operates and how the Meeting Materials can be accessed online.

As described in the Notice and Access Notification to be mailed to the Shareholders of the Company on or about November 4, 2026 the Company has elected to deliver its Meeting Materials to Beneficial Holders using the notice and access system. These Beneficial Shareholders will receive a notice and access notification which will contain the prescribed information. Registered Shareholders and those Beneficial Holders with existing instructions on their account to receive printed materials will receive a printed copy of the Meeting Materials with the notice package.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Company consists of an unlimited number of common shares without par value. As at the Record Date, 376,508,803 common shares were issued and outstanding. The above information was provided by management of the Company and the Company's registrar and transfer agent as of the Record Date.

The Company has fixed the close of business on the Record Date for the purposes of determining shareholders entitled to receive the Notice and vote at the Meeting. At the Meeting of the Company, on a show of hands, every shareholder present shall have one vote and, on a poll, every shareholder shall have one vote for each common share of which he, she or it is the holder. The Company has no other classes of voting securities.

In accordance with the provisions of the *Business Corporations Act* (British Columbia), the Company will prepare a list of the holders of common shares on the Record Date. Each holder of common shares named on the list will be entitled to vote the common shares shown opposite his, her or its name on the list at the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company

VOTES NECESSARY TO PASS RESOLUTIONS

Under the Company's Articles, the quorum for the transaction of business at a meeting of shareholders is one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, hold at least 5% of the issued common shares entitled to be voted at the Meeting. A simple majority of the votes cast in respect of a motion is required to pass an ordinary resolution. A majority of two-thirds of the votes cast in respect of a motion is required to pass a special resolution. There are no special resolutions proposed at this Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed elsewhere in this Information Circular, none of the current directors or executive officers, no proposed nominee for election as a director, none of the persons who have been directors or executive officers since the commencement of the last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, save and except for those matters pertaining to the election of directors and the Company's omnibus equity incentive plan (the "**Omnibus Plan**").

STATEMENT OF EXECUTIVE COMPENSATION

For the purpose of this Information Circular:

"**CEO**" means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**CFO**" means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

"**Named Executive Officer**" or "**NEO**" means:

(a) a CEO;

(b) a CFO;

(c) the Company's most highly compensated executive officer, including any of the Company's subsidiaries, or the most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than $150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and

(d) each individual who would be a NEO under paragraph (c) 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.

During the financial year ended June 30, 2026, the Company had six Named Executive Officers, namely

- Christopher Wright (President and CEO since June 25, 2019)
- Douglas Cavey (Executive Vice President since February 1, 2023)
- George Cavey (VP of Exploration since October 27, 2020)
- Oleg Shcherbyna (Chief Financial Officer since May 3, 2023)
- Lisa Thompson (Corporate Secretary since May 3, 2023)
- Armando Vazquez (VP Operations since May 1, 2025)

All dollar amounts referenced herein are Canadian Dollars unless otherwise specified.

Oversight and Description of Director and Named Executive Officer Compensation

The directors decide as a Board the compensation for the Company's directors and officers. The directors currently do not receive any remuneration for their acting in such capacity.

The Company has a compensation committee comprising of James Bergin and Ronald Sowerby (the "**Compensation Committee**").

The Compensation Committee is responsible for assisting the board of directors (the "**Board**") in monitoring, reviewing and approving compensation policies and practices of the Company and its subsidiaries and administering the Omnibus Plan. With regard to the CEO, the Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to the CEO's compensation, evaluating the CEO's performance in light of those goals and objectives and making recommendations to the Board with respect to the CEO's compensation level based on this evaluation. In consultation with the CEO, the Compensation Committee makes recommendations to the Board on the framework of executive remuneration and its cost and on specific remuneration packages for each of the directors and officers other than the CEO, including recommendations regarding awards under equity compensation plans.

The Compensation Committee has the authority to engage and compensate, at the expense of the Company, any outside advisor that it determines to be necessary to permit it to carry out its duties (including compensation consultants and advisers), but it did not retain any such outside consultants or advisors during the financial year ended June 30, 2026.

General Compensation Strategy

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.

When determining compensation policies and individual compensation levels for the Company's executive officers, the Company takes into consideration a variety of factors, including the overall financial and operating performance of the Company, and the Board's overall assessment of:

(a) each executive officer's

(i) individual performance and contribution towards meeting corporate objectives,

(ii) level of responsibility,

(iii) length of service; and

(b) industry comparables.

The Board also considers the Company's financial situation. In keeping with the Company's philosophy to link senior executive compensation to corporate performance and to motivate senior executives to achieve exceptional levels of performance, the Company has adopted a model that includes both base salary or consulting fees and "at-risk" compensation, comprised of participation in the Company's former option plan (the "**Former Option Plan**")or in the Omnibus Plan (as defined below), if approved by the Disinterested Shareholders. In addition, the Company may award performance bonuses based on executives meeting short and long term performance milestones.

Base Salary - Fees

Base salary and consulting fee levels reflect the fixed component of pay that compensates executives for fulfilling their roles and responsibilities and assists in the attraction and retention of highly qualified executives. Base salaries are reviewed annually to ensure that they reflect each respective executive's performance and experience in fulfilling his or her role and to ensure executive retention. Currently base salaries and consulting fees are set at below industry standard levels to make more capital available for development of the Company's business. Compensation is made up with the provision of compensation securities (see below for description). Salary and consulting fee levels will be reviewed and revised as the Company grows.

Omnibus Equity Incentive Plan – Long Term Incentive Granting Process

Effective 2021, the Board adopted the 2021 Omnibus Equity Incentive Plan (the "**Omnibus Plan**"), which was approved by the disinterested shareholders of the Company at the annual and special meeting of shareholders of the Company held on December 8, 2021. The Board determined it was in the best interests of the Company to adopt the Omnibus Plan, in order to provide the Board with the ability and flexibility to make broader and different forms of equity rewards as part of its need to retain a competitive compensation structure for its directors, officers, executives, employees, consultants and service providers.

Under the Omnibus Plan, the Board is authorized to grant Options, Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**") and Deferred Share Units ("**DSUs**") to directors, officers, employees, management company employees and consultants of the Company and/or its subsidiaries ("**Eligible Participants**", and when such Eligible Participants are granted Awards, the "**Participants**") in order to attract, retain and motivate such persons as individuals whose skills, performance and loyalty to the objectives and interests of the Company are necessary to the Company's success, to incentivize them to continue their services for the Company, and to align their interests with those of the Company.

At the Company's annual general meeting held on December 8, 2021, disinterested shareholders approved certain amendments to the Omnibus Plan in connection with amendments to the TSX Venture Exchange (the "**TSXV**") policy and at the Company's annual general meeting held on December 8, 2022, disinterested shareholders approved further amendments to the Omnibus Plan to address certain deficiencies in equity compensation grants.

The Plan was last approved by disinterested shareholders on December 5, 2025.

Director and Named Executive Officer Compensation

The following table (presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* of the Canadian Securities Administrators) sets forth all annual and long term compensation for services paid to or earned by each NEO and director for the two most recently completed financial years ended June 30, 2026 and June 30, 2025 excluding compensation securities.

Name and position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Christopher Wright[1] *President, CEO and Director*	2026 2025	240,000 240,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	240,000 240,000
Douglas Cavey *Executive VP*	2026 2025	Nil Nil	Nil Nil	Nil Nil	Nil Nil	330,400[2] 207,000[2]	330,400 207,000
George Cavey *VP Exploration and Director*	2026 2025	Nil Nil	Nil Nil	Nil Nil	Nil Nil	119,300[2] 91,100[2]	119,300 91,100
Paul A. Smith *Director*	2026 2025	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Ronald E. Sowerby *Director*	2026 2025	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
James Bergin *Director*	2026 2025	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Oleg Shcherbyna *CFO*	2026 2025	145,200 135,000	Nil N/A	Nil N/A	Nil N/A	Nil N/A	145,200 135,000
Lisa Thompson[3] *Corporate Secretary*	2026 2025	38,021 45,960	Nil N/A	Nil N/A	Nil N/A	Nil N/A	38,021 45,960
Armando Vazquez[4] *VP Operations*	2026 2025	Nil Nil	Nil Nil	Nil Nil	Nil Nil	330,400[2] 243,000[2]	330,400 243,000

1. Paid to 6251285 Canada Inc., a private company controlled by Christopher Wright.
2. Represents consulting fees invoiced to the Company by Orequest Consultants Ltd. ("Orequest"), a private company controlled by George Cavey, for services provided by George Cavey, Douglas Cavey and Armando Vazquez, among others. The amounts disclosed are based on the fees separately identified by Orequest for services attributable to each individual and do not necessarily represent the compensation paid by Orequest to those individuals. No fees are paid directly by the Company to these individuals in their capacities

as officers or directors of the Company.

3. Fees are paid to Meraki Corporate Services Inc., a private company of which Ms. Thompson is a founder.
4. Mr. Vazquez was appointed VP Operations on May 1, 2025.

Compensation Securities

The following table sets forth all compensation securities granted or issued to each NEO and director by the Company in the financial years ended June 30, 2026 and June 30, 2025 for services provided or to be provided, directly or indirectly, to the Company:

Name and position	Year	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class[3] (#)	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry Date
Christopher Wright *President, CEO and Director*	2026	Stock Options[1]	639,000 (3.34%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		523,130 (3.13%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	60,000 (3.64%)	Feb 11, 2026	N/A	$0.35	$0.175	N/A
	2025		139,500 (10.27%)	Feb 27, 2025	N/A	$0.22	$0.23	N/A
	2026	Performance Share Units	286,000 (55.75%)	Feb 11, 2026	N/A	$0.35	$0.175	Feb 11, 2036
	2025		25,000 (45.45%)	Feb 27, 2025	N/A	$0.22	$0.23	Feb 27, 2035
	2026	Restricted Share Units[2]	86,000 (6.50%)	Feb 11, 2026	N/A	$0.35	$0.175	Feb 11, 2036
	2025		139,500 (13.82%)	Feb 27, 2025	N/A	$0.22	$0.23	Feb 27, 2035
Douglas Cavey *Executive VP*	2026	Stock Options[1]	400,000 (2.09%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		320,000 (1.91%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	Nil	Nil	Nil	Nil	Nil	Nil
	2025		Nil	Nil	Nil	Nil	Nil	Nil
	2026	Performance Share Units	143,000 (27.88%)	Feb 11, 2026	N/A	$0.35	$0.175	Feb 11, 2036
	2025		Nil	Nil	Nil	Nil	Nil	Nil
	2026	Restricted Share Units[2]	60,000 (4.53%)	Feb 11, 2026	N/A	$0.35	$0.175	Feb 11, 2036
	2025		77,500 (7.68%)	Feb 27, 2025	N/A	$0.22	$0.23	Feb 27, 2035
Paul A. Smith *Director*	2026	Stock Options[1]	139,000 (0.73%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		124,380 (0.74%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	60,000 (3.64%)	Feb 11, 2026	N/A	$0.35	$0.175	N/A
	2025		112,500 (8.28%)	Feb 27, 2025	N/A	$0.22	$0.23	N/A
	2026	Performance Share Units	Nil	Nil	Nil	Nil	Nil	Nil
	2025		Nil	Nil	Nil	Nil	Nil	Nil
	2026		Nil	Nil	Nil	Nil	Nil	Nil

Name and position	Year	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class[3] (#)	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry Date
	2025	Restricted Share Units[2]	Nil	Nil	Nil	Nil	Nil	Nil

Name and position	Year	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class[3] (#)	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry Date
Ronald E. Sowerby *Director*	2026	Stock Options[1]	139,000 (0.73%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		157,305 (0.94%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	60,000 (3.64%)	Feb 11, 2026	N/A	$0.35	$0.175	N/A
	2025		139,500 (10.27%)	Feb 27, 2025	N/A	$0.22	$0.23	N/A
	2026	Performance Share Units	Nil	Nil	Nil	Nil	Nil	Nil
	2025		Nil	Nil	Nil	Nil	Nil	Nil
	2026	Restricted Share Units[2]	Nil	Nil	Nil	Nil	Nil	Nil
	2025		Nil	Nil	Nil	Nil	Nil	Nil
James Bergin *Director*	2026	Stock Options[1]	139,000 (0.73%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		157,305 (0.94%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	60,000 (3.64%)	Feb 11, 2026	N/A	$0.35	$0.175	N/A
	2025		139,500 (10.27%)	Feb 27, 2025	N/A	$0.22	$0.23	N/A
	2026	Performance Share Units	Nil	Nil	Nil	Nil	Nil	Nil
	2025		Nil	Nil	Nil	Nil	Nil	Nil
	2026	Restricted Share Units[2]	Nil	Nil	Nil	Nil	Nil	Nil
	2025		Nil	Nil	Nil	Nil	Nil	Nil
Oleg Shcherbyna *CFO*	2026	Stock Options[1]	200,000 (1.05%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		180,000 (1.08%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	Nil	Nil	Nil	Nil	Nil	Nil
	2025		Nil	Nil	Nil	Nil	Nil	Nil
	2026	Performance Share Units	29,000 (5.65%)	Feb 11, 2026	N/A	$0.35	$0.175	Feb 11, 2036
	2025		30,000 (54.55%)	Feb 27, 2025	N/A	$0.22	$0.23	Feb 27, 2035
	2026	Restricted Share Units[2]	40,000 (3.02%)	Feb 11, 2026	N/A	$0.35	$0.175	Feb 11, 2036
	2025		100,000 (9.91%)	Feb 27, 2025	N/A	$0.22	$0.23	Feb 27, 2035
George Cavey *Director and VP, Exploration*	2026	Stock Options[1]	460,000 (2.41%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		354,380 (2.12%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	49,000 (2.97%)	Feb 11, 2026	N/A	$0.35	$0.175	N/A
	2025		112,500 (8.28%)	Feb 27, 2025	N/A	$0.22	$0.23	N/A
	2026	Performance Share Units	Nil	Nil	Nil	Nil	Nil	Nil
	2025		Nil	Nil	Nil	Nil	Nil	Nil
	2026	Restricted Share Units[2]	50,000 (3.78%)	Feb 11, 2026	N/A	$0.35	$0.175	Feb 11, 2036

Name and position	Year	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class[3] (#)	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry Date
	2025		70,000 (6.94%)	Feb 27, 2025	N/A	$0.22	$0.23	Feb 27, 2035
Lisa Thompson *Corporate Secretary*	2026	Stock Options[1]	29,000 (0.15%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		20,000 (0.12%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	N/A	N/A	N/A	N/A	N/A	N/A
	2025		N/A	N/A	N/A	N/A	N/A	N/A
	2026	Performance Share Units	N/A	N/A	N/A	N/A	N/A	N/A
	2025		N/A	N/A	N/A	N/A	N/A	N/A
	2026	Restricted Share Units[2]	N/A	N/A	N/A	N/A	N/A	N/A
	2025		N/A	N/A	N/A	N/A	N/A	N/A
Armando Vazquez *VP Operations*	2026	Stock Options[1]	250,000 (1.31%)	Feb 11, 2026	$0.35	$0.35	$0.175	Feb 11, 2031
	2025		150,000 (0.90%)	Feb 27, 2025	$0.22	$0.22	$0.23	Feb 27, 2030
	2026	Deferred Share Units	N/A	N/A	N/A	N/A	N/A	N/A
	2025		N/A	N/A	N/A	N/A	N/A	N/A
	2026	Performance Share Units	N/A	N/A	N/A	N/A	N/A	N/A
	2025		N/A	N/A	N/A	N/A	N/A	N/A
	2026	Restricted Share Units[2]	40,000 (3.02%)	Feb 11, 2026	N/A	$0.35	$0.175	Feb 11, 2036
	2025		30,000 (2.97%)	Feb 27, 2025	N/A	$0.22	$0.23	Feb 27, 2035

1. Vests 1/3 on date of grant, 1/3 on the first anniversary date and 1/3 on the second anniversary date.
2. Vests 1/3 on first anniversary date, 1/3 on second anniversary date and 1/3 on third anniversary date.
3. Percentages are calculated by dividing the number of awards disclosed for each individual grant by the total number of outstanding awards of the same type reported in their respective year end. For 2026, 19,116,067 stock options, 1,647,500 DSUs, 513,000 PSUs and 1,323,085 RSUs. For 2025, 16,726,900 stock options, 1,358,500 DSUs, 55,000 PSUs and 1,009,085 RSUs. The outstanding totals are reported as at the respective circular dates, not June 30. These percentages are not percentages of issued and outstanding common shares.

Maturity or Exercise of Compensation Securities by Directors and NEOs

The following table discloses the maturity or exercise by a director or NEO of compensation securities during the financial years ended June 30, 2026 and June 30, 2025.

Name and position	Year	Type of compensation security	Number of underlying securities exercised or matured (#)	Exercise price per security ($)	Date of Exercise or Maturity	Closing price per security on date of exercise or maturity ($)	Difference between exercise price and closing price on date of exercise ($)	Total value on exercise or maturity date ($)
Christopher Wright President, CEO and Director	2026	Stock Options	3,884,254	0.33	11-Feb-26	0.35	n/a	nil
	2025		3,258,544	0.35	27-Feb-25	0.22	n/a	423,611
	2026	Deferred Share Units	Nil	n/a	n/a	n/a	n/a	n/a
	2025		Nil	n/a	n/a	n/a	n/a	n/a
	2026	Performance Share Units	25,000	n/a	11-Feb-26	0.35	n/a	8,750
	2025		25,000	n/a	27-Feb-25	0.22	n/a	5,500
	2026	Restricted Share Units	131,501	n/a	11-Feb-26	0.35	n/a	46,025
	2025		118,334	n/a	27-Feb-25	0.22	n/a	26,033

Name and position	Year	Type of compensation security	Number of underlying securities exercised or matured (#)	Exercise price per security ($)	Date of Exercise or Maturity	Closing price per security on date of exercise or maturity ($)	Difference between exercise price and closing price on date of exercise ($)	Total value on exercise or maturity date ($)
Oleg Shcherbyna CFO	2026	Stock Options	386,667	0.22	11-Feb-26	0.35	n/a	nil
	2025		193,333	0.19	27-Feb-25	0.22	n/a	nil
	2026	Performance Share Units	30,000	n/a	11-Feb-26	0.35	n/a	10,500
	2025		20,000	n/a	27-Feb-25	0.22	n/a	4,400
	2026	Restricted Share Units	59,166	n/a	11-Feb-26	0.35	n/a	20,708
	2025		25,833	n/a	27-Feb-25	0.22	n/a	5,683
Douglas Cavey Executive VP	2026	Stock Options	1,640,834	0.42	11-Feb-26	0.35	n/a	114,858
	2025		1,677,500	0.48	27-Feb-25	0.22	n/a	436,150
	2026	Restricted Share Units	97,500	n/a	11-Feb-26	0.35	n/a	34,125
	2025		105,000	n/a	27-Feb-25	0.22	n/a	23,100
Paul A. Smith Director	2026	Stock Options	719,253	0.31	11-Feb-26	0.35	n/a	nil
	2025		574,793	0.33	27-Feb-25	0.22	n/a	63,227
	2026	Deferred Share Units	nil	n/a	n/a	n/a	n/a	n/a
	2025		nil	n/a	n/a	n/a	n/a	n/a
Ronald E. Sowerby Director	2026	Stock Options	878,703	0.31	11-Feb-26	0.35	n/a	nil
	2025		708,268	0.33	27-Feb-25	0.22	n/a	77,909
	2026	Deferred Share Units	nil	n/a	n/a	n/a	n/a	n/a
	2025		nil	n/a	n/a	n/a	n/a	n/a
Dunham Craig Director	2026	Stock Options	420,000	0.38	27-Feb-25	0.35	n/a	12,600
	2025		420,000	0.38	27-Feb-25	0.22	n/a	67,200
	2026	Deferred Share Units	nil	n/a	n/a	n/a	n/a	n/a
	2025		nil	n/a	n/a	n/a	n/a	n/a
James Bergin Director	2026	Stock Options	1,028,703	0.32	11-Feb-26	0.35	n/a	nil
	2025		858,268	0.33	27-Feb-25	0.22	n/a	94,409
	2026	Deferred Share Units	nil	n/a	n/a	n/a	n/a	n/a
	2025		nil	n/a	n/a	n/a	n/a	n/a
George Cavey VP of Exploration and Director	2026	Stock Options	1,471,671	0.38	11-Feb-26	0.35	n/a	44,150
	2025		1,393,544	0.45	27-Feb-25	0.22	n/a	320,515
	2026	Deferred Share Units	nil	n/a	11-Feb-26	n/a	n/a	n/a
	2025		nil	n/a	27-Feb-25	n/a	n/a	n/a
	2026	Restricted Share Units	77,500	n/a	11-Feb-26	0.35	n/a	27,125
	2025		81,250	n/a	27-Feb-25	0.22	n/a	17,875
Lisa Thompson Corporate Secretary	2026	Stock Options	23,001	0.27	11-Feb-26	0.35	n/a	nil
	2025		6,667	0.22	27-Feb-25	0.22	n/a	nil
Armando Vazquez VP Operations	2026	Stock Options	387,500	0.25	11-Feb-26	0.35	n/a	nil
	2025		527,500	0.34	27-Feb-25	0.22	n/a	63,300

1. Compensation securities have matured (vested) but are not exercised

The following table discloses the total and exercisable number of compensation securities, and underlying securities, held by each named executive officer or director at June 30, 2026 and June 30, 2025.

Name and position	Year ended June 30,	Type of compensation security	Number of compensation securities (#)	Number of underlying securities matured or exercisable (#)
Christopher Wright *President, CEO and Director*	2026 2025	Stock Options	4,484,630 3,845,630	3,884,254 3,258,544
	2026 2025	Restricted Share Units	230,666 255,001	nil nil
	2026 2025	Performance Share Units	286,000 25,000	nil nil
	2026 2025	Deferred Share Units	354,500 294,500	nil nil
Douglas Cavey *Executive VP*	2026 2025	Stock Options	1,747,500 1,997,500	1,640,834 1,677,500
	2026 2025	Restricted Share Units	77,500 202,500	nil nil
	2026 2025	Performance Share Units	143,000 nil	nil nil
Paul A. Smith *Director*	2026 2025	Stock Options	853,380 714,380	719,253 574,793
	2026 2025	Deferred Share Units	297,500 237,500	nil nil
Ronald E. Sowerby *Director*	2026 2025	Stock Options	1,023,805 727,500	878,703 538,333
	2026 2025	Deferred Share Units	354,500 294,500	nil nil
James Bergin *Director*	2026 2025	Stock Options	1,173,805 1,034,805	1,028,703 858,268
	2026 2025	Deferred Share Units	354,500 294,500	nil nil
George Cavey *VP of Exploration and Director*	2026 2025	Stock Options	1,663,130 1,763,130	1,471,671 1,393,544
	2026 2025	Restricted Share Units	73,751 162,501	nil nil
	2026 2025	Deferred Share Units	286,500 237,500	nil nil
Oleg Shcherbyna *CFO*	2026 2025	Stock Options	580,000 380,000	386,667 193,333
	2026 2025	Restricted Share Units	132,501 77,500	nil nil
	2026 2025	Performance Share Units	29,000 20,000	nil nil
Lisa Thompson Corporate Secretary	2026 2025	Stock Options	49,000 20,000	23,001 6,667
Armando Vazquez VP Operations	2026 2025	Stock Options	437,500 677,500	387,500 527,500

Omnibus Plan

The long-term component of compensation for directors and officers, including the NEOs, is based on Security-Based Compensation Awards. This component of compensation is intended to reinforce management's commitment to long term improvements in the Company's performance.

The Board believes that incentive compensation in the form of Security-Based Compensation Awards which vest over time, is and has been beneficial and necessary to attract and retain both senior executives and managerial talent at other levels. Furthermore, the Board believes Security-Based Compensation Awards are an effective long-term

incentive vehicle because they are directly tied to share price over a longer period and motivate executives to deliver sustained long term performance and increase shareholder value, and have a time horizon that aligns with long-term corporate goals.

As part of the Company's evolving compensation practices, the Company adopted the Omnibus Plan on December 8, 2021 as a means to grant or award Security-Based Compensation Awards. The Omnibus Plan replaced the Company's previous stock option plan. The Stock Options issued under the Former Option Plan continued under the Omnibus Plan. In determining individual grants, the Board considers the experience, responsibilities and performance of each recipient of an award under the Omnibus Plan. Previous grants are also taken into consideration during the grant process. A brief summary of the features of all types of Security-Based Compensation Awards is provided below and is qualified in its entirety by the provisions of the Omnibus Plan, a copy of the full text which is attached hereto as Schedule "B".

Stock Options

Participants (as such term is defined in the Omnibus Plan) are eligible to receive grants of Stock Options to acquire shares of the Company at the time of employment or contract, if applicable, and thereafter as determined by the Board.

During the year ended June 30, 2026, the Board granted 2,720,000 Stock Options under the Company's Omnibus Equity Incentive Plan. As of the date of this Circular, there were 17,187,667 Stock Options outstanding.

Deferred Share Units

Directors are eligible to receive grants of DSUs. Directors may elect to receive any part or all of their fees payable in respective of their position as a director as DSUs. Each holder of a DSU is entitled to receive one Common Share for each DSU. The Board believes the granting of DSUs creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of DSUs is intended to reward directors who are responsible for oversight of the management and growth of the Company and to encourage such directors to maintain a long-term vision for the Company to operate in a manner to maximize Shareholder value.

During the year ended June 30, 2026, the Board granted 289,000 Deferred Share Units under the Company's Omnibus Equity Incentive Plan. As of the date of this Circular, there were 1,647,500 Deferred Share Units outstanding.

Performance Share Units

Employees and Directors are eligible to receive grants of PSUs, entitling the holder to receive one Share for each PSU, subject to the achievement or attainment of specific performance criteria ("Performance Criteria") within a specific period ("Performance Cycle"). The number of PSUs and the Performance Criteria which 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. The Board believes the granting of the PSUs incentivizes the attainment of specific goals which support the overall strategies of the Company and creates a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of PSUs is intended to reward those executives who are responsible for the management and growth of the Company and to encourage such executives to develop a long-term vision for the Company to operate in a manner to maximize Shareholder value. By using vesting periods for PSUs in addition to other restrictions, this compensation element is also designed to support long-term retention of valuable employees as well as provide an incentive for the achievement of specific milestones, if applicable.

During the year ended June 30, 2026, the Board granted 458,000 Performance Share Units under the Company's Omnibus Equity Incentive Plan. As of the date of this Circular, there were 458,000 Performance Share Units outstanding.

The key performance index achievements of the grantees is outlined in the table below

Name and position	Individual Performance Achievements
Christopher Wright *President, CEO and Director*	Responsible for all company activities; leading the executive management team and developing the long-term strategies and objectives of the Company. 2026 Achievements: • Project development; • Strong safety record;
Oleg Shcherbyna *CFO*	Responsible for corporate financial activities of the Company including financial reporting, regulatory compliance, taxation, treasury, risk management, insurance, budget, information technology, and human resources. 2026 Achievements: • Project Development • Strong Safety Record

Restricted Share Units

Participants are eligible to receive grants of RSUs, entitling the holder to receive one Share for each RSU, subject to restrictions as the Board may, in its sole discretion, establish in the applicable award agreement. The Board believes the granting of RSUs creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of RSUs is intended to reward those Employees and Directors who are responsible for the management and growth of the Company and to encourage such executives to develop a long-term vision for the Company to operate in a manner to maximize Shareholder value. By using vesting periods for RSUs in addition to other restrictions, this compensation element is also designed to support long term retention of valuable Employees and Directors as well as provide an incentive for the achievement of specific milestones, if applicable.

During the year ended June 30, 2026, the Board granted 314,000 Restricted Share Units under the Company's Omnibus Equity Incentive Plan. As of the date of this Circular, there were 780,751 Restricted Share Units outstanding.

Employment, Consulting and Management Agreements

The material terms of each agreement or arrangement under which compensation was provided during the most recently completed financial years ended June 30, 2026 and June 30, 2025 or is payable in respect of services provided to the Company or any of its subsidiaries that were: (a) performed by a director or NEO; or (b) performed by any other party but are services typically provided by a director or NEO are as follows:

Christopher Wright, as President and CEO since June 25, 2019 has been paid, effective October 1, 2019 as follows:

- A consulting fee of $10,000 per month;

Consulting Agreement effective October 1, 2020 as follows:

- A monthly consulting fee of $15,000 per month plus applicable taxes regardless of how many Services may be provided within a given month.
- Effective January 1, 2022 a monthly consulting fee of $20,000 per month plus applicable taxes regardless of how many Services may be provided within a given month.

- The CEO may terminate their employment at any time by providing the Company at least six (6) months' notice. The Company may, waive or abridge such period of notice at its sole discretion. In that event, the Company will provide Pay in Lieu for the remainder of the CEO Notice Period.
- The Company may terminate this Agreement at any time for Cause.
- The Company may terminate this Agreement without cause. In that event, the CEO will be entitled to receive Pay in Lieu of eighteen (18) months and all unvested stock compensation will immediately vest
- Following a Change in Control, the CEO shall have the right to voluntarily terminate their employment for any reason within 180 days following the effective date of the Change in Control and immediately upon communicating such termination the CEO shall receive the Change in Control Package, as provided in this section. Or, if the Corporation elects to terminate the Executive's employment in the six (6) months prior to, or at the time of, or within one (1) year following the Change in Control, the CEO shall be entitled to receive a package comprised of: (a) Pay in Lieu of twenty-four (24) months and all unvested stock compensation will immediately vest. (the "Change in Control Package").

Douglas Cavey, as *Executive Vice President* and George Cavey, *Vice President of Exploration* receive compensation under an agreement between the Company and OreQuest Consultants Ltd. dated October 10, 2019, pursuant to the following terms :

- Billed hourly based on services provided.
- Termination by the Company of the contract at any time by paying 1 months consulting fee.

Oleg Shcherbyna, as CFO under a services agreement between the Company and Mr. Shcherbyna dated March 1, 2025, has been paid as follows:

- A base monthly consulting fee of $12,100 per month.
- The CFO may terminate their employment at any time by providing the Company at least six (6) months' notice. The Company may, waive or abridge such period of notice at its sole discretion. In that event, the Company will provide Pay in Lieu for the remainder of the CFO Notice Period
- The Company may terminate immediately at any time for Default. Upon termination for Default, Company's only obligation to CFO is to pay CFO the pro-rated portion of Monthly Fee which CFO has earned up to the date of the termination
- The Company may terminate this Agreement at any time for convenience. Upon termination for convenience, Company will pay CFO the Break-Up Fee. Company may, at its sole discretion, pay the Break-Up Fee in a lumpsum or in installments over a period of up to six months.
- Following a Change in Control, CFO will have the right to terminate this Agreement for any reason within 180 days following the effective date of the Change in Control. Immediately upon CFO communicating such termination to Company, Company will pay CFO the Break-Up Fee as a lump sum.

Lisa Thompson, as Corporate Secretary under an administrative services agreement between the Company and Ms. Thompson dated May 1, 2023, has been paid as follows:

- A base monthly consulting fee of $2,500 per month.
- A share fee representing such number of shares in the capital of the Company representing $1,330 per month to be paid semi-annually, subject to TSXV approval.
- Either party may terminate the agreement at any time in the event of the failure of the other party to comply with any written provisions under the agreement, after the 15th day of giving notice.
- Either party may terminate the agreement with 1 months' notice being given.

There are no other agreements or arrangements containing provisions with respect to change of control, severance, termination or constructive dismissal.

Pension disclosure

The Company does not provide any form of pension to any of its directors or Named Executive Officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding the number of common shares to be issued upon the exercise or settlement of outstanding options in connection with the Omnibus Plan as at June 30, 2026:

	Number of Common Shares to be issued upon exercise or maturity of outstanding equity awards #	**Number of Common Shares remaining available for future issuance under the omnibus plan** #
Stock options outstanding as at June 30, 2026	17,187,667	18,534,813
Other equity awards outstanding as at June 30, 2026	2,886,251	19,291,658
Total as at June 30, 2026[1]	20,073,918	**37,826,471**

1. Based on the total number of shares authorized for issuance under the Omnibus Plan at June 30, 2026, less the number of stock options and other equity awards outstanding, as at June 30, 2026.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the last completed financial year was any current director, executive officer or employee or any former director, executive officer or employee of the Company, or any proposed nominee for election as a director of the Company:

(a) indebted to the Company; or

(b) indebted to another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, other than routine indebtedness.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The term "informed person" as defined in National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators means a director or executive officer of the Company, or any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution.

To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction or in any proposed transaction during the last financial year ended June 30, 2026 which has materially affected or will materially affect the Company or any of its subsidiaries, other than as set out below.

AUDIT COMMITTEE

Pursuant to the *Business Corporations Act* (British Columbia) and National Instrument 52-110 *Audit Committees of the Canadian Securities Administrators* ("**NI 52-110**"), the Company is required to have an Audit Committee

comprised of at least three directors, the majority of which must not be officers, or employees, or control persons of the Company.

The Company must also, pursuant to the provisions of NI 52-110, have a written charter, which sets out the duties and responsibilities of its audit committee. The text of the Audit Committee Charter of the Company is provided in Schedule "A". In providing the following disclosure, the Company is relying on the exemption provided under NI 52-110, which allows for the short form disclosure of the audit committee procedures of venture issuers.

Composition of the Audit Committee

The following are the members of the Committee and whether they are executive officers, employees, control persons "independent" or "financially literate":

Name of Member	Independent [(1)]	Financially Literate [(2)]
Ronald E. Sowerby (Chair)	Independent	Financially literate
James R. Bergin	Independent	Financially literate
Paul A. Smith	Independent	Financially literate

1. To be considered independent, a member of the Committee must not have any direct or indirect "material relationship" with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgement, including being or having been in the last three years an employee or full-time executive officer of the Company. Under NI 52-110, a part-time executive officer is deemed to be independent. In addition to the requirements of NI 52-110, the *Business Corporations Act* (British Columbia), requires the Audit Committee to have a majority of members who are not officers or employees of the Company or an affiliate of the Company.
2. To be considered financially literate, a member of the Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

Ronald E. Sowerby – Mr. Sowerby (former CFO of the Company) is a Chartered Professional Accountant (CA) and has acted as director, officer and audit committee member of a number of public companies, including Glentel, Inc. (TSX) of which he was a director from 1989 to 2015.

Paul A. Smith – Mr. Smith obtained an MA in Metallurgy and the Science of Materials from Oxford University in August 1979. He has spent most of his career working in the non-ferrous mining and smelting industry. He was a founding shareholder and Finance Director of Ocean Partners Holdings Limited, a global trader of copper, zinc and lead raw materials until May 2012. Mr. Smith's business knowledge and experience has provided him with an understanding of financial reporting sufficient to enable him to discharge his duties as a member of the Audit Committee.

James Bergin – Mr. Bergin is an accomplished and seasoned executive with over 30 years of experience in financial markets and business building. Mr. Bergin is currently the CIO and President of Hillhead Capital Inc. and brings a wealth of global expertise due to his extensive experience on Wall Street working with premier institutions including Credit Suisse, Barclays Capital and Toronto Dominion Bank. Mr. Bergin also served on the Endowment Committee for the Family and Children's Agency in Connecticut and is a member of the New York Dean's Advisory Counsel for Wilfrid Laurier University, of which he is a graduate.

Audit Committee Oversight

At no time since the commencement of the Company's most recent completed financial year was a recommendation of the 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 exemptions in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), Section 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), Sections 6.1.1(5) (Events Outside Control of Member), or Section (Death, Incapacity or Resignation), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. The Company is relying upon the exemption in section 6.1 of NI 52-110.

Pre-Approval Policies and Procedures

There are no specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last three fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees[1]	Tax Fees[2]	All Other Fees[3]
2026	$65,000	nil	$10,000	nil
2025	$65,000	nil	$10,000	nil
2024	$60,000	nil	$10,000	nil

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
2. Fees charged for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other column.

CORPORATE GOVERNANCE

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. National Policy 58-201 *Corporate Governance Guidelines* of the Canadian Securities Administrators establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. 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.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators ("**NI 58-101**") the Company is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors

The Board is currently composed of five (5) directors, namely Christopher Wright, James Bergin, Paul Smith, Ronald Sowerby, and George Cavey. All of the directors will be standing for re-election as a director of the Company.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NP 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. All of the current and proposed members of the Board are considered

"independent" within the meaning of NI 52-110, except for Christopher Wright and George Cavey. Mr. Wright is not considered to be independent as he is the President and CEO of the Company, and therefore a member of management. Mr. Cavey is not considered to be independent as he is the Vice President of the Company and therefore a member of management. The independent directors will exercise their responsibility for independent oversight of management.

Board consideration and approval is required for all material contracts, business transactions and all debt and equity financing proposals. The Board delegates to management, through the CEO, responsibility for meeting defined corporate objectives, evaluating new business opportunities and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives.

The directors believe that, at this early stage of the Company's development, the current composition of the Board adequately facilitates its exercise of independent supervision over management. The Board anticipates that as the Company matures as a business enterprise, it will identify additional qualified candidates that have experience relevant to the Company's needs, who are independent of management applying the guidelines contained in applicable legislation.

In keeping with its overall responsibility for the stewardship of the Company, the Board is responsible for the integrity of the Company's internal control and management information systems and for the Company's policies respecting corporate disclosure and communications.

Each member of the Board understands that he is entitled, at the cost of the Company, to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances. No director found it necessary to do so during the financial year ended June 30, 2026.

Directorships

None of the Company's current and proposed directors are also directors of other reporting (public) companies.

Orientation and Continuing Education

New directors are briefed on the Company's overall strategic plans, short, medium and long term corporate objectives, financials status, general business risks and mitigation strategies, and existing company policies. There is no formal orientation for new members of the Board. This is considered to be appropriate, given the Company's size and current level of operations, the ongoing interaction amongst the directors and the low director turn-over. However, if the growth of the Company's operations warrants it, it is possible that a formal orientation process would be implemented.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies, particularly in the natural resource sector. Board members are encouraged to communicate with management and auditors to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. The directors are advised that, if a director believes that it would be appropriate to attend any continuing education event for corporate directors, the Company will pay for the cost thereof. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the members of the Board.

Ethical Business Conduct

The Board has not adopted a written Code of Ethical Conduct for its directors, officers and employees at this time. The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates in the best interests of the Company and its shareholders.

In addition, some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities. As such, the Board must comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

Nomination of Directors

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required and a willingness to serve. As the Company progresses as a business enterprise, the Board will consider its size on an annual basis when it considers the number of directors to recommend to shareholders for election at annual general meetings, taking into account the number required to carry out the Board's duties effectively and to maintain diversity of view and experience.

Compensation

The directors decide as a Board the compensation for the Company's officers, at the recommendation of the Compensation Committee, based on industry standards and the Company's financial situation. The directors currently do not receive any remuneration for their acting in such capacity.

Board Committees

The Company has established two committees, presently being the Audit Committee and a Compensation Committee. All Board decisions are made by full board of director meetings or consent resolutions.

Assessments

Neither the Company nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director is informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

MANAGEMENT CONTRACTS

Management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Setting the Number of Directors

The Board presently consists of five (5) directors. It is proposed to set the number of directors for the following year be set at five (5). This requires the approval of the shareholders by an ordinary resolution, which approval will be sought at the Meeting.

If there are more nominees for election as directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled.

B. Election of Directors

Although Management is only nominating five (5) individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by Management will be voted for the nominees listed in this Information Circular. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations or employments during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

Name, Province/State and Country of Residence and Other Positions, if any, held with the Company	Date First Became a Director	Principal Occupation during the past 5 years	Number of Shares[4]
Christopher Wright[1] Quebec, Canada *President, CEO and Director*	May 7, 2019	Founding Partner, President & Director of Windermere Capital (Canada) Inc., an investment firm and portfolio adviser to Windermere Capital (Cayman) Ltd.	2,549,434
James Bergin[2,3] Texas, United States of America *Director*	July 19, 2019	Mr. Bergin is currently the CIO and President of Hillhead Capital Inc., private investment firm specializing in small-to- medium-size businesses	1,147,000
Ronald E. Sowerby[2,3] British Columbia, Canada *Director*	December 10, 2012	Chief Financial Officer of the Company from July 31, 2007 until October 26, 2012. Secretary for the Company from July 20, 2009 until October 26, 2012.	2,714,973
George Cavey British Columbia, Canada *Director and VP Exploration*	October 18, 2023	President of OreQuest Consultants Ltd. since starting it in 1982. OreQuest is a geological consulting company that offers technical consulting and advisory services for mineral exploration and development projects.	1,292,546[6]
Paul Smith[2,3] Bristol, United Kingdom *Director*	November 4, 2014[(7)]	Self-employed consultant. Founding shareholder and Finance Director of Ocean Partners Holdings Limited (July 1996 to May 2012), a global trader of copper, zinc and lead concentrates.	1,360,000

1. Christopher Wright is the President, Director & CEO of Windermere Capital (Canada) Inc. (a portfolio management company). Windermere Capital (Canada) Inc. is engaged as the investment advisor to Windermere Capital (Cayman) Ltd., the investment manager of Windermere Capital Fund SPC. Windermere Capital Fund SPC owns 20,000,000 common shares of the Company.
2. Member of Compensation Committee.
3. Member of Audit Committee.
4. Information as to voting shares beneficially owned, not being within the knowledge of the Company, has been furnished by the respective nominees individually.

5. Of these common shares, 35,100 are held in the name of Windermere Capital Canada Inc.
6. Of these common shares, 952,565 are registered in the name of Orequest Consultants Ltd., a company, of which Mr. Cavey is the President.
7. Mr. Smith was first appointed as a director of the Company on November 4, 2014. Prior to the Company's annual general and special meeting held on December 6, 2024 (the "**2024 Meeting**"), Mr. Smith advised that he would not be standing for re-election and, accordingly, was not nominated for election and was not included in the management information circular for the 2024 Meeting. Following the mailing of the management information circular, Mr. Smith informed the Company of his willingness to continue serving as a director. As a result, he was re-appointed to the board by the directors at a meeting of the board held immediately following the 2024 Meeting, in accordance with the Company's constating documents and applicable corporate law

No proposed director, with its associates or affiliates, beneficially owns, or controls or directs, directly or indirectly, securities carrying 10 per cent or more of the voting rights attached to all voting securities of the Company or of any of its subsidiaries, other than Christopher Wright as described above.

All of the nominees whose names are hereinabove mentioned have previously been elected directors of the Company at a shareholders' meeting for which an information circular was issued.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as disclosed herein, no proposed director is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

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

For the purposes hereof, the term "order" means:

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for more than 30 consecutive days.

No proposed director:

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

(b) has, within 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or has a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Except as disclosed herein, no proposed director has been subject to:

(a) 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

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

C. Appointment of Auditors

Management proposes to nominate Davidson & Company LLP, Chartered Professional Accountants, for re-election as the Company's auditors for the ensuing year. Accordingly, unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the re-appointment of Davidson & Company LLP as auditors of the Company for the financial year ending June 30, 2027 and to authorize the directors to fix the auditors' remuneration.

D. Approval of the Company's 2021 Omnibus Equity Incentive Plan

The Company has adopted the Omnibus Plan, which was approved by the Shareholders on December 8, 2021, as amended and approved on December 8, 2022 and last approved on December 5, 2025. In accordance with the policies of the TSXV, our Omnibus Plan falls under the "10% rolling stock option plan up to 10% and other fixed up to 10%" plan. Accordingly, the TSXV requires us to obtain annual shareholder approval of such plan. **The Omnibus Plan Resolution (refer to "Schedule C" of this Circular) must be passed by a majority of the votes cast at the Meeting by Shareholders**.

Management recommends the approval of Omnibus Plan Resolution as set out in Schedule "C" of this Circular.

OTHER MATTERS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the SEDAR+ website located at www.sedarplus.ca under the Company's profile – Defiance Silver Corp.". The Company's audited financial statements and management discussion and analysis ("**MD&A**") for the financial years ended June 30, 2026 and June 30, 2025 are available for review under the Company's profile on SEDAR+. Shareholders that wish to receive a copy of the Company's financial statements and MD&A may do so by signing the enclosed financial statement request form and returning it to TSX Trust Company, 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1.

BOARD APPROVAL

The contents of this Information Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia October 23, 2026.

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) Christopher Wright
Christopher Wright
President and Chief Executive Officer

SCHEDULE "A"

AUDIT COMMITTEE'S CHARTER

Mandate

The primary function of the audit committee (the "Committee") is to assist 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 Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The 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 systems and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board.

Composition

The Committee shall be comprised of such directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgment as a member of the Committee. At least one member of the Committee should have accounting or related financial management expertise. All members of the Committee that are not financially literate must work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee'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 Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting.

Meetings

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

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

<u>Documents/Reports Review</u>

(a) Review and update this Charter annually.

(b) Review the Company's financial statements, MD&A and any annual and interim filings, 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.

(c) Confirm that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

External Auditors

(a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company.

(b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company, consistent with the 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 the selection and compensation 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 fees 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 Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee. Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the 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.

SCHEDULE "B"

2021 OMNIBUS EQUITY INCENTIVE PLAN

See attached.

DEFIANCE SILVER CORP.

OMNIBUS EQUITY INCENTIVE PLAN

Effective as of December 8, 2021,

As amended on November 3, 2022 and October 21, 2024

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DEFIANCE SILVER CORP.

Omnibus Equity Incentive Plan

ARTICLE 1
PURPOSE

1.1 Purpose

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

1.2 Amendment to Predecessor Plan

This Plan constitutes an amendment to and restatement of the Corporation's Stock Option Plan (the "**Predecessor Plan**"). All outstanding stock options granted under the Predecessor Plan (the "**Predecessor Options**") shall continue to be outstanding as stock options granted under and subject to the terms of this Plan, provided however that if the terms of this Plan adversely alter the terms or conditions, or impair any right of, an Option Holder pursuant to any Predecessor Option, and such Option Holder has not otherwise consented thereto, the applicable terms of the Predecessor Plan shall continue to apply for the benefit of such Option Holder.

ARTICLE 2
INTERPRETATION

2.1 Definitions

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

"**Affiliate**" means any entity that is an "affiliate" for the purposes of National Instrument 45-106 – *Prospectus Exemptions*, as amended from time to time;

"**Award**" means any Option, Deferred Share Unit, Restricted Share Unit or Performance Share Unit granted under this Plan, which may be denominated or settled in Shares, cash or in such other forms as provided for herein;

"**Award Agreement**" means a signed, written agreement between a Participant and the Corporation, in the form or any one of the forms approved by the Plan Administrator, and evidencing the terms and conditions on which an Award has been granted under this Plan (including written or other applicable employment agreements) and which need not be identical to any other such agreements;

"BCA" means the *Business Corporations Act* (British Columbia);

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

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

"**Canadian Taxpayer**" means a Participant that is resident in Canada for purposes of the Tax Act;

"**Cash Fees**" has the meaning set forth in Subsection 5.1(a);

"**Cause**" means, with respect to:

(a) a particular Employee: (1) "cause" as such term is defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Employee; (2) in the event there is no written or other applicable employment agreement between the Corporation or a subsidiary of the Corporation or "cause" is not defined in such agreement, "cause" as such term is defined in the Award Agreement; or (3) in the event neither clause (a) nor (a) apply, then "cause" as such term is defined by applicable law or, if not so defined, such term shall refer to circumstances where an employer can terminate an individual's employment without notice or pay in lieu thereof;

(b) in the case of a Consultant or Investor Relations Service Provider (1) the occurrence of any event which, under the written consulting contract with the Consultant or Investor Relations Service Provider or the common law or the laws of the jurisdiction in which the Consultant or Investor Relations Service Provider provides services, gives the Corporation or any of its Affiliates the right to immediately terminate the consulting contract; or (2) the termination of the consulting contract as a result of an order made by any Regulatory Authority having jurisdiction to so order;

(c) in the case of a Director, ceasing to be a Director as a result of (1) ceasing to be qualified to act as a Director pursuant to the section 124 of the BCA; (2) a resolution having been passed by the shareholders pursuant to section 128(3)(a) of the BCA, or (3) an order made by any Regulatory Authority having jurisdiction to so order; or

(d) in the case of an Officer, (1) cause as such term is defined in the written employment agreement with the Officer or if there is no written employment agreement or cause is not defined therein, the usual meaning of just cause under the common law or the laws of the jurisdiction in which the Officer provides services; or (2) ceasing to be an Officer as a result of an order made by any Regulatory Authority having jurisdiction to so order.

"**Change of Control**" means (i) the acceptance of an offer by a sufficient number of holders of shares of the Corporation to constitute the offeror, together with persons acting jointly or in concert with the offeror, a shareholder of the Corporation being entitled to exercise more than fifty (50%) percent of the voting rights attaching to the outstanding shares (provided that prior to the offer, the offeror was not entitled to exercise more than fifty (50%) percent of the voting rights attaching to the outstanding shares); (ii) the completion of a consolidation, merger or amalgamation of the Corporation with or into any other entity whereby the voting shareholders of the Corporation immediately prior to the consolidation, merger or amalgamation receive less than fifty (50%) percent of the voting rights attaching to the outstanding securities of the consolidated, merged or amalgamated entity; (iii) the completion of a sale whereby all or substantially all of the Corporation's undertakings and assets become the property of any other entity and the voting shareholders of the Corporation immediately prior to that sale hold less than fifty (50%) percent of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale; or (iv) the first day on which a majority of the members of the Board are not current Directors.

Notwithstanding the foregoing, for purposes of any Award that constitutes "deferred compensation" (within the meaning of Section 409A of the Code), the payment of which would be accelerated upon a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction qualifies as "a change in control event" within the meaning of Section 409A of the Code;

"**Commencement Date**" has the meaning set forth in Section 9.1(e);

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

"**Consultant**" means, in relation to the Corporation, an individual (other than a Director, Officer, or Employee of the Corporation or any of its subsidiaries) or company that:

(a) is engaged to provide services on an ongoing bona fide basis, consulting, technical management or other services to the Corporation or to any of its subsidiaries, other than services provided in relation to a Distribution;

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

(c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a subsidiary of the Corporation;

"**Consultant Company**" means a Consultant that is a company;

"**Control**" means:

(a) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other

interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;

(b) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and

(c) when applied in relation to a trust, the beneficial ownership at the relevant time of more than fifty (50%) percent of the property settled under the trust, and

the words "**Controlled by**", "**Controlling**" and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;

"**Corporation**" means Defiance Silver Inc.;

"**Date of Grant**" means, for any Award, the current date or future date specified by the Plan Administrator at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;

"**Deferred Share Unit**" or "**DSU**" means any right granted under Article 5 of this Plan;

"**Director**" means a director of the Corporation who is not an Employee;

"**Director Fees**" means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;

"**Disabled**" or "**Disability**" means, in respect of a Participant, suffering from a state of mental or physical disability, illness or disease that prevents the Participant from carrying out his or her normal duties as an Employee for a continuous period of six months or for any period of 180 days in any consecutive twelve month period, as certified by two medical doctors or as otherwise determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

"**Disinterested Shareholders Approval**" means approval in accordance with the TSX Venture Exchange Policy 4.4 by the Corporation's shareholders at a duly constituted meeting of shareholders, excluding (i) votes attached to the Shares beneficially owned by Insiders to whom Awards may be granted under this Plan and the Associates and the Affiliates of such Insiders; and (ii) such other excluded votes as described under the TSX Venture Exchange Policy 4.4;

"**Effective Date**" means the effective date of this Plan, being December 8, 2021. The Plan was amended on November 3, 2022 and on October 21, 2024;

"**Elected Amount**" has the meaning set forth in Subsection 5.1(a);

"**Electing Person**" means a Participant who is, on the applicable Election Date, a Director;

"**Election Date**" means the date on which the Electing Person files an Election Notice in accordance with Subsection 5.1(b);

"**Election Notice**" has the meaning set forth in Subsection 5.1(b);

"**Employee**" means an individual who is considered an employee of the Corporation or any of its subsidiaries under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;

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

(ii) an individual who works for the Corporation or any of its subsidiaries on a continuing and regular basis for a minimum amount of time per week, providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and methods of work as an employee of the Corporation or of its subsidiaries, as the case may be, but for whom income tax deductions are not made at source;

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

"**Exchange Hold Period**" means the four month resale restriction imposed by the Exchange on the shares, more particularly described in the Exchange's Policy 1.1 - *Interpretation*;

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

"**Exercise Price**" means the price at which an Option Share may be purchased pursuant to the exercise of an Option;

"**Expiry Date**" means the expiry date specified in the Award Agreement (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth (10^{th}) anniversary of the Date of Grant;

"**Insider**" has the meaning given to such term in the Exchange's Policy 1 - *Interpretation*, as such policy may be amended, supplemented or replaced from time to time;

"**Investor Relations Activities**" means any activities or oral or written communications, by or on behalf of the Corporation or shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:

(a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:

(i) to promote the sale of products or services of the Corporation; or

(ii) to raise public awareness of the Corporation;

that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;

(b) activities or communications necessary to comply with the requirements of:

(i) applicable securities laws; and

(ii) Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or Exchange having jurisdiction over the Corporation;

(c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:

(i) the communication is only through the newspaper, magazine or publication; and

(ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or

(d) activities or communications that may be otherwise specified by an Exchange.

"**Investor Relations Service Provider**" includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities.

"**Management Company Employee**" means an individual employed by a Company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation,

"**Market Price**" at any date in respect of the Shares shall be determined as follows

(a) if the Shares are then listed on the Exchange, then the Market Price shall be the volume weighted average trading price on the Exchange for the ten trading days immediately preceding such date (subject to such price not being less than the Discounted Market Price (as defined in the policies of the Exchange); and

(b) if the Shares are not listed on the Exchange, then the Market Price shall be, subject to the necessary approvals of the applicable Regulatory Authorities, the fair market value of the Shares on such date as determined by the Board in its discretion;

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

"**Options**" means a right granted to a Participant by the Corporation to acquire Shares of the Corporation at a specified price for a specified period of time;

"**Option Shares**" means Shares issuable by the Corporation upon the exercise of outstanding Options;

"**Participant**" means a Director, Officer, Employee, Consultant, Management Company Employee, an Investor Relations Service Provider or Director to whom an Award has been granted under this Plan;

"**Participant's Employer**" means with respect to a Participant that is or was an Employee, the Corporation or such subsidiary of the Corporation as is or, if the Participant has ceased to be employed by the Corporation or such subsidiary of the Corporation, was the Participant's Employer;

"**Performance Goals**" means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Corporation, a subsidiary of the Corporation, a division of the Corporation or a subsidiary of the Corporation, or an individual, or may be applied to the performance of the Corporation or a subsidiary of the Corporation relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;

"**Performance Share Unit**" or "**PSU**" means any right granted under Article 7 of this Plan;

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

"**Plan**" means this Omnibus Equity Incentive Plan, as may be amended from time to time;

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

"**Predecessor Options**" has the meaning set forth in Subsection 1.2;

"**Predecessor Plan**" has the meaning set forth in Subsection 1.2;

"**Restricted Share Unit**" or "**RSU**" means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with ARTICLE 6;

"**Retirement**" means, unless otherwise defined in the Participant's written or other applicable employment agreement or in the Award Agreement, the termination of the Participant's working career at the age of 67 or such other retirement age, with consent of the Plan Administrator, if applicable;

"**Securities Laws**" means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Corporation or to which it is subject;

"**Security Based Compensation Arrangement**" means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Participants;

"**Share**" means one common share in the capital of the Corporation as constituted on the Effective Date, or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, and/or one share of any additional class of common shares in the capital of the Corporation as may exist from time to time, or after an adjustment contemplated by Article 11, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

"**subsidiary**" means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Corporation has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary, provided that, in the case of a Canadian Taxpayer, the issuer is related (for purposes of the Tax Act) to the Corporation;

"**Tax Act**" means the *Income Tax Act* (Canada);

"**Termination Date**" means:

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

(b) in the case of a Consultant whose consulting agreement or arrangement with the Corporation or a subsidiary of the Corporation, as the case may be, terminates, the date that is designated by the Corporation or the subsidiary of the Corporation (as the case may be), as the date on which the Participant's consulting agreement or arrangement is terminated, provided that in the case of voluntary termination by the Participant of the Participant's consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given, and "Termination Date" specifically does not mean the date on which any period of notice of termination that the Corporation or the subsidiary of the Corporation (as the case may be) may be required to provide to the Participant under the terms of the consulting agreement or arrangement expires; or

(c) in the case of a U.S. Taxpayer, a Participant's "Termination Date" will be the date the Participant experiences a "separation from service" with the Corporation or a subsidiary of the Corporation within the meaning of Section 409A of the Code.

"**U.S.**" means the United States of America; and

"**U.S. Taxpayer**" shall mean a Participant who, with respect to an Award, is subject to taxation under the applicable U.S. tax laws.

2.2 Interpretation

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

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

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

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

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

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

ARTICLE 3
ADMINISTRATION

3.1 Administration

This Plan will be administered by the Plan Administrator and except as otherwise provided for herein, the Plan Administrator has sole and complete authority, in its discretion, to:

(a) determine the individuals to whom grants of Awards under the Plan may be made;

(b) make grants of Awards under the Plan, whether relating to the issuance of Shares or otherwise (including any combination of Options, Deferred Share Units, Restricted Share Units or Performance Share Units), in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:

(i) the time or times at which Awards may be granted;

(ii) the conditions under which:

(A) Awards may be granted to Participants; or

(B) Awards may be forfeited to the Corporation,

including vesting and any conditions relating to the attainment of specified Performance Goals;

(iii) the number of Shares to be covered by any Award;

(iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;

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

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

(c) establish the form or forms of Award Agreements;

(d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;

(e) construe and interpret this Plan and all Award Agreements;

(f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;

(g) if an Award is to be granted to Employees, Consultant, or Management Company Employees, the Plan Administrator and the Participant to whom that Award is to be granted are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant or Management Company Employee; and

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

3.2 Delegation to Committee

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

(b) To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee of the Board (the "**Committee**") all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub-delegate to any member(s) of the Committee or any specified officer(s) of the Corporation or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party.

3.3 Determinations Binding

Except as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Corporation and all subsidiaries of the Corporation, the affected Participant(s), their respective legal and personal representatives and all other Persons.

3.4 Eligibility

All Officers, Employees, Consultants, Management Company Employees, Investor Relations Service Providers and Directors are eligible to participate in the Plan, subject to Section 9.1(f). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Officer, Employee, Consultant, Management Company Employee, Investor Relations Service Provider or Director any right to receive any grant of an Award pursuant to the Plan. The extent to which any Officer, Employee, Consultant, Management Company Employee, Investor Relations Service Providers or Director is entitled to receive a grant of an Award pursuant to the Plan will be determined in the discretion of the Plan Administrator.

3.5 Plan Administrator Requirements

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

3.6 Total Shares Subject to Awards

(a) In respect of Options, so long as it may be required by the rules and policies of the Exchange:

(i) the aggregate number of Shares issuable under this Plan in respect of Options shall not exceed ten (10%) percent of the Corporation's issued and outstanding Shares at any point in time;

(ii) Investor Relations Service Providers may only receive Options as Awards under this Plan;

(iii) All Options granted to Investor Relations Service Providers will 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;

(iv) the total number of Options issuable to Investor Relations Service Providers shall not exceed two (2%) percent of the issued and outstanding Shares in any twelve (12) month period, calculated as at the date any Award is granted; and

(b) In respect of Deferred Share Units, Restricted Share Units or Performance Share Units:

(i) the maximum aggregate number of Shares issuable under this Plan in respect of Deferred Share Units, Restricted Share Units and Performance Share Units shall not exceed 22,775,243 at any point in time, representing ten (10%) percent of the issued and outstanding Shares of the Corporation at the Effective Date; and

(c) Any exercise of Options, Deferred Share Units, Restricted Share Units and Performance Share Units does not increase the available number of Options,

Deferred Share Units, Restricted Share Units and Performance Share Units issuable under the Plan.

3.7 Limits on Grants of Awards

Notwithstanding anything in this Plan:

(a) If the Corporation is subject to the policies of the Exchange, the number of grants which may be issuable under the Corporation's Security Based Compensation Arrangements in existence from time to time on and after the effective date of the Plan:

(i) to Insiders (as a group) shall be no more than 10% of the issued and outstanding share capital of the Corporation at any point in time, unless the Corporation has obtained Disinterested Shareholder Approval;

(ii) to Insiders (as a group) shall be no more than 10% of the issued and outstanding share capital of the Corporation within any 12 month period, calculated as at the date any Award is granted to any Insider, unless the Corporation has obtained Disinterested Shareholder Approval;

(iii) to any one Person, shall be no more than 5% of the issued and outstanding share capital of the Corporation within any 12 month, calculated as at the date any Award is granted, with the exception of a Consultant who may not receive grants of more than 2% of the issued and outstanding share capital of the Corporation within any 12 month, calculated as at the date any Award is granted;

(iv) to all Investor Relations Service Providers, shall be no more than an aggregate of 2% of the number of issued and outstanding Shares in the capital of the Corporation within any 12 month, calculated as at the date any Award is granted, and shall only include Awards of Options; and

(b) if the recipient of an Award is a company, excluding Participants that are Consultant Companies, then such recipient must provide the Exchange with a completed Certification and Undertaking Required from a Company Granted Security Based Compensation in the form of Schedule "A" to Form 4G - *Summary Form – Security Based Compensation*.

(c) If the Corporation is subject to the policies of the Exchange then the aggregate number of Shares:

(i) issuable to Insiders at any time under all of the Corporation's Security Based Compensation Arrangements, shall not exceed 10% of the Corporation's total issued and outstanding Shares; and

(ii) issued to Insiders within any one year period, under all of the Corporation's Security Based Compensation Arrangements, shall not exceed 10% of the Corporation's total issued and outstanding Shares.

3.8 Award Agreements

Each Award under this Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one Officer of the Corporation is authorized and empowered to execute and deliver, for and on behalf of the Corporation, any Award Agreement to a Participant granted an Award pursuant to this Plan.

3.9 Non-transferability of Awards

Except as permitted by the Exchange, and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant by will or as required by law (and in accordance with Section 9.1(d)), no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards or under this Plan whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect.

ARTICLE 4
OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Participant. The terms and conditions of each Option grant shall be evidenced by an Award Agreement.

4.2 Exercise Price

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the Market Price on the Date of Grant.

4.3 Term of Options

Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date and the Plan Administrator will ensure that no Option shall be exercised beyond the date permitted by the Exchange.

4.4 Vesting and Exercisability

(a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options provided that for so long as the Corporation is listed on the Exchange:

(i) Options granted to Investor Relations Service Providers shall be subject to the vesting requirements set out in TSX Venture Exchange Policy 4.4, namely, that such Options must vest in stages over a period of not less than 12 months such that:

(A) no more than 1/4 of the Options vest no sooner than 3 months after the Options were granted;

(B) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted;

(C) no more than another 1/4 of the Stock Options vest no sooner than nine months after the Stock Options were granted;

(D) the remainder of the Options vest no sooner than 12 months after the Options were granted.

(ii) Subject to section 4.4(a)(i), Options granted to all other Participants shall be subject to the vesting requirements determined by the Plan Administrator.

(b) Once an instalment becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant. Each vested Option or instalment may be exercised at any time or from time to time, in whole or in part, for up to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any instalment of any Option, other than an Option granted to an Investor Relations Service Provider, becomes exercisable. Notwithstanding the following, Options granted to a Investor Relations Activities Service Provider cannot be accelerated without the prior acceptance of the Exchange.

(c) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Corporation.

(d) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

4.5 Payment of Exercise Price

(a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully

paid by certified cheque, bank draft or money order payable to the Corporation or by such other means as might be specified from time to time by the Plan Administrator, which may include (i) in the event that payment of the Exercise Price is occurring via cashless exercise in accordance with Sections 4.6 and 4.7 of this Plan, respectively, through an arrangement with a broker approved by the Corporation (or through an arrangement directly with the Corporation) whereby payment of the Exercise Price is accomplished with the proceeds of the sale of Shares deliverable upon the exercise of the Option, or (ii) such other consideration and method of payment for the issuance of Shares to the extent permitted by the Exchange and Securities Laws, or any combination of the foregoing methods of payment.

(b) No Shares will be issued or transferred until full payment therefor has been received by the Corporation.

4.6 Cashless Exercise

Subject to prior approval by the Board, where the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Shares underlying Options, the Participant may borrow money from such brokerage firm to exercise Options. The brokerage firm will then sell a sufficient number of Shares to cover the Exercise Price of such Option in order to repay the loan made to the Participant. The brokerage firm will receive an equivalent number of Shares from the exercise of such Options and the Participant will receive the balance of the Shares or the cash proceeds from the balance of such Shares.

4.7 Net Exercise of Options

Subject to prior approval by the Board, a Participant other than an Investor Relations Service Provider, may elect to surrender for cancellation to the Corporation any vested Option. The Corporation will issue to the Participant, as consideration for the surrender of the Option, that number of Option Shares (rounded down to the nearest whole number) determined on a net issuance basis in accordance with the following formula below. The Corporation may elect to forego any deduction in accordance with subsection 110(1.1) of the Tax Act in respect of such surrender:

$$X = \frac{Y\ (A - B)}{A}$$

where:

X = The number of Option Shares issuable to the Participant as consideration in respect of the exchange or surrender of an Option under this Section 4.7;

Y = The number of Option Shares issuable with respect to the vested portion of the Option exercised by the Participant (the "**Subject Options**");

A = The VWAP of the Shares; and

B = The Exercise Price of the Subject Options.

ARTICLE 5
DEFERRED SHARE UNITS

5.1 Granting of DSUs

(a) The Plan Administrator may fix, from time to time, a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person is given, subject to the conditions stated herein, the right to elect in accordance with Section 5.1(b) to participate in the grant of additional DSUs pursuant to this Article 5. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 5 shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The "**Elected Amount**" shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that are otherwise intended to be paid in cash (the "**Cash Fees**").

(b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in the form of Schedule A hereto (the "**Election Notice**") with the Chief Financial Officer of the Corporation by June 30th in the year prior to the year to which such election is to apply. In the case of an existing Electing Person who is a U.S. Taxpayer as of the Effective Date of this Plan, an initial Election Notice may be filed by the date that is 30 days from the Effective Date only with respect to compensation paid for services to be performed after the Election Date; and, in the case of a newly appointed Electing Person who is a U.S. Taxpayer, an Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the Election Date. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

(c) Subject to Subsection 5.1(d), the election of an Electing Person under Subsection 5.1(b) shall be deemed to apply to all Cash Fees that would be paid subsequent to the filing of the Election Notice, and such Electing Person is not required to file another Election Notice for subsequent calendar years.

(d) Each Electing Person who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with the Chief Financial Officer of the Corporation a notice in the form of Schedule B hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a "black-out" on trading. Thereafter, any portion of such Electing Person's Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 5.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 5, he or she shall not be entitled to elect to receive the Elected Amount, or

any other amount of his or her Cash Fees in DSUs in lieu of cash again until the calendar year following the year in which the termination notice is delivered. Each Electing Person who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with the Chief Financial Officer of the Corporation a notice in the form of Schedule B hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a "black-out" on trading. Thereafter, any portion of such Electing Person's Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 5.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 5, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs in lieu of cash again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Taxpayer to receive the Elected Amount in DSUs in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration of the election period for that year and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Schedule C is delivered.

(e) Any DSUs granted pursuant to this Article 5 prior to the delivery of a termination notice pursuant to Section 5.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.

(f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 5 will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including Director Fees and any Elected Amount), as determined by the Plan Administrator, by (ii) the Market Price of a Share on the Date of Grant.

(g) In addition to the foregoing, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.

5.2 DSU Account

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by an Award Agreement.

5.3 Vesting of DSUs

Subject to TSX Venture Exchange Policy 4.4, the Plan Administrator shall have the authority to determine the vesting terms applicable to grants of DSUs, which, for certainty, shall not be before the date that is one year following the date of the grant, accept if otherwise authorized under Section 9.2.

5.4 Settlement of DSUs

(a) DSUs shall be settled on the date established in the Award Agreement; provided, however that, notwithstanding any other terms of this Plan to the contrary, in no event shall a DSU Award be settled prior to, or later than one (1) year following, the date of the applicable Participant's separation from service. If the Award Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the date of separation from service, subject to the delay that may be required under Section 11.6(d) below in the case of a U.S. Participant. Subject to Section 11.6(d) below in the case of a U.S. Participant. Except as otherwise provided in an Award Agreement, on the settlement date for any DSU, the Participant shall redeem each vested DSU will be redeemed for:

(i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or

(ii) a cash payment, or

(iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Plan Administrator in its discretion.

(b) Any cash payments made under this Section 5.4 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

ARTICLE 6
RESTRICTED SHARE UNITS

6.1 Granting of RSUs

(a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of services rendered in the year of grant. The terms and conditions of each RSU grant shall be evidenced by an Award Agreement.

(b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Article 6 will be calculated by dividing (i) the amount of any compensation that is to be paid in RSUs, as determined by the Plan Administrator, by (ii) the Market Price of a Share on the Date of Grant.

6.2 RSU Account

All RSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

6.3 Vesting of RSUs

Subject to the TSX Venture Exchange Policy 4.4, the Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs, which, for certainty, shall not be before the date that is one year following the date of the grant, accept if otherwise authorized under Section 9.2.

6.4 Settlement of RSUs

(a) The Plan Administrator shall have the sole authority to determine the settlement terms, including time of settlement, applicable to the grant of RSUs and such terms will be set forth in the applicable Award Agreement. Subject to 12.2 below and except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the Participant shall redeem each vested RSU will be redeemed for:

(i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or

(ii) a cash payment, or

(iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Plan Administrator in its discretion.

(b) Any cash payments made under this Section 6.4 by the Corporation to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

(d) Subject to Section 11.2 below and except as otherwise provided in an Award Agreement, no settlement date for any RSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any RSU, under this Section 6.4 any later than the final Business Day of the third calendar year following the year in which the RSU is granted.

ARTICLE 7
PERFORMANCE SHARE UNITS

7.1 Granting of PSUs

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Employee and Director in respect of services rendered in the year of grant. The terms and conditions of each PSU grant shall be evidenced by an Award Agreement. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 7.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

7.2 Terms of PSUs

The Performance Goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the termination of an Employee or Director's employment and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement.

7.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to the Date of Grant to which such Performance Goals pertain. The Performance Goals may be based upon the achievement of corporate or individual goals, and may be applied relative to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. The Plan Administrator may modify the Performance Goals as necessary to align them with the Corporation's corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with an Employee or Director. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur), all as set forth in the applicable Award Agreement.

7.4 PSU Account

All PSUs received by an Employee or Director shall be credited to an account maintained for the Employee or Director on the books of the Corporation, as of the Date of Grant.

7.5 Vesting of PSUs

Subject to TSX Venture Exchange Policy 4.4, the Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs, which, for certainty, shall not be before the date that is one year following the date of the grant, accept if otherwise authorized under Section 9.2.

7.6 Settlement of PSUs

(a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of PSU, which shall be set forth in the applicable Award Agreement. Subject to Section 11.2 below and except as otherwise provided in an Award Agreement, on the settlement date for any PSU, the Employee or Director shall redeem each vested PSU will be redeemed for:

(i) one fully paid and non-assessable Share issued from treasury to the Employee or Director or as the Employee or Director may direct, or

(ii) a cash payment, or

(iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Plan Administrator in its discretion.

(b) Any cash payments made under this Section 7.6 by the Corporation to an Employee or Director in respect of PSUs to be redeemed for cash shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Employees and Directors on the redemption of vested PSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

(d) Subject to Section 11.2 below and except as otherwise provided in an Award Agreement, no settlement date for any PSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any PSU, under this Section 7.6 any later than the final Business Day of the third calendar year following the year in which the PSU is granted.

ARTICLE 8
ADDITIONAL AWARD TERMS

8.1 Dividend Equivalents

(a) Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, and subject to the restrictions of the Exchange set out in Subsection 3.7(a) above (if the Corporation is subject to the policies of the Exchange), as part of a Participant's grant of DSUs, PSUs or RSUs (as applicable) and in respect of the services provided by the Participant for such original grant, DSUs, PSUs and RSUs (as applicable) shall be credited with dividend equivalents in the form of additional DSUs, PSUs or RSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be in the amount a Participant would have received if the DSUs, PSUs or RSUs had been settled for Shares on the record date of such

dividend. Dividend equivalents credited to a Participant's account shall be subject to the same terms and conditions, including vesting and time of settlement, as the DSUs, PSUs or RSUs, as applicable, to which they relate. Notwithstanding any other terms of this Plan, if the number of securities issued as dividend equivalents, together with all of the Corporation's other share-based compensation would exceed any of the limits set forth in this Plan or TSX Venture Exchange Policy 4.4, then the Corporation may make payment for such dividend in cash to the extent that it does not have a sufficient number of Shares available under this Plan to satisfy its obligations in respect of such dividends.

(b) The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

8.2 Blackout Period

In the event that an Award expires, at a time when an undisclosed material change or material fact in the affairs of the Corporation exists, subject to the requirements of TSX Venture Exchange Policy 4.4, the expiry of such Award will be extended to a date that is no later than ten (10) business days after the expiry of the blackout period formally imposed by the Corporation pursuant to its internal trading policies as a result of the undisclosed material change or material fact.

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8.3 Withholding Taxes

(a) Notwithstanding any other terms of this Plan, and subject to TSX Venture Exchange Policy 4.4, the granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or an Affiliate of the Corporation is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or an Affiliate of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or any Affiliate to the Participant, (b) require the sale of a number of Shares issued upon exercise, vesting, or settlement of such Award and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount, or (c) enter into any other suitable arrangements for the receipt of such amount.

(b) If the Corporation does not withhold an amount or require payment of an amount by a Participant sufficient to satisfy all obligations referred to in 8.3(a) the Participant shall forthwith make reimbursement, on demand, in cash, of any amount paid by the Corporation to a governmental authority to satisfy any such obligation.

8.4 Recoupment

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or the relevant subsidiary of the Corporation and in effect at the Date of Grant of the Award, or as set out in the Participant's employment agreement, Award Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 8.4 to any Participant or category of Participants.

ARTICLE 9
TERMINATION OF EMPLOYMENT OR SERVICES

9.1 Termination of Employment, Services or Director

Subject to Section 9.2, unless otherwise determined by the Plan Administrator and set forth in an employment agreement, Award Agreement or other written agreement:

(a) where a Participant's employment, consulting agreement or arrangement is terminated or the Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant or termination by the Corporation or a subsidiary of the Corporation for Cause, then any Option or other Award held by the Participant that has not been exercised as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date;

(b) where a Participant's employment, consulting agreement or arrangement is terminated by the Corporation or a subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice) then a portion of any unvested Options or other Awards shall immediately vest, such portion to be equal to the number of unvested Options or other Awards held by the Participant as of the Termination Date multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of which is the number of days between the Date of Grant and the date any unvested Options or other Awards were originally scheduled to vest, which vested Options or other Awards may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the date that is 90 days after the Termination Date or any other date determined by the Plan Administrator. Any Option or other Award that remains unexercised or has not been

surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;

(c) where a Participant becomes Disabled, then any Option held by the Participant that has not vested as of the date of the Disability of such Participant shall continue to vest in accordance with its terms and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the Participant's date of Disability. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;

(d) where a Participant's employment, consulting agreement or arrangement is terminated by reason of the death of the Participant, then any Option or other Award held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the date of the death of such Participant. Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;

(e) where a Participant's employment, consulting agreement or arrangement is terminated due to Retirement, then any Option or other Award held by the Participant that has not vested as of the date of such Retirement shall continue to vest in accordance with its terms and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the Participant's date of Retirement. Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period. Notwithstanding the foregoing, if, following his or her Retirement, the Participant commences (the "**Commencement Date**") employment, consulting or acting as a director of the Corporation or any of its subsidiaries (or in an analogous capacity) or otherwise as a service provider to any Person that carries on or proposes to carry on a business competitive with the Corporation or any of its subsidiaries, any Option or other Award held by the Participant that has not been exercised as of the Commencement Date shall be immediately forfeited and cancelled as of the Commencement Date;

(f) a Participant's eligibility to receive further grants of Options or other Awards under this Plan ceases as of:

(i) the date that the Corporation or a subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment, consulting agreement or arrangement is terminated, notwithstanding that such date may be prior to the Termination Date; or

(ii) the date of the death, Disability or Retirement of the Participant; and

(g) notwithstanding Subsection 9.1(b), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options or other Awards are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Corporation or a subsidiary of the Corporation for so long as the Participant continues to be a Director, Employee, Consultant, Investor Relations Service Provider, as applicable, of the Corporation or a subsidiary of the Corporation.

9.2 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 9.1 but subject to compliance with the policies of the Exchange, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator. Notwithstanding the following, Options granted to Investor Relations Service Providers cannot be accelerated without the prior acceptance of the Exchange.

9.3 Participants' Entitlement

Except as otherwise provided in this Plan, Awards previously granted under this Plan are not affected by any change in the relationship between, or ownership of, the Corporation and an Affiliate of the Corporation. For greater certainty, all grants of Awards remain outstanding and are not affected by reason only that, at any time, an Affiliate of the Corporation ceases to be an Affiliate of the Corporation.

ARTICLE 10
EVENTS AFFECTING THE CORPORATION

10.1 General

The existence of any Awards does not affect in any way the right or power of the Corporation or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Corporation's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, Shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this ARTICLE 10 would have an adverse effect on this Plan or on any Award granted hereunder.

10.2 Change in Control

Except as may be set forth in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant:

(a) Subject to the prior approval of the Exchange, where applicable, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; provided that such Participant ceases to be an eligible Participant under this Plan upon such change of control; (iii) subject to prior acceptance by the Exchange, the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction net of any exercise price payable by the Participant (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights net of any exercise price payable by the Participant, then such Award may be terminated by the Corporation without payment); (iv) subject to prior acceptance by the Exchange, the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (v) subject to prior acceptance by the Exchange, any combination of the foregoing. In taking any of the actions permitted under this Subsection 10.2(a), the Plan Administrator will not be required to treat all Awards similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Subsection 10.2(a)) any property in connection with a Change of Control other than rights to acquire shares of a corporation or units of a "mutual fund trust" (as defined in the Tax Act), of the Corporation or a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for purposes of the Tax Act) with the Corporation, as applicable, at the time such rights are issued or granted. Notwithstanding the foregoing, in the case of DSUs held by a Canadian Taxpayer, the Plan Administrator may not (pursuant to this Subsection 11.2(a)) redeem any such DSUs in connection with a Change of Control.

(b) Notwithstanding Subsection 10.2(a), and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Corporation may terminate all of the Awards granted under this Plan (other than Options held by Canadian Taxpayers) at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such Participant as determined by the Plan Administrator, acting reasonably, or in the case of Options held by a Canadian Taxpayer by permitting the Canadian Taxpayer to surrender such Options to the

Corporation for an amount for each such Option equal to the fair market value of such Option as determined by the Plan Administrator, acting reasonably, upon the completion of the Change in Control (following which such Options may be cancelled for no consideration).

(c) Any actions taken under this Section 10.2 will comply with the policies of the Exchange including, without limitation, the requirement that the acceleration of vesting of Options granted to Investor Relations Service Provider shall only occur with the prior written approval of the Exchange and with the requirements of Section 409A of the Code with respect to Awards granted to U.S. Taxpayers.

10.3 Reorganization of Corporation's Capital

Subject to the prior approval of the Exchange, if applicable, should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, then the Plan Administrator in consultation with the Board will take such steps as are required to preserve the proportionality of the rights and obligations of the Participants holding such Awards as it deems equitable and appropriate.

10.4 Other Events Affecting the Corporation

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange (if required), authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

10.5 Immediate Acceleration of Awards

In taking any of the steps provided in Sections 10.3 and 10.4, the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 10.3 and 10.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required, to permit the immediate vesting of any unvested Awards other than any Options granted to an Investor Relations Service Provider.

10.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 11, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Awards or other entitlements of the Participants under such Awards.

10.7 Fractions

No fractional Shares will be issued pursuant to an Award. Accordingly, (whether as a result of any adjustment under this ARTICLE 10, a dividend equivalent or otherwise), a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 11
U.S. TAXPAYERS

11.1 Provisions for U.S. Taxpayers

Options granted under this Plan to U.S. Taxpayers may be non-qualified stock options or incentive stock options qualifying under Section 422 of the Code ("**ISOs**"). Each Option shall be designated in the Award Agreement as either an ISO or a non-qualified stock option. The Corporation shall not be liable to any Participant or to any other Person if it is determined that an Option intended to be an ISO does not qualify as an ISO.

11.2 ISOs

Subject to any limitations in Section 3.6, the aggregate number of Shares reserved for issuance in respect of granted ISOs shall not exceed 10,000,000 Shares, and the terms and conditions of any ISOs granted to a U.S. Taxpayer on the Date of Grant hereunder, including the eligible recipients of ISOs, shall be subject to the provisions of Section 422 of the Code, and the terms, conditions, limitations and administrative procedures established by the Plan Administrator from time to time in accordance with this Plan. At the discretion of the Plan Administrator, ISOs may be granted to any employee of the Corporation, or of a "parent corporation" or "subsidiary corporation", as such terms are defined in Sections 424(e) and (f) of the Code.

11.3 ISO Grants to 10% Shareholders

Notwithstanding anything to the contrary in this Plan, if an ISO is granted to a person who owns shares representing more than 10% of the voting power of all classes of shares of the Corporation or of a "parent corporation" or "subsidiary corporation", as such terms are defined in Section 424(e) and (f) of the Code, on the Date of Grant, the term of the Option shall not exceed five years from the time of grant of such Option and the Exercise Price shall be at least 110% of the Market Price of the Shares subject to the Option.

11.4 USD $100,000 Per Year Limitation for ISOs

To the extent the aggregate Market Price as at the Date of Grant of the Shares for which ISOs are exercisable for the first time by any person during any calendar year (under all plans of the Corporation) exceeds USD $100,000, such excess ISOs shall be treated as non-qualified stock options.

11.5 Disqualifying Dispositions

Each person awarded an ISO under this Plan shall notify the Corporation in writing immediately after the date he or she makes a disposition or transfer of any Shares acquired pursuant to the exercise of such ISO if such disposition or transfer is made (a) within two years from the Date of Grant or (b) within one year after the date such person acquired the Shares. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the person in such disposition or other transfer. The Corporation may, if determined by the Plan Administrator and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an ISO as agent for the applicable person until the end of the later of the periods described in (a) or (b) above, subject to complying with any instructions from such person as to the sale of such Shares.

11.6 Section 409A of the Code

(a) This Plan will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. The Corporation reserves the right to amend this Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. In no event will the Corporation or any of its subsidiaries or Affiliates be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

(b) All terms of the Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A of the Code if necessary to comply with Section 409A of the Code.

(c) The Plan Administrator, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.

(d) Notwithstanding any provisions of the Plan to the contrary, in the case of any "specified employee" within the meaning of Section 409A of the Code who is a

U.S. Taxpayer, distributions of non-qualified deferred compensation under Section 409A of the Code made in connection with a "separation from service" within the meaning set forth in Section 409A of the Code may not be made prior to the date which is six months after the date of separation from service (or, if earlier, the date of death of the U.S. Taxpayer). Any amounts subject to a delay in payment pursuant to the preceding sentence shall be paid as soon practicable following such six-month anniversary of such separation from service.

11.7 Section 83(b) Election

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Shares subject to vesting or other forfeiture conditions, the Participant shall be required to promptly file a copy of such election with the Corporation.

ARTICLE 12
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

12.1 Amendment, Suspension, or Termination of the Plan

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that:

(a) no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements;

(b) any amendments to the Plan or to any Awards granted pursuant to the Plan are subject to Exchange approval (including such amendments that do not otherwise trigger approval of the holders of voting shares of the Corporation);

(c) any amendment that would cause an Award held by a U.S. Taxpayer be subject to the additional tax penalty under Section 409A(1)(b)(i)(II) of the Code shall be null and void *ab initio* with respect to the U.S. Taxpayer unless the consent of the U.S. Taxpayer is obtained.

12.2 Shareholder Approval

This Plan is subject to Disinterested Shareholders Approval and the approval of the Exchange. Any renewals of this Plan is subject to Disinterested Shareholders Approval and the approval of the Exchange. Any Options granted under this Plan prior to receipt of Disinterested Shareholders Approval will not be exercisable or binding on the Corporation unless and until such approvals are obtained. DSUs, PSUs and RSUs cannot be granted under this Plan prior to receipt of Disinterested Shareholders Approval.

Notwithstanding Section 12.1 and subject to any rules of the Exchange or/and any applicable regulatory authority, a Disinterested Shareholders Approval shall be required for any amendment, modification or change that:

(a) increases the percentage of Shares reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;

(b) increases or removes the limitations set out in Sections 3.6 and 3.7;

(c) allows for the grant to Insiders (as a group), within a twelve (12) month period, an aggregate number of Awards exceeding ten (10%) percent of the Corporation's issued Shares, calculated at the date the Award is granted to the Insider;

(d) allows for the grant to any one Participant, within a twelve (12) month period, an aggregate number of Awards exceeding five (5%) percent of the Corporation's issued Shares, calculated at the date the Award is granted to the Insider;

(e) reduces the exercise price of an Award to an Insider (for this purpose, a cancellation or termination of an Award of a Participant prior to its Expiry Date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Award) except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;

(f) extends the term of an Award beyond the original Expiry Date (except where an Expiry Date would have fallen within a blackout period applicable to the Participant following the expiry of such a blackout period);

(g) increases or removes the limits on the participation of Directors;

(h) permits Awards to be transferred to a Person; or

(i) changes the eligible participants of the Plan.

12.3 Permitted Amendments

Without limiting the generality of Section 12.1, but subject to Section 12.2 and any rules of the Exchange, the Plan Administrator may, without Disinterested Shareholders Approval, at any time or from time to time, amend the Plan for the purposes of:

(a) making any amendments to the general vesting provisions of each Award;

(b) making any amendments to the provisions set out in ARTICLE 9;

(c) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of

the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;

(d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors; or

(e) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

ARTICLE 13
MISCELLANEOUS

13.1 Legal Requirement

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

13.2 News Release

Every Awards granted or issued to a Director, an Officer, or an Investor Relations Service Provider, and any amendment to such Award, must be disclosed to the public by way of a news release on the day the Awards are granted, issue or amended.

13.3 No Other Benefit

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

13.4 Rights of Participant

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as an Employee, Consultant, Investor Relations Service Provider or Director. No Participant has any rights as a shareholder of the Corporation in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

13.5 Corporate Action

Nothing contained in this Plan or in an Award shall be construed so as to prevent the Corporation from taking corporate action which is deemed by the Corporation to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Award.

13.6 Conflict

In the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Plan shall govern. In the event of any conflict between or among the provisions of this Plan or any Award Agreement, on the one hand, and a Participant's employment agreement with the Corporation or a subsidiary of the Corporation, as the case may be, on the other hand, the provisions of the Plan shall prevail.

13.7 Anti-Hedging Policy

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

13.8 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan (including as to whether the circumstances described in Section 9.1(e) exist). Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

13.9 Participation in the Plan

(a) The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Corporation does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

(b) 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 Corporation is listed as

may be required. The Corporation shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:

(i) obtaining any approvals from governmental agencies that the Corporation determines are necessary or advisable; and

(ii) 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 Corporation 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.

(c) The inability or impracticability of the Corporation to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Corporation's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Corporation 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.

13.10 International Participants

Subject to compliance with the policies of the Exchange, with respect to Participants who reside or work outside Canada, the Plan Administrator may, in its discretion, amend, or otherwise modify, without shareholder approval, the terms of the Plan or Awards with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

13.11 No Limit on Other Security-Based Compensations Arrangements

(a) Nothing contained in this Plan shall prevent the Corporation 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.

(b) Subject to prior acceptance of the Exchange, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant other security-based compensation arrangements to any Participant; provided, however, that such right will comply with applicable law. Subject to prior acceptance of the Exchange, the terms of this Plan, and any applicable Award Agreement, the Plan Administrator will determine the terms and conditions of other security-based compensation arrangements. Shares or other securities delivered pursuant to a purchase right granted under this Article 13.14 will be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including, without limitation, cash, Shares, other securities, other Awards, other property, or any combination thereof, as the Plan Administrator shall determine in its discretion.

13.12 No Representations or Warranties

The Corporation 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.

13.13 Successors and Assigns

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

13.14 General Restrictions on Assignment

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

13.15 Severability

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

13.16 Notices

All written notices to be given by a Participant to the Corporation shall be delivered personally, e-mail or mail, postage prepaid, addressed as follows:

Defiance Silver Corp.

550 Burrard Street Suite 2900,
Vancouver, BC V6C 0A3

Attention: Chief Financial Officer

All notices to a Participant will be addressed to the principal address of the Participant on file with the Corporation. Either the Corporation or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth business day following the date of mailing; provided that in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

13.17 Effective Date

This Plan shall become effective upon the date of approval by the shareholders of the Corporation given by affirmative vote of the majority of the Shares represented at the meeting of the shareholders of the Corporation at which motion to approve the Plan is presented.

13.18 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the internal laws of the Province of British Columbia and the federal laws of Canada applicable therein, without reference to conflicts of law rules.

13.19 Submission to Jurisdiction

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.

SCHEDULE A

DEFIANCE SILVER CORP.
EQUITY INCENTIVE PLAN (THE "PLAN")

ELECTION NOTICE

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

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 5 of the Plan and to receive ____% of my Cash Fees in the form of DSUs in lieu of cash.

I confirm that:

(a) I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.

(b) I recognize that when DSUs credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Corporation will make all appropriate withholdings as required by law at that time.

(c) The value of DSUs is based on the value of the Shares of the Corporation and therefore is not guaranteed.

(d) To the extent I am a U.S. taxpayer, I understand that this election is irrevocable for the calendar year to which it applies and that any revocation or termination of this election after the expiration of the election period will not take effect until the first day of the calendar year following the year in which I file the revocation or termination notice with the Corporation.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan's text.

Date: _____ _____
(Name of Participant)

_____
(Signature of Participant)

SCHEDULE B

DEFIANCE SILVER CORP.
EQUITY INCENTIVE PLAN (THE "PLAN")

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS

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

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 5 of the Plan.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: _____ _____
(Name of Participant)

_____
(Signature of Participant)

Note: An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

SCHEDULE C

DEFIANCE SILVER CORP.
EQUITY INCENTIVE PLAN (THE "PLAN")

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS
(U.S. TAXPAYERS)

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

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 5 of the Plan.

I understand that this election to terminate receipt of additional DSUs will not take effect until the first day of the calendar year following the year in which I file this termination notice with the Corporation.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: _____ _____

(Name of Participant)

_____

(Signature of Participant)

Note: An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

SCHEDULE "C"

OMNIBUS PLAN RESOLUTION

BE IT RESOLVED THAT:

1. the 2021 Omnibus Incentive Plan ("**Omnibus Plan**"), as amended and in the form attached to the management information circular dated October 23, 2026 as Schedule "B", be and is hereby approved, ratified and confirmed;

2. any one director or officer of Defiance Silver Corp. (the "Company") be authorized to take any and all such further steps and execute any documents as he may deem necessary to give effect to the transactions contemplated in the Omnibus Plan;

3. the board of directors of the Company and any committee created pursuant to the Omnibus Plan are hereby authorized to make such amendments to the Omnibus Plan from time to time, as may, in their discretion, be considered appropriate, provided always that such amendments will be subject to the approval of all applicable regulatory authorities and the TSX Venture Exchange and, in certain cases, the approval of the shareholders of the Company; and

4. any one or more of the directors and officers of the Company be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, as may be required to give effect to the true intent of this resolution.