

**FORGE RESOURCES CORP.**  
1050 - 12471 Horseshoe Way  
Richmond, British Columbia, Canada V7A 4X8  
Telephone (604) 271-0826

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

TAKE NOTICE that the annual general and special meeting (the “**Meeting**”) of Shareholders of Forge Resources Corp. (the “**Company**”) will be held at Suite 700 - 401 West Georgia Street, Vancouver, British Columbia V6B 5A1, on Thursday, July 9, 2026, at 10:00 a.m., Vancouver time, for the following purposes:

1. To receive the report of the Directors of the Company;
2. To receive and consider the audited financial statements of the Company for its fiscal period ended August 31, 2025, and the report of the auditor thereon;
3. To fix the number of Directors of the Company at five;
4. To elect Directors of the Company for the ensuing year;
5. To appoint auditors for the ensuing year and to authorize the Directors to fix their remuneration;
6. To approve the Company’s omnibus equity incentive plan, as more particularly set out in the Information Circular accompanying this notice of Meeting; and
7. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The Information Circular dated May 25, 2026 and form of Proxy accompany this Notice. The Information Circular contains details of matters to be considered at the Meeting.

**A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of Proxy, or another suitable form of Proxy, and deliver it by fax, by hand or by mail in accordance with the instructions set out in the form of Proxy and in the Information Circular.**

DATED at Vancouver, British Columbia, this 25<sup>th</sup> day of May, 2026.

BY ORDER OF THE BOARD

*“PJ Murphy”*

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CEO & Director

## FORGE RESOURCES CORP.

1050 - 12471 Horseshoe Way  
Richmond, British Columbia, Canada V7A 4X6  
Telephone (604) 271-0826

### INFORMATION CIRCULAR

#### Solicitation of Proxies

This information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Forge Resources Corp. (the “**Company**”) for use at the annual general and special meeting of shareholders (the “**Shareholders**”) of the Company (the “**Meeting**”) to be held at Suite 700 - 401 West Georgia Street, Vancouver, BC V6B 5A1, on Thursday, July 9, 2026, at 10:00 a.m. (Vancouver time) and any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual General and Special Meeting of Shareholders.

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. All costs of this solicitation will be borne by the Company. The Company has made arrangements for intermediaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by those intermediaries and the Company may reimburse the intermediaries for reasonable fees and disbursements incurred by them in so doing.

Notice of the Meeting was provided to the securities commissions in each jurisdiction where the Company is a reporting issuer under applicable securities laws.

In this Information Circular, references to “**the Company**”, “**we**” and “**our**” refer to Forge Resources Corp. “**Common Shares**” means common shares in the authorized share structure of the Company. “**Beneficial Shareholders**” means Shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

#### Date of Information Circular

Information contained in this Information Circular is given as at May 25, 2026, unless otherwise indicated.

### GENERAL PROXY INFORMATION

#### Revocability of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) executing a proxy bearing a later date; or
- (b) executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the shareholder’s authorized attorney in writing, or, if the shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by depositing the Proxy bearing a later date with Odyssey Trust Company, or at the address of the registered office of the Company at 700 - 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the date that precedes any reconvening thereof, or to the chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (c) by the registered shareholder personally attending the Meeting and voting the registered shareholder’s Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

## Appointment of Proxyholders

A shareholder entitled to vote at the Meeting may, by means of a proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be Shareholders, to attend and act at the Meeting for the shareholder on the shareholder's behalf.

The individuals named in the accompanying form of proxy (the "**Proxy**") are directors and/or officers of the Company (the "**Management Designees**"). **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting other than either of the Management Designees. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

A proxy will not be valid unless the completed, signed and dated form of proxy is delivered to the office of **Odyssey Trust Company**, , not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used, **by any of the following methods:**

1. **by mail or personal delivery: Odyssey Trust Company, Attention: Proxy Department, Suite 1100, 67 Yonge Street, Toronto, Ontario M5E 1J8; or**
2. **by fax to the attention of the Proxy Department at 1-800-517-4553 (toll-free within North America) or 416-263-9524 (international): or**
3. **by email to proxy@odysseytrust.com; or**
4. **by internet by going to <https://login.odysseytrust.com/pxlogin> and clicking on VOTE. You will require the Control Number printed with your address to the right on your proxy form. If you vote by internet, please do not mail the proxy, and follow the online voting instructions given to you.**

## Exercise of Discretion

The Management Designees named in the Proxy will vote or withhold from voting the shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. The Proxy will confer discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the Management Designees will vote the Common Shares represented by the Proxy at their own discretion for the approval of such matter.**

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting, each Management Designee intends to vote thereon in accordance with the Management Designee's best judgment.

## Proxy Voting Options

If you are a registered shareholder, you may elect to submit a proxy in order to vote whether or not you are able to attend the Meeting in person. In order to vote by mail, you must complete, date and sign the Proxy and return it to the Company's transfer agent, Odyssey Trust Company Attention: Proxy Department, at Suite 1100, 67 Yonge St., Toronto, Ontario M5E 1J8, or by fax within North America to 1-800-517-4553 (toll-free within North America) or 416-263-9524 (international), **by email to proxy@odysseytrust.com** or by internet at <https://login.odysseytrust.com/pxlogin> any time up to and including 10:00 a.m. (Vancouver time) on June 24, 2026.

## Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Beneficial Shareholders should note that only

Proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting material. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting.

If you are a Beneficial Shareholder, the form of proxy supplied to you by your broker (or its agent) is similar to the form of Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Communications Solutions Canada ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a proxy provided by the Company. The voting instruction form will name the Management Designees to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. 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. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. It must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of your broker), you may attend at the Meeting as proxyholder for your broker and vote the Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instrument form provided to you and return the same to your broker (or your broker's agent) in accordance with the instructions provided by your broker (or agent), well in advance of the Meeting.

Alternatively, you may request in writing that your broker send you a legal Proxy which would enable you, or a person designed by you, to attend at the Meeting and vote your Common Shares.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate 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 on at the Meeting other than as disclosed herein.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The board of directors (the "**Board**") of the Company has fixed May 25, 2026, as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of May 25, 2026, the Company had outstanding 114,560,521 fully paid and non-assessable Common Shares without par value, each carrying the right to one vote. The Company has no other classes of voting securities.

To the knowledge of the Directors and executive officers of the Company, no one beneficial owner owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the outstanding voting rights of the Company.

### VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein. At least a two-thirds majority of affirmative votes cast by disinterested shareholders at the Meeting are required to pass any special resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor 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. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

### Recommendation of the Board

The Board unanimously recommends that Shareholders vote in favour of all resolutions.

### ELECTION OF DIRECTORS

The Board currently consists of five directors. Management proposes to fix the number of directors of the Company at five and to nominate the persons listed below for election as directors.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the British Columbia *Business Corporations Act* or the Articles of the Company, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the proxy as nominee to vote the Common Shares represented by proxy for the election of any other person or persons as directors.

The following table sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares of the Company which each beneficially owns or over which control or direction is exercised:

Nominee Position with the Company and Province/State and Country of Residence	Occupation, Business or Employment <sup>(1)</sup>	Director of the Company Since	Committee Membership	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control of Direction is Exercised <sup>(2)</sup>
Cole McClay COO and Director Vancouver, BC	COO and director of the Company; former CEO of the Company until December 3, 2024; President and Director of Aion Mining Corp. since August 2022; Director of Tarachi Gold Corp. since March 2021	February 25, 2021	Audit Committee	1,949,407
Tyrone McClay Director Vancouver, BC	Business Consultant	July 28, 2020	Audit Committee	492,860
Juan J. Duarte Bravo Director Sonora, Mexico	Lawyer	August 11, 2020	Audit Committee	Nil

Nominee Position with the Company and Province/State and Country of Residence	Occupation, Business or Employment <sup>(1)</sup>	Director of the Company Since	Committee Membership	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control of Direction is Exercised <sup>(2)</sup>
Peter Jonathan Murphy CEO and Director	CEO of the Company since December 3, 2024 and a director of the Company. President of Dr. P.J. Murphy Corporation since June 1998. President of Murcadha Enterprises Ltd. since March 2004.	September 3, 2024	None	4,303,590
Gordon Neal Director	Business Executive; Founder of Neal McInerney Investor Relations. VP Corporate Development for Silvercorp Metals Inc. and director of various resource companies.	June 10, 2025	None	Nil

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.
- (2) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by Endeavor Trust Corporation, the registrar and transfer agent of the Company, insider reports filed on SEDI and by the nominees themselves.

To the knowledge of the Company, no proposed director is, or has, within the 10 years before the date of this Information Circular, been a director, chief executive officer or chief financial officer of any 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.

To the knowledge of the Company, no proposed director of the Company was, as at the date of the Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including Forge Resources Corp.) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Company, no proposed director of the Company has, within the 10 years before the date of the 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 had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of the Company, no proposed director of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for that proposed director.

## COMPENSATION OF EXECUTIVE OFFICERS

### Compensation Discussion and Analysis

The Board as a whole has the responsibility of determining the compensation for the Chief Executive Officer (the “**CEO**”) and the Chief Financial Officer (the “**CFO**”) and of determining compensation for directors and senior management.

The Company’s compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

### General

The following information of the Company is provided in accordance with Form 51-102F6V - *Statement of Executive Compensation - Venture Issuers*.

For the purposes of this Statement of Executive Compensation:

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or any of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year;
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individuals was not an executive officer of the Company, and was not acting in a similar capacity at the end of that financial year;

“**plan**” includes any plans, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

### Director and Named Executive Officer Compensation

#### Director and NEO Compensation, excluding Compensation Securities

Cole McClay, the Company’s COO and former CEO, Scott Davis, the Company’s CFO, Peter Jonathan Murphy, the Company’s CEO, Lorne Warner, the Company’s former President, are the named executive officers” or NEOs of the Company for the purposes of the following disclosure with respect to the financial year ended August 31, 2025. There are no other executive officers of the Company whose total compensation exceeded \$150,000 in the financial year ended August 31, 2025.

During the financial year ended August 31, 2025, the directors of the Company who were not also NEOs were Greg Bronson (former director), Gordon Neal, Tyrone McClay and Juan J. Duarte Bravo.

The following table sets forth all direct and indirect compensation paid, payable, given or otherwise provided directly or indirectly, by the Company to each NEO and each director of the Company as of the financial years ended August 31, 2025, August 31, 2024 and August 31, 2023:

**Table of Compensation Excluding Compensation Securities**

Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
<b>Peter Jonathan Murphy<sup>(1)</sup></b> Director and CEO	2025	135,000	25,000	Nil	Nil	Nil	160,000
	2024	N/A	N/A	N/A	N/A	N/A	N/A
	2023	N/A	N/A	N/A	N/A	N/A	N/A
<b>Cole McClay<sup>(2)</sup></b> COO, Director and Former CEO	2025	180,000	25,000	Nil	Nil	Nil	205,000
	2024	124,000	Nil	Nil	Nil	Nil	124,000
	2023	84,000	Nil	Nil	Nil	Nil	84,000
<b>Scott Davis<sup>(3)</sup></b> Interim CFO	2025	60,000	Nil	Nil	Nil	Nil	60,000
	2024	60,000	Nil	Nil	Nil	Nil	60,000
	2023	48,500	Nil	Nil	Nil	Nil	48,500
<b>Greg Bronson<sup>(4)</sup></b> Former Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Tyrone McClay<sup>(5)</sup></b> Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Juan J. Duarte Bravo<sup>(6)</sup></b> Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Lorne Warner</b> Former President <sup>(7)</sup>	2025	72,000	Nil	Nil	Nil	Nil	72,000
	2024	72,000	Nil	Nil	Nil	Nil	72,000
	2023	36,000	Nil	Nil	Nil	Nil	36,000
<b>Gordon Neal<sup>(8)</sup></b> Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	N/A	N/A	N/A	N/A	N/A	N/A
	2023	N/A	N/A	N/A	N/A	N/A	N/A

- (1) Peter Jonathan Murphy was appointed as director of the Company on September 3, 2024, and was appointed as CEO of the Company on December 3, 2024.
- (2) Cole McClay was appointed as director and CEO of the Company on February 25, 2021. Mr. McClay subsequently resigned as CEO on December 3, 2024 to take on the role as COO of the Company.
- (3) Scott Davis was appointed interim CFO of the Company on May 19, 2025.
- (4) Greg Bronson was a director of the Company from July 22, 2020 to May 17, 2025. Mr. Bronson was also President of the Company from August 13, 2020 to March 1, 2023.
- (5) Tyrone McClay was appointed as a director of the Company on July 28, 2020.
- (6) June J. Duarte Bravo was appointed as a director of the Company on August 11, 2020.
- (7) Lorne Warner was appointed President on March 1, 2023 and resigned as President on May 13, 2026.
- (8) Gordon Neal was appointed as director of the Company on June 10, 2026.

### **Stock Options and Other Compensation Securities**

The Company has an incentive stock option plan (the “**Plan**”) in place for the granting of stock options to directors, officers, employees and consultants of the company. The purpose of granting such options is to assist the

Company in compensating, attracting, retaining and motivating such persons and to closely align the personal interest of such persons to that of the Company's shareholders.

The Plan was approved by the board of directors (the "**Board**") of the Company on February 28, 2022. Under the Plan, options totalling a maximum of 15% of the Common Shares outstanding from time to time are available for grant. The Plan is a 15% maximum rolling plan. Options granted under the Plan are not exercisable for a period longer than 10 years and the exercise price must be paid in full upon exercise of the option.

Options granted under the plan are non-assignable and non-transferable, and can only be exercised by the optionee as long as the optionee remains eligible pursuant to the Plan, or within the time period outlined in the Plan after ceasing to be an eligible optionee.

Subject to necessary approvals as may be required under the Plan, the Board may from time to time amend or revise the terms of the Plan, or may terminate the Plan at any time.

No other types of securities were granted as compensation.

The following table sets forth incentive stock options pursuant to the Plan that were outstanding to NEOs and directors of the Company who were not NEOs during the financial year ended August 31, 2025.

Name and Position	Number of stock options, number of underlying securities and percentage of class <sup>(9)(10)</sup>	Date of Issue or Grant	Option exercise price (\$)	Closing price of underlying security on date of grant (\$)	Closing price of underlying security at year end (\$)	Expiry Date
<b>Peter Jonathan Murphy</b> <sup>(1)</sup> CEO and Director	1,000,000 250,000 (1.26%)	Sept. 4, 2024 Feb. 10, 2025	0.48 0.89	0.52 0.89	0.50	Sept. 4, 2029 Feb. 10, 2030
<b>Cole McClay</b> <sup>(2)</sup> COO and Former CEO	600,000 480,000 800,000 500,000 250,000 (2.66%)	Feb. 25, 2021 Feb. 21, 2022 Nov. 1, 2023 Sept. 4, 2024 Feb. 10, 2025	0.59 0.44 0.26 0.48 0.89	0.55 0.43 0.26 0.52 0.89	0.50	Feb. 25, 2026 Feb. 21, 2027 Nov. 1, 2028 Sept. 4, 2029 Feb. 10, 2030
<b>Scott Davis</b> <sup>(3)</sup> Interim CFO	None	N/A	N/A	N/A	N/A	N/A
<b>Lorne Warner</b> <sup>(4)</sup> Former President	800,000 500,000 1,000,000 (2.32%)	Nov. 1, 2023 Sept. 4, 2024 Feb. 10, 2025	0.26 0.48 0.89	0.26 0.52 0.89	0.50	Nov. 1, 2028 Sept. 4, 2029 Feb. 10, 2030
<b>Greg Bronson</b> <sup>(5)</sup> Former Director	None	N/A	N/A	N/A	N/A	N/A
<b>Tyrone McClay</b> <sup>(6)</sup> Director	600,000 500,000 450,000 100,000 25,000 (1.87%)	Feb. 25, 2021 Feb. 21, 2022 Nov. 1, 2023 Sept. 4, 2024 Feb. 10, 2025	0.59 0.44 0.26 0.48 0.89	0.55 0.43 0.26 0.52 0.89	0.50	Feb. 25, 2026 Feb. 21, 2027 Nov. 1, 2028 Sept. 4, 2029 Feb. 10, 2030
<b>Juan J. Duarte Bravo</b> <sup>(7)</sup> Director	350,000 100,000 100,000 25,000 (0.58%)	Feb 25, 2021 Nov. 1, 2023 Sept. 4, 2024 Feb. 10, 2025	0.59 0.26 0.48 0.89	0.55 0.26 0.52 0.89	0.50	Feb 25, 2026 Nov. 1, 2028 Sept. 4, 2029 Feb. 10, 2030

Name and Position	Number of stock options, number of underlying securities and percentage of class <sup>(9)(10)</sup>	Date of Issue or Grant	Option exercise price (\$)	Closing price of underlying security on date of grant (\$)	Closing price of underlying security at year end (\$)	Expiry Date
Gordon Neal <sup>(8)</sup> Director	500,000 (0.51%)	June 10, 2025	0.71	0.74	0.50	June 30, 2025

- (1) Peter Jonathan Murphy was appointed as director of the Company on September 3, 2024, and was appointed as CEO of the Company on December 3, 2024.
- (2) Cole McClay was appointed as director and CEO of the Company on February 25, 2021. Mr. McClay subsequently resigned as CEO on December 3, 2024 to assume the role of COO of the Company.
- (3) Scott Davis was appointed as Interim CFO of the Company on February 2, 2023.
- (4) Lorne Warner was appointed President of the Company on March 1, 2023.
- (5) Greg Bronson was a director of the Company from July 22, 2020 to May 17 2025.
- (6) Tyrone McClay was appointed as a director of the Company on July 28, 2020.
- (7) June J. Duarte Bravo was appointed as a director of the Company on August 11, 2020.
- (8) Gordon Neal was appointed as director of the Company on June 10, 2026.
- (9) Percentage of options issued compared to the total issued and outstanding shares of the Company as at August 31, 2025, being 98,947,336.
- (10) Subsequent to the current fiscal year, the Company also issued stock options to NEOs and directors of the Company as follows: (a) Options granted October 15, 2025 exercisable at \$0.74 per share expiring October 15, 2030 to Peter Jonathan Murphy (250,000) and Cole McClay (250,000). As of the date of this circular there are 14,595,000 options outstanding with a weighted average exercise price of \$0.58 per share.

A total of 400,000 stock options were exercised by a director or NEO of the Company during the financial year ended August 31, 2025.

### Employment, Consulting and Management Agreements

Except as outlined below, there were no employment, consulting or management contracts between the Company and a NEO or director under which compensation was provided during the financial year ended August 31, 2024 or is payable in respect of services provided to the Company that were performed by a director or NEO.

The Company has entered into a consulting agreement dated December 3, 2024 (the “**Agreement**”) with Peter Jonathan Murphy (the “**Consultant**”) to act as CEO and director, and assist with administrative services to the Company until November 30, 2027. The Agreement states that the Company shall pay \$15,000 per month plus expenses, adjusted upon reaching certain production milestones and the additional of quarterly management bonus fee equal to 1.5% of the Company’s net profits for each quarter and bonuses to be paid if the stock price of the Company achieves certain trading 30-day averages. The Agreement may be terminated by mutual consent or by the Consultant with 30 days’ notice.

The Company has entered into a consulting agreement dated April 1, 2024 (the “**Colestar Agreement**”) with Colestar Management Corp. (“**Colestar**”) wherein Colestar will provide a designated person of Colestar to act as CEO and director, and assist with administrative services to the Company until April 25, 2025. Colestar is wholly owned by Cole McClay, the Company’s former CEO and current COO and director of the Company. The Colestar Agreement states that the Company shall pay \$15,000 per month plus expenses for Colestar to provide services with bonuses to be paid if the stock price of the Company achieves certain trading 30-day averages. The Agreement may be terminated by mutual consent or by Colestar with 30 days’ notice.

The Colestar Agreement was subsequently amended on December 3, 2024 to extend the term of the contracted services to November 30, 2027 when Cole McClay assumed his current role as COO with base monthly fee of \$15,000 adjusted upon reaching certain production milestones and the additional of quarterly management bonus fee equal to 1.5% of the Company’s net profits for each quarter and bonuses to be paid if the stock price of the Company achieves certain trading 30-day averages.

## Oversight and Description of Director and NEO Compensation

The Board as a whole has the responsibility of determining the compensation for the CEO and the CFO and of determining compensation for directors and senior management.

The Company's compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

The compensation program is designed to provide competitive levels of compensation. The Company recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, the Company's NEOs may receive compensation that is comprised of three components:

- Salary, wages or contractor payments;
- Stock option grants; and/or
- Bonuses.

The objectives and reasons for this system of compensation are to allow the Company to remain competitive compared to its peers in attracting experienced personnel. The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary is not evaluated against a formal "peer group". The Compensation Committee relies on the general experience of its members in setting base salary amounts.

Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, although the level of reward provided by a particular stock option grant is dependent upon the volatile stock market.

Any bonuses paid to the NEOs are allocated on an individual basis related to the review by the Board of the work planned during the year and the work achieved during the year, including work related to mineral exploration, administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

## Pension Arrangements

The Company does not have a pension plan that provides for payments or benefits to the NEOs, directors or employees at, following, or in connection with retirement

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan that the Company has in place is its stock option plan (the "**Plan**"). The Plan was established to provide an incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the directors of the Company. The Plan provides that options will be issued pursuant to option agreements with directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Plan provides that the number of Common Shares issuable under the Plan, together with all of the Company's other previously established or proposed share compensation agreements, may not exceed 15% of the total number of issued and outstanding Common Shares at the date of grant. All options expire on a date not later than five years after the issuance of such option.

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

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <sup>(1)</sup> (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	13,195,000	\$0.56	1,647,100
Equity compensation plans not approved by securityholders	-	-	-
<b>Total</b>	13,195,000	\$0.56	1,647,100

Note:

- (1) The Company also subsequently issued to Officers, Directors and Consultants of the Company 500,000 stock options exercisable at \$0.51 on September 30, 2025 expiring on September 30, 2027 and 1,250,000 stock options exercisable at \$0.74 on October 15, 2025 of which 500,000 stock options expire on October 15, 2027 and 750,000 stock options expire on October 15, 2030 and 2,000,000 stock options exercisable at \$0.50 on April 9, 2026 expiring on April 9, 2028, all of which are outstanding as of the date of this circular. As of the date of this circular there are 14,595,000 options outstanding with a weighted average exercise price of \$0.58 per share.

#### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Company was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company. None of the proposed nominees for election as a director of the Company, or any associate of any director, executive officer or proposed nominee, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company.

The Company has not provided any guarantees, support agreements, letters of credit or other similar arrangement or understanding for any indebtedness of any of the Company's directors, executive officers, proposed nominees for election as a director, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company.

#### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An "informed person" means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) 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 or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

Except as set out in the executive compensation and the compensation of directors section above, since the commencement of the Company's most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

## APPOINTMENT OF AUDITOR

Management recommends that Shareholders vote to appoint WDM Chartered Professional Accountants, of Suite 420, 1501 West Broadway, Vancouver, BC V6J 4Z6, as auditors for the Company and to authorize the directors to fix their remuneration. WDM Chartered Professional Accountants was first appointed as auditors of the Company on October 3, 2024.

## CORPORATE GOVERNANCE

### General

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”).

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. The Canadian Securities Administrators (the “**CSA**”) have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA have implemented NI 58-101, which prescribes certain disclosure by reporting issuers of its corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

### Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “**material relationship**” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The current independent members of the Board of Directors of the Company are Gordon Neal, Tyrone McClay and Juan J. Duarte Bravo. The non-independent directors are Peter Jonathan Murphy as CEO and Cole McClay as COO and former CEO. Mr. McClay was appointed as CEO and director on February 25, 2021 and resigned as CEO on December 3, 2024 when he assumed the role as COO of the Company. Mr. Murphy was appointed as a director and CEO of the Company on September 3, 2024 and December 3, 2024, respectively.

The Board facilitates its independent supervision over management by choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent directors are, however, able to meet at any time without any of the non-independent directors being present. Further supervision is performed through the Audit Committee who may meet with the Company’s auditors without management being in attendance.

### Directorships

The participation of the directors in other reporting issuers as at the date of this Management Circular is described in the following table:

Name of Director	Names of Other Reporting Issuers of which the Director is a Director
Cole McClay	Tarachi Gold Corp
Tyron McClay	None
Juan J. Duarte Bravo	None
Peter Jonathan Murphy	Starr Peak Mining Ltd.
Gordon Neal	Algo Grande Copper Corp., Lithium South Development Corporation, Eon Lithium Corp., Gold Port Corporation, Wealth Minerals Ltd., Aeonian Resources Corp., Domestic Metals Corp.,

## **Orientation and Continuing Education**

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties and on director responsibilities.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available to discussions with all Board members.

## **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an 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 independently of management and in the best interests of the Company.

## **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual meeting of Shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

## **Other Board Committees**

The Board has no committees other than the Audit Committee.

## **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and committees.

## **Compensation**

The Board is not compensated for acting as directors, except for being granted incentive stock options pursuant to the policies of the Canadian Securities Exchange and the Company's stock option plan. The Board acts as a whole to determine and approve the final stock grants and compensation amounts.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee (the "**Audit Committee**") and its relationship with its independent auditors, as set forth in the following.

### **Charter**

The Company has adopted a charter (the "**Charter**") of the Audit Committee of the Board, which is attached as Schedule "A" to this Information Circular.

### **Composition**

The current members of the Audit Committee are Cole McClay, Tyrone McClay and Juan J. Duarte Bravo. All of the members of the audit committee except for Cole McClay are independent members. The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee). All of the members of the Audit Committee are considered to be financially literate.

## Relevant Education and Experience

- **Cole McClay** - With extensive expertise in business operations, Cole McClay brings a strong ability to analyze financial statements and support strategic decision-making. As a former CEO and current COO of the Company, he has a good understanding of corporate management,
- **Tyrone McClay** - A seasoned professional in business, Tyrone McClay possesses an understanding of financial statement analysis. His ability to interpret financial data make him a valuable asset in corporate planning and execution.
- **Juan J. Duarte Bravo** - Mr. Duarte Bravo has a wealth of experience in business, and is competent in financial statement analysis. Mr. Duarte works as a lawyer in Sonora, Mexico.

## Audit Committee Oversight

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

## Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter.

## Reliance on Certain Exemptions

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

## External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by WDM Chartered Professional Accountants, to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended August 31, 2025	Fees Paid to Auditor in Year Ended August 31, 2024
Audit Fees <sup>(1)</sup>	\$60,000	\$50,610
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	Nil	Nil
All Other Fees	Nil	Nil
<b>Total</b>	<b>\$60,000</b>	<b>\$50,610</b>

- (1) **"Audit Fees"** include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) **"Audit-Related Fees"** include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) **"Tax Fees"** include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

## Exemption in Section 6.1 of NI 52-110

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

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Approval of Omnibus Plan

On May 22, 2026, the Board adopted a “rolling” 15% omnibus equity incentive plan (the “**Omnibus Plan**”). In accordance with the policies of Canadian Securities Exchange (“**CSE**”), the Omnibus Plan must be approved by the shareholders of the Company within three years of its implementation. As such, at the Meeting, shareholders of the Company will be asked to consider, and if deemed advisable, to approve the Omnibus Plan.

The Omnibus Plan being proposed for approval at the Meeting provides for the grant of options (“**Options**”), restricted share units (“**RSUs**”), performance share units (“**PSUs**” and, together with the RSUs, “**Share Units**”), and deferred share units (“**DSUs**”, collectively with Options and Share Units, the “**Awards**”).

Compared to the Company’s existing stock option plan, the Omnibus Plan provides the Company with the additional flexibility to grant and administer different forms of equity-based incentive awards to eligible directors, officers, employees and consultants under a single equity based compensation plan. The Board continues to believe that equity-based compensation is an appropriate way for the Company to ensure that the interests of its Board, its management team and key employees are aligned with its shareholders and to attract and retain the best possible talent. The Company recognizes that better outcomes result from long-term incentives and that it requires an equity compensation plan with more flexibility than that currently provided under its existing stock option plan.

If the Omnibus Plan is approved by the shareholders of the Company at the Meeting (the “**Omnibus Plan Approval**”), the Omnibus Plan will replace the Company’s current 15% stock option plan (the “**Existing Option Plan**”), which was last approved by the shareholders of the Company at the annual general meeting of shareholders held on June 26, 2025.

In addition, if the Omnibus Plan Approval is obtained, all of the options (the “**Existing Options**”) that were granted under the Existing Option Plan and that remain outstanding as of the date of the Meeting will continue to have the same rights, terms and conditions as they presently do, and no further grants will be made under the Existing Option Plan.

As at the date hereof, there are 14,595,000 Existing Options outstanding, leaving 2,574,078 common shares available to underlie future award grants under the Omnibus Plan (assuming Omnibus Plan Approval is obtained). New awards granted under the Omnibus Plan are not exercisable until Omnibus Plan Approval is obtained.

### Summary of the Omnibus Plan

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

Eligible Participants	<p>In respect of a grant of Options, an Eligible Participant is any Director, Officer, employee, Investor Relations Service Providers or Consultant of the Company or any of its Subsidiaries.</p> <p>In respect of Share Units, an Eligible Participant is any Director, Officer, employee or Consultant of the Company or any of its Subsidiaries (other than Investor Relations Service Providers).</p> <p>In respect of a grant of DSUs, an Eligible Participant is any Non-Employee Director (other than Investor Relations Service Providers).</p>
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Award Types	Options, RSUs, PSUs, DSUs
Administration	The Omnibus Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. Subject to the terms of the Omnibus Plan, applicable law and the rules of the applicable Exchanges, the Board (or its delegate) will have the power and authority to (i) designate the Eligible Participants who will receive Awards (an Eligible Participant who receives an Award, a “Participant”), (ii) fix the number of Awards, if any, to be granted to each Eligible Participant and the date or dates on which such Awards shall be granted, (iii) determine the terms and conditions of any Award, including any vesting conditions, Performance Criteria, Performance Period or otherwise as permitted by the Omnibus Plan and the rules of any exchanges, and (iv) make such amendments to the Omnibus Plan and Awards made under the Omnibus Plan as are permitted by the Omnibus Plan, and provided that, unless permitted under the applicable rules of any Exchange, no Award shall vest before the one-year anniversary from the date of grant.
Number of Common Shares	The total number of Common Shares reserved and available for grant and issuance pursuant to Awards under the Omnibus Incentive Plan must not exceed 15% of the Outstanding Issue, less the number of Common Shares reserved for issuance pursuant to any other Share Compensation Arrangement, if any, at any time. The share reserve will also be impacted by the “Share Counting” definitions as set out below.
Share Counting	Each Common Share subject to an Option, RSU, PSU, or DSU shall be counted as reserving one Common Share under the Omnibus Plan.
Share Recycling	If an outstanding Award expires or otherwise terminated for any reason without having been exercised or settled in full, or if an outstanding Award (or portion thereof) is settled in cash and not Common Shares, or if Common Shares acquired pursuant to an outstanding Award subject to forfeiture are forfeited, the Common Shares covered by such Award, if any, will again be available for issuance under the Omnibus Plan. Common Shares will not be deemed to have been issued pursuant to the Omnibus Plan with respect to any portion of an Award that is settled in cash.
Term	<p><u>Options</u>: The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten (10) years from the date the Option is granted. All unexercised Options shall be cancelled, without any compensation, at the expiry of such Options.</p> <p><u>RSUs/PSUs</u>: The Board shall determine, at the time of granting the RSUs or PSUs, the date or dates on which such RSUs/PSUs will be granted and the relevant conditions, vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and Restriction Period. Vesting conditions may, without limitation, be based on the passage of time during continued employment (or other service relationship) or the achievement of specified Performance Criteria, or both.</p> <p><u>DSUs</u>: DSUs will vest on the Termination Date of the Participant, provided that no DSU will vest before the one year anniversary from the date of grant unless permitted by applicable CSE rules.</p>
Redemption	<u>Options</u> : An Option is exercisable by delivering a fully completed Exercise Notice specifying the number of Common Shares in respect of which the

	<p>Option is being exercised and shall be accompanied by payment, in full, of (i) the Option Price multiplied by the number of Options being exercised as specified in such notice, and (ii) such amount in respect of tax obligations as the Company may require. As soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, the Company shall cause the transfer agent and registrar of the Common Shares to issue the aggregate number of Common Shares as specified in the Exercise Notice in certificated or uncertificated form, as permitted by the Omnibus Plan. A Participant also has the option, when entitled to exercise an Option, to deal with such Option on a “cashless exercise” or “net exercise” basis in accordance with the terms of the Omnibus Plan.</p> <p><u>RSUs/PSUs/DSUs</u>: A Participant’s vested RSUs, PSUs or DSUs shall be redeemed in consideration for a cash payment or the issuance of Common Shares on the applicable Redemption Date. Any cash payment to which the Participant is entitled, subject to applicable tax obligations, shall be paid to the Participant by the Company in cash, by cheque or by such other payment method as the Company and the Participant may agree. Where the Company has elected to settle all or a portion of the Participant’s vested RSUs, PSUs or DSUs in Common Shares issued from treasury, the Company shall deliver to the Participant the number of Common Shares to which the Participant is entitled in certificated or uncertificated form, as permitted by the Omnibus Plan.</p>
Participation Limits	<p>Unless the Company has obtained the requisite disinterested shareholder approval as required by the rules of any Exchange:</p> <ul style="list-style-type: none"> <li>● the maximum number of Common Shares that are issuable to Insiders, at any time, pursuant to the Omnibus Plan and all other share-based compensation arrangements of the Company is 15% of the Outstanding Issue; and</li> <li>● the maximum number of Common Shares issued to Insiders, within any twelve (12) month period, pursuant to the Omnibus Plan and all other share-based compensation arrangements of the Company is 15% of the Outstanding Issue.</li> </ul> <p>The maximum number of Common Shares that may be made issuable to certain Participants, are subject to the following limitations:</p> <ul style="list-style-type: none"> <li>● the maximum number of Common Shares that may be made issuable pursuant to Awards made to any person, including employees and Non-Employee Directors, within any one-year period shall not exceed 5% of the Outstanding Issue calculated as at the date any Award is granted or issued to such person (unless the Company has obtained the requisite disinterested shareholder approval as required by the rules of the CSE); and</li> <li>● the maximum aggregate number of Common Shares that are issuable pursuant to all Options granted in any twelve (12) month period to all Investor Relations Service Providers in aggregate must not exceed 2% of the number of Common Shares issued and outstanding, calculated as at the date any Option is granted to any such Investor Relations Service Provider;</li> </ul>
Effect of Termination on Awards	<p>Each Option will be subject to the following:</p> <ul style="list-style-type: none"> <li>● <u>Resignation</u>: Any unvested Option will terminate and become void immediately upon the Participant’s resignation. Any vested Option held by such Participant will cease to be exercisable on the earlier of (i) ninety (90)</li> </ul>

days after the Participant's Termination Date, and (ii) the expiry date of such Option, after which such vested Option will expire.

- Termination for Cause: Any vested or unvested Option granted to such Participant will terminate automatically and become void immediately.

- Termination not for Cause: Any unvested Option granted to such Participant will terminate and become void immediately. Any vested Option granted to such Participant may be exercised, subject to the limitations set forth in the Omnibus Plan. Unless otherwise determined by the Board, any vested Options will only be exercisable until the earlier of (i) ninety (90) days after the Termination Date (or such later date as the Board may, in its discretion, determine), and (ii) the expiry date of the Option, after which the vested Option will expire.

- Retirement or Permanent Disability: Any unvested Option granted to such Participant will terminate and become void immediately. Any vested Options will cease to be exercisable on the earlier of (i) ninety (90) days from the date of Retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any Subsidiary by reason of permanent disability, and (ii) the expiry date of such Option, after which such vested Option will expire.

- Death: Each unvested Option granted to such Participant will terminate and become void immediately. Each vested Option held by such Participant on the Termination Date may be exercised by the legal representative of the Participant, provided that any such vested Option shall cease to be exercisable on the earlier of (i) the date that is 12 months after the date of death, or (ii) the expiry date of such Option, after which such vested Option will expire.

- Leave of Absence: Upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, the Board may determine, in its discretion, but subject to applicable laws, that such Participant's participation in the Omnibus Plan shall be terminated, provided that all vested Options will remain outstanding and in effect until the applicable exercise date, or an earlier date determined by the Board in its discretion.

Each RSU, PSU and DSU will be subject to the following:

- Termination for Cause and Resignation. The Participant's participation in the Omnibus Plan will be terminated immediately, all RSUs, PSUs and/or DSUs that have not vested will be forfeited and cancelled, and the unvested RSUs, PSUS, and/or DSUs will be forfeited and cancelled on the Termination Date; provided, however, that any Participant will not forfeit their entitlement to any DSUs as a result of the occurrence of any of the events set forth in Section 6.3 of the Omnibus Plan.

- Death, Retirement, Leave of Absence or Termination of Service. Upon a Participant electing a voluntary leave of absence, or upon a Participant ceasing to be Eligible Participant as a result of (a) death, (b) retirement, (c) Termination of Service for reasons other than for Cause, (d) his or her employment or service relationship with the Company or a Subsidiary being terminated by reason of injury or disability or (e) becoming eligible to receive long term disability benefits, all unvested Share Units as of such date relating to a Restriction Period in progress will be forfeited and cancelled. Notwithstanding the foregoing, if the Board, in its sole discretion, instead

	accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs or PSUs, the date of such action is the Vesting Date, so long as no RSUs or PSUs vest before the one year anniversary of being granted unless in connection with a Change of Control or the death of a Participant
Change of Control	In the event of a Change of Control, any unvested Awards will immediately vest to assist the Participants to tender into a take-over bid or participate in any other transaction leading to a Change of Control. If the proposed Change of Control is not completed within the prescribed time, (i) the conditional exercise of vested Options shall be deemed to be null, void, and of no effect; (ii) Common Shares issued pursuant to the vested Options shall be returned; and (iii) the original terms of the Options will apply.
Assignments	Each Award is personal to the Participant and is not assignable or transferable, except in the case of a Participant's death.
Amendments	<p>The Board may suspend or terminate the Omnibus Plan at any time, or from time to time amend or revise the terms of the Omnibus Plan or any granted Award, without the consent of the Participants, provided that any suspension, termination, amendment or revision will not adversely alter or impair the rights of any Participant without the consent of such Participant (except as permitted under the Omnibus Plan).</p> <p>The Board may, from time to time, without the approval of the shareholders, make the following amendments to the Omnibus Plan:</p> <ul style="list-style-type: none"> <li>● any amendment necessary to comply with applicable laws or the requirements of the CSE or other applicable securities exchanges or regulatory authorities;</li> <li>● any amendment of a "housekeeping" nature, including to clarify the meaning of any existing provisions of the Omnibus Plan, to correct or supplement any provision of the Omnibus Plan that is inconsistent with any other provision, correct grammatical or typographical errors, or to amend the definitions in the Omnibus Plan; and</li> <li>● any amendment regarding the administration of the Omnibus Plan.</li> </ul>

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution (the "**Omnibus Plan Resolution**") confirming, ratifying and approving the Omnibus Plan, as follows:

**"BE IT RESOLVED THAT:**

- A. the Omnibus Plan of the Company is hereby ratified, confirmed and approved;
- B. the next date by which the Company must seek security holder approval is July 8, 2029; and
- C. Any director or officer of the Company is authorized and directed for and on behalf of the Company to execute and deliver or file such documents and instruments and to perform such other acts or things as are required or as such director or officers in his or her sole discretion may deem necessary to give effect to the true intent of this resolution."

In order to be passed, the Omnibus Plan Resolution requires the approval of a majority of the votes cast thereon by disinterested shareholders present in person or represented by proxy at the Meeting. The directors of the Company unanimously recommend that shareholders vote in favor of the Omnibus Plan Resolution.

**The persons named in the form of proxy accompanying this Circular intend to vote FOR the Omnibus Plan Resolution, unless the shareholder who has given such proxy has directed that the Common Shares represented by such proxy be voted against the Omnibus Plan Resolution.**

### **Other Matters**

As of the date of this Information Circular, management knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

### **Additional Information**

Additional information relating to the Company is available on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

Financial information on the Company is provided in the Company's comparative financial statements and management discussion and analysis of the most recently completed financial year ended August 31, 2025. Copies of the Company's financial statements and management discussion and analysis may also be obtained upon request from the Company to the attention of Cole McClay at 1050 - 12471 Horseshoe Way, Richmond, British Columbia, V7A 4X8, Tel: 604-271-0826.

### **APPROVAL AND CERTIFICATION**

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

Where information contained in this Information Circular, rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The foregoing contains no untrue statement of material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Dated at Vancouver, British Columbia, this 25<sup>th</sup> day of May 2026.

*"PJ Murphy"*

PJ Murphy  
CEO & Director

**SCHEDULE A**  
**FORGE RESOURCES CORP.**  
**(the "Company")**  
**AUDIT COMMITTEE CHARTER**

See attached.

## FORGE RESOURCES CORP.

### AUDIT COMMITTEE CHARTER

#### I. Purpose

The primary objective of the Audit Committee (the "**Committee**") of Benjamin Hill Mining Corp. (the "Company") is to act as a liaison between the Company's Board of Directors (the "**Board**") and the Company's independent auditors (the "**Auditors**") and to oversee (a) the accounting and financial reporting processes of the Company, including the financial statements and other financial information provided by the Company to its shareholders, the public and others, (b) the Company's compliance with legal and regulatory requirements, (c) the audit of the Company's financial statements, (d) the qualification, independence and performance of the Auditors, and (e) the Company's risk management policies and procedures and internal financial and accounting controls, and management information systems. For greater certainty, references to the financial statements of the Company will include, where applicable, the financial statements of the Company's subsidiary entities.

Although the Committee has the powers and responsibilities set forth in this Charter, the role of the Committee is oversight. The members of the Committee are not full-time employees of the Company and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Committee to conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditors.

The responsibilities of a member of the Committee are in addition to such member's duties as a member of the Board.

#### II. Organization

A majority of the members of the Committee will be non-executive directors of the Company who satisfy, at a minimum, the laws governing the Company and the independence, financial literacy and financial experience requirements under applicable securities laws, rules and regulations, stock exchange and any other regulatory requirements applicable to the Company. The responsibilities of a member of the Committee are in addition to such member's duties as a member of the Board.

Members of the Committee must be financially literate as the Board interprets such qualification in its business judgment. A majority of the members of the Committee will not have participated in the preparation of the financial statements of the Company or any current subsidiary at any time during the past three years. All members will be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement.

The Committee will consist of three or more directors of the Company, a majority of whom are not executive officers of the Company. The members of the Committee and the Chair of the Committee will be appointed by the Board. A majority of the members of the Committee will constitute a quorum, provided that if there are only three members, the quorum shall be three. A majority of the members of the Committee will be empowered to act on behalf of the Committee. Matters decided by the Committee will be decided by majority votes. The chair of the Committee will have an ordinary vote and will not be entitled to exercise a casting vote.

Any member of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a director.

The Committee may form and delegate authority to subcommittees when appropriate.

### **III. Meetings**

The Committee will meet as frequently as circumstances require, but not less frequently than four times per year. The Committee will meet at least quarterly with management, the Company's financial and accounting officer(s) and the Auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. Meetings may be held telephonically to the extent permitted by the Company's organizational documents and applicable law. A resolution in writing signed by all members who are entitled to vote on the resolution at the meeting of the Committee is as valid as if it had been passed at a meeting.

In the absence of the appointed Chair of the Committee at any meeting, the members will elect a chair from those in attendance at the meeting. The Chair, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each upcoming meeting. Notice of the time and place of every meeting shall be given in writing, either by email, fax or personal delivery to each member of the Committee at least 24 hours in advance of the meeting.

The Committee will appoint a recording secretary who will keep minutes of all meetings. The recording secretary may be any person and does not need to be a member of the Committee. The recording secretary for the Committee can be changed by simple notice from the Chair.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee. The Company's accounting and financial officer(s) and the Auditors will attend any meeting when requested to do so by the Chair of the Committee.

### **IV. Authority and Responsibilities**

The Board, after consideration of the recommendation of the Committee, will nominate the Auditors for appointment by the shareholders of the Company in accordance with applicable law. The Auditors report directly to the Audit Committee. The Auditors are ultimately accountable to the Committee and the Board as representatives of the shareholders.

In fulfilling its duties and responsibilities under this Charter, the Committee will be entitled to reasonably rely on (a) the integrity of those persons within the Company and of the professionals and experts (such as the Auditors) from whom it receives information, (b) the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts and (c) the representations made by the Auditors as to any services provided by them to the Company.

The Committee will have the following responsibilities;

#### **(a) Auditors**

1. Be directly responsible for the appointment, compensation, retention (including termination) and oversight of the work of any independent registered public accounting firm engaged by the Company (including for the purposes of preparing or issuing an audit report or performing other audit, review or attestation services or other work for the Company and including the resolution of disagreements between management and the Company's independent registered public accounting firm regarding financial reporting) and ensure that such firm will report directly to it; recommend to the Board the independent auditors to be nominated for appointment as Auditors of the Company at the Company's annual meeting, the remuneration to be paid to the Auditors for services performed during the preceding year; and recommend to the Board and the shareholders the termination of the appointment of the Auditors, if and when advisable.

2. When there is to be a change of the Auditor, review all issues related to the change, including any notices required under applicable securities law, stock exchange or other regulatory requirements, and the planned steps for an orderly transition.
3. Review the Auditor's audit plan and discuss the Auditor's scope, staffing, materiality, and general audit approach.
4. Review on an annual basis the performance of the Auditors, including the lead audit partner.
5. Take reasonable steps to confirm the independence of the Auditors, which include:
  - (a) ensuring receipt from the Auditors of a formal written statement in accordance with applicable regulatory requirements delineating all relationships between the Auditors and the Company;
  - (b) considering and discussing with the Auditors any disclosed relationships or services, including non-audit services, that may impact the objectivity and independence of the Auditors;
  - (c) approving in advance all auditing services and any non-audit related services provided by the Auditors to the Company, and the fees for such services, with a view to ensuring the independence of the Auditors and, in accordance with applicable regulatory standards, including applicable stock exchange requirements, with respect to approval of non-audit related services performed by the Auditors; and
  - (d) as necessary, taking or recommending that the Board take appropriate action to oversee the independence of the Auditors.
6. Review and approve any disclosures required to be included in periodic reports under applicable securities laws, rules and regulations and stock exchange and other regulatory requirements with respect to non-audit services.
7. Confirm with the Auditors and receive written confirmation at least once per year as to (i) the Auditor's internal processes and quality control procedures; and (ii) disclosure of any material issues raised by the most recent internal quality control review, or per review within the preceding five years respecting independent audit carried out by the Auditors or investigations or government or professional enquiries, reviews or investigations of the Auditors within the last five years.
8. Consider the tenure of the lead audit partner on the engagement in light of applicable securities law, stock exchange or applicable regulatory requirements.
9. Review all reports required to be submitted by the Auditors to the Committee under applicable securities laws, rules and regulations and stock exchange or other regulatory requirements.
10. Receive all recommendations and explanations which the Auditors place before the Committee.
- (b) Financial Statements and Financial Information**
11. Review and discuss with management, the financial and accounting officer(s) and the Auditors, the Company's annual audited financial statements, including disclosures made in management's discussion and analysis, prior to filing or distribution of such statements and recommend to the Board, if appropriate, that the Company's audited financial statements be included in the Company's annual reports distributed and filed under applicable laws and regulatory requirements.

12. Review and discuss with management, the financial and accounting officer(s) and the Auditors, the Company's interim financial statements, including management's discussion and analysis, and the Auditor's review of interim financial statements, prior to filing or distribution of such statements.
13. Review any earnings press releases of the Company before the Company publicly discloses this information.
14. Be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information and extracted or derived from the Company's financial statements and periodically assess the adequacy of these procedures.
15. Discuss with the Auditor the matters required to be discussed by applicable auditing standards requirements relating to the conduct of the audit including:
  - (a) the adoption of, or changes to, the Company's significant auditing and accounting principles and practices;
  - (b) the management letter provided by the Auditor and the Company's response to that letter; and
  - (c) any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, or personnel and any significant disagreements with management.
16. Discuss with management and the Auditors major issues regarding accounting principles used in the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles. Review and discuss analyses prepared by management and/or the Auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative approaches under generally accepted accounting principles.
17. Prepare, or ensure the preparation of, and review any report under applicable securities law, stock exchange or other regulatory requirements, including any reports required to be included in statutory filings.

**(c) Ongoing Reviews and Discussions with Management and Others**

18. Obtain and review an annual report from management relating to the accounting principles used in the preparation of the Company's financial statements, including those policies for which management is required to exercise discretion or judgments regarding the implementation thereof.
19. Periodically review separately with each of management, the financial and accounting officer(s) and the Auditors: (a) any significant disagreement between management and the Auditors in connection with the preparation of the financial statements, (b) any difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information and (c) management's response to each.
20. Periodically discuss with the Auditors, without management being present, (a) their judgments about the quality, integrity and appropriateness of the Company's accounting principles and financial disclosure practices as applied in its financial reporting and (b) the completeness and accuracy of the Company's financial statements.

21. Consider and approve, if appropriate, significant changes to the Company's accounting principles and financial disclosure practices as suggested by the Auditors or management and the resulting financial statement impact. Review with the Auditors or management the extent to which any changes or improvements in accounting or financial practices, as approved by the Committee, have been implemented.
22. Review and discuss with management, the Auditors and the Company's independent counsel, as appropriate, any legal, regulatory or compliance matters that could have a significant impact on the Company's financial statements, including applicable changes in accounting standards or rules, or compliance with applicable laws and regulations, inquiries received from regulators or government agencies and any pending material litigation.
23. Enquire of the Company's financial and accounting officer(s) and the Auditors on any matters which should be brought to the attention of the Committee concerning accounting, financial and operating practices and controls and accounting practices of the Company.
24. Review the principal control risks to the business of the Company, its subsidiaries and joint ventures; and verify that effective control systems are in place to manage and mitigate these risks.
25. Review and discuss with management any earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as any financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be done generally (i.e. discussion of the types of information to be disclosed and the types of presentations made).
26. Review and discuss with management any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons, that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses. Obtain explanations from management of all significant variances between comparative reporting periods.
27. Review and discuss with management the Company's major risk exposures and the steps management has taken to monitor, control and manage such exposures, including the Company's risk assessment and risk management guidelines and policies.

**(d) Risk Management**

28. Review, based upon the recommendation of the Auditors and management, the scope and plan of the work to be done by the Company's financial and accounting group and the responsibilities, budget and staffing needs of such group.
29. Ensure that management has designed and implemented effective systems of risk management and internal controls and, at least annually, review the effectiveness of the implementation of such systems.
30. Approve and recommend to the Board for adoption policies and procedures on risk oversight and management to establish an effective and efficient system for identifying, assessing, monitoring and managing risk relating to financial management and internal control.
31. Review the appointment of the chief financial officer and any key financial executives involved in the financial reporting process and recommend to the Board any changes in such appointments.

**(b) Other Responsibilities**

32. Create an agenda for the ensuing year.
33. Review and approve related-party transactions if required under applicable securities law, stock exchange or other regulatory requirements.
34. Review and approve (a) any change or waiver in the Company's Code of Business Conduct and Ethics applicable to senior financial officers and (b) any disclosures made under applicable securities law, stock exchange or other regulatory requirements regarding such change or waiver.
35. Establish, review and approve policies for the hiring of employees, partners, former employees or former partners of the Company's Auditors or former independent auditors.
36. Review and reassess the duties and responsibilities set out in this Charter annually and recommend to the Board any changes deemed appropriate by the Committee.
37. Review its own performance annually, seeking input from management and the Board.
38. Confirm annually that all responsibilities outlined in this Charter have been carried out.
39. Perform any other activities consistent with this Charter, the Company's constating documents and governing law, as the Committee or the Board deems necessary or appropriate.

**V. Reporting**

The Committee will report regularly to the Board and will submit the minutes of all meetings of the Audit Committee to the Board. The Committee will also report to the Board on the proceedings and deliberations of the Committee at such times and in such manner as the Board may require. The Committee will review with the full Board any issues that have arisen with respect to quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance or independence of the Auditors or the performance of the Company's financial and accounting group.

**VI. Resources and Access to Information**

The Committee will have the authority to retain independent legal, accounting and other advisors or consultants to advise the Committee, as it determines necessary to carry out its duties.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities. The Committee has direct access to anyone in the organization and may request any officer or employee of the Company or the Company's outside counsel or the Auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee with or without the presence of management. In the performance of any of its duties and responsibilities, the Committee will have access to any and all books and records of the Company necessary for the execution of the Committee's obligations.

The Committee will determine the extent of funding necessary for payment of (a) compensation to the Company's independent public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company, (b) compensation to any independent legal, accounting and other advisors or consultants retained to advise the Committee and © ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

**SCHEDULE B**  
**FORGE RESOURCES CORP.**  
**(the "Company")**  
**OMNIBUS PLAN**

Schedule "A"

**FORGE RESOURCES CORP.**

**OMNIBUS EQUITY INCENTIVE PLAN**

Forge Resources Corp. (the "**Corporation**") hereby establishes an omnibus equity incentive plan for certain qualified directors, officers, employees and consultants of the Corporation or any of its Subsidiaries (as defined herein).

**ARTICLE 1  
INTERPRETATION**

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

- (a) "Account" means a notional account maintained for each Participant on the books of the Corporation which will be credited with Share Units or DSUs, as applicable, in accordance with the terms of this Plan;
- (b) "Affiliate" has the meaning ascribed thereto in the *Securities Act* (British Columbia), as amended, supplemented or replaced from time to time;
- (c) "Annual Board Retainer" means the annual retainer paid by the Corporation to a director in a calendar year for service on the Board, including Board committee fees, attendance fees and additional fees and retainers to committee chairs; provided that, for greater clarity, "Annual Board Retainer" shall not include any amounts paid as a reimbursement or allowance for expenses;
- (d) "Award" means any of an Option, Share Unit or DSU granted pursuant to, or otherwise governed by, the Plan;
- (e) "Award Agreement" means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement, a Share Unit Agreement, a DSU Agreement, an Employment Agreement or a Consulting Agreement;
- (f) "Blackout Period" means a period during which the Corporation prohibits Participants from trading securities of the Corporation which is formally imposed by the Corporation pursuant to its internal trading policies (which, for greater certainty, does not include a period during which a Participant or the Corporation is subject to a cease trade order (or similar order under securities laws) in respect of the Corporation's securities);
- (g) "Blackout Period Expiry Date" means the date on which a Blackout Period expires;
- (h) "Board" means the board of directors of the Corporation as constituted from time to time;
- (i) "Board Retainer DSUs" has the meaning ascribed thereto in Section 5.8(a) hereof;
- (j) "Business Day" means a day, other than a Saturday, Sunday or statutory holiday, when Canadian chartered banks are generally open for business in Vancouver, British Columbia for the transaction of banking business;

- (k) “Canadian Participant” means a Participant who is a resident of Canada and/or who is granted an Award in respect of, or by virtue of, employment services rendered in Canada, provided that, for greater certainty, a Participant may be both a Canadian Participant and a U.S. Taxpayer;
- (l) “Cause” has the meaning ascribed thereto in Section 6.2(a) hereof;
- (m) “Change of Control” means, unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:
  - (i) any transaction (other than a transaction described in paragraph (b) below) pursuant to which any Person or group of Persons acting jointly or in concert acquires the direct or indirect beneficial ownership of securities of the Corporation representing 50% or more of the aggregate voting power of all of the Corporation’s then issued and outstanding securities entitled to vote in the election of directors of the Corporation, other than any such acquisition that occurs upon the exercise or settlement of options or other securities granted by the Corporation under any of the Corporation’s equity incentive plans;
  - (ii) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Corporation and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Corporation immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation, merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such transaction;
  - (iii) the sale, lease, exchange, license or other disposition of assets, rights or properties of the Corporation or any of its Subsidiaries which have an aggregate book value greater than 50% of the book value of the assets, rights and properties of the Corporation and its Subsidiaries on a consolidated basis to any other Person, other than a disposition to a wholly-owned Subsidiary of the Corporation in the course of a reorganization of the assets of the Corporation and its wholly-owned Subsidiaries;
  - (iv) the passing of a resolution by the Board or shareholders of the Corporation to substantially liquidate the assets of the Corporation or wind up the Corporation’s business or significantly rearrange its affairs or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and the shareholdings remain substantially the same following the re-arrangement); or

- (v) individuals who, immediately prior to a particular time, are members of the Board (the “**Incumbent Board**”) cease for any reason to constitute at least 50% of the members of the Board immediately following such time; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board;

Notwithstanding the foregoing, for purposes of any Award that constitutes “deferred compensation” (within the meaning of Code Section 409A), the payment of which is triggered by or would be accelerated upon a Change of Control, a transaction will not be deemed a Change of 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 Code Section 409A

- (n) “Code” means the U.S. *Internal Revenue Code of 1986*, as amended from time to time and the Treasury Regulations promulgated thereunder;
- (o) “Code Section 409A” means Section 409A of the Code and applicable regulations and guidance issued thereunder;
- (p) “Consultant” means an individual (other than an Employee, Officer or Director of the Corporation or a Subsidiary) or company that: (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to a Subsidiary, other than services provided in relation to a distribution; (ii) provides the services under a written contract between the Corporation or the Subsidiary and the individual or company, as the case may be; (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a Subsidiary; and (iv) has a relationship with the Corporation or a Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Corporation;
- (q) “Consulting Agreement” means any written consulting agreement between the Corporation or a Subsidiary and a Participant who is a Consultant;
- (r) “CSE” means Canadian Securities Exchange.
- (s) “Designated Broker” means a broker who is independent of, and deals at arm’s length with, the Corporation and its Subsidiaries and is designated by the Corporation;
- (t) “Director” means a director of the Corporation or of any of its subsidiaries;
- (u) “Dividend Equivalent” means additional Share Units or DSUs credited to a Participant’s Account as a dividend equivalent pursuant to Section 4.7 or Section 5.7, respectively;
- (v) “DSU” means a deferred share unit, which is a right awarded to a Participant to receive a payment as provided in Article 5 hereof and subject to the terms and conditions of this Plan;

- (w) “DSU Agreement” means a written agreement between the Corporation and a Participant evidencing the grant of DSUs and the terms and conditions thereof, in such form as the Board may decide;
- (x) “DSU Grant Date” has the meaning ascribed thereto in Section 5.8(f) hereof;
- (y) “DSU Redemption Date” means, with respect to a particular DSU, the date on which such DSU is redeemed in accordance with the provisions of this Plan;
- (z) “Elected Amount” has the meaning ascribed thereto in Section 5.8(a) hereof;
- (aa) “Election Notice” has the meaning ascribed thereto in Section 5.8(a) hereof;
- (bb) “Eligible Participant” means: (i) in respect of a grant of Options, any bona fide Director, Officer, Employee, Consultant or Investor Relations Service Provider of the Corporation or any of its Subsidiaries, (ii) in respect of a grant of Share Units, any bona fide Director, Officer, Employee or Consultant of the Corporation or any of its Subsidiaries (other than Investor Relations Service Provider), and (iii) in respect of a grant of DSUs, any bona fide Non-Employee Director (other than Investor Relations Service Provider);
- (cc) “Employee” means an individual who: (i) is considered an employee of the Company or of its Subsidiary under the *Income Tax Act (Canada)* or similar legislation and for whom income tax, employment insurance or other statutory deductions are made at source; or (ii) an individual who works full-time for the Company or its Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or its Subsidiary over the details and methods of work as an employee of the Company or its Subsidiary, as the case may be, but for whom income tax deductions are not made at source; or (iii) an individual who works for the Company or its Subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Company or its Subsidiary over the details and methods of work as an employee of the Company or of the Subsidiary, as the case may be, but for whom income tax deductions are not made at source;
- (dd) “Employment Agreement” means, with respect to any Participant, any written employment agreement between the Corporation or a Subsidiary and such Participant;
- (ee) “Exchange” means the Canadian Securities Exchange or, if the Shares are not listed and posted for trading on the Canadian Securities Exchange at a particular date, such other stock exchange or trading platform upon which the Shares are listed and posted for trading and which has been designated by the Board;
- (ff) “Exchange Rules” means the rules and/or policies of any stock exchange on which the Shares are listed or traded at an applicable time;
- (gg) “Exercise Notice” means a notice in writing signed by a Participant and stating the Participant’s intention to exercise a particular Option, if applicable;

- (hh) “Fair Market Value” means (i) if the Shares are listed on any Exchange, the closing price of the Shares on the last Trading Day immediately preceding the applicable date; and (ii) if the Shares are not listed on any Exchange, the value as is determined solely by the Board in good faith and in compliance with Code Section 409A;
- (ii) “Insider” has the meaning ascribed thereto in the *Securities Act* (British Columbia), as amended, supplemented or replaced from time to time; “Investor Relations Service Provider” means a service provider who provides Investor Relations Activities as defined in Section 1 of CSE Policy 1.
- (jj) “ITA” means the *Income Tax Act* (Canada), as amended from time to time;
- (kk) “ITA Regulations” means the regulations promulgated under the ITA, as amended from time to time;
- (ll) “Management Company Employee” means a Person employed by the Corporation providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation.
- (mm) “Market Value” means, with respect to any date on which the market value of Shares must be determined, the amount equal to: (i) the lower of the closing market prices of the Shares on the CSE on the Trading Day immediately preceding the applicable date and on the applicable date; or (ii) if the Shares are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith and such determination shall be conclusive and binding on all Persons;
- (nn) “Non-Employee Director” means a member of the Board who is not otherwise an Employee or Officer of the Corporation or a Subsidiary;
- (oo) “Officer” means an officer (as defined under the *Securities Act* (British Columbia)) of the Company or any of its Subsidiaries;
- (pp) “Option” means an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price;
- (qq) “Option Agreement” means a written agreement between the Corporation and a Participant evidencing the grant of Options and the terms and conditions thereof, in such form as the Board may decide;
- (rr) “Option Price” has the meaning ascribed thereto in Section 3.2(a) hereof;
- (ss) “Option Term” has the meaning ascribed thereto in Section 3.4 hereof;
- (tt) “Outstanding Issue” means the number of Shares that are issued and outstanding as at a specified time, on a non-diluted basis;
- (uu) “Participant” means any Eligible Participant that is granted one or more Awards under the Plan;

- (vv) "Performance Criteria" means specified criteria, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Option or Share Unit;
- (ww) "Performance Period" means the period determined by the Board at the time any Option or Share Unit is granted or at any time thereafter during which any Performance Criteria and any other vesting conditions specified by the Board with respect to such Option or Share Unit are to be measured;
- (xx) "Permitted Exercise Price" means the lowest Option Price permitted by the applicable Exchange Rules, which, for the avoidance of doubt, shall be no less than (i) \$0.05; or (ii) the closing market prices of the underlying securities on the Trading Day prior to the date of grant of the Options and the date of grant of the Option; provided, however, that with respect to Options of U.S. Taxpayers, the Permitted Exercise Price shall be no less than the Fair Market Value on the date of grant;
- (yy) "Person" means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;
- (zz) "Plan" means this Omnibus Equity Incentive Plan, including the exhibits hereto, as amended or amended and restated from time to time;
- (aaa) "Redemption Date" has the meaning ascribed thereto in Section 4.5(a) hereof;
- (bbb) "Restriction Period" means, with respect to a particular grant of Share Units, the period between the date of grant of such Share Units and the latest Vesting Date in respect of any portion of such Share Units;
- (ccc) "Retirement" means a voluntary resignation of a Participant where the Participant has reached 65 years of age, or as otherwise stipulated from time to time in the Corporation's retirement policy (as such policy may be established or revised from time to time at the discretion of the Corporation and subject to applicable laws), or as otherwise determined by the Board;
- (ddd) "SEC" means the U.S. Securities and Exchange Commission;
- (eee) "Separation from Service" has the meaning ascribed to it under Code Section 409A;
- (fff) "Share Compensation Arrangement" means any stock option, stock option plan, employee stock purchase plan, long-term incentive plan or other compensation or incentive mechanism involving the issuance or potential issuance of Shares from treasury, including a share purchase from treasury by a fulltime employee, officer, director, Insider or Consultant which is financially assisted by the Corporation or a Subsidiary by way of a loan, guarantee or otherwise;
- (ggg) "Share Limit" has the meaning ascribed thereto in Section 2.4(a)(ii) hereof;
- (hhh) "Share Unit" means a right awarded to a Participant to receive a payment as provided in Article 4 hereof and subject to the terms and conditions of this Plan;

- (iii) "Share Unit Agreement" means a written agreement between the Corporation and a Participant evidencing the grant of Share Units and the terms and conditions thereof, a form of which is attached hereto as Exhibit "C";
- (jjj) "Share Unit Outside Expiry Date" has the meaning ascribed thereto in Section 4.5(d) hereof;
- (kkk) "Shares" means the common shares in the capital of the Corporation;
- (lll) "Subsidiary" means a corporation, company or partnership that is controlled, directly or indirectly, by the Corporation;
- (mmm) "Termination Date" means (a) in the event of a Participant's resignation or Retirement, the date on which such Participant ceases to be a Director, Officer, Employee or Consultant of the Corporation or any Subsidiary, (b) in the event of the termination of a Participant's employment, or position as Director or Officer of the Corporation or a Subsidiary, or Consultant, the effective date of the termination as specified in the notice of termination provided to the Participant by the Corporation or the Subsidiary, as the case may be, and (c) in the event of a Participant's death or disability, the date of death or the date on which such Participant ceases to be a Director, Officer, Employee or Consultant of the Corporation or any Subsidiary by reason of disability, as applicable; provided that, in all cases, in applying the provisions of this Plan to DSUs granted to a Canadian Participant, the "Termination Date" shall be the date on which the Participant is neither a Director, Officer or Employee of the Corporation or of any affiliate of the Corporation (where "affiliate" has the meaning ascribed thereto by the Canada Revenue Agency for the purposes of paragraph 6801(d) of the ITA Regulations);
- (nnn) "Termination of Service" means that a Participant has ceased to be an Eligible Participant;
- (ooo) "Trading Day" means any day on which the CSE or other applicable stock exchange is open for trading;
- (ppp) "U.S." or "United States" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (qqq) "U.S. Securities Act" means the United States *Securities Act of 1933*, as amended;
- (rrr) "U.S. Share Unit Outside Expiry Date" has the meaning ascribed thereto in Section 4.1 hereof;
- (sss) "U.S. Taxpayer" means a Participant who is a U.S. citizen, a U.S. permanent resident or other person who is subject to taxation on their income or in respect of Awards under the Code, provided that, for greater certainty, a Participant may be both a Canadian Participant and a U.S. Taxpayer;
- (ttt) "Vesting Date" has the meaning ascribed thereto in Section 4.4 hereof; and
- (uuu) "VWAP" means the volume weighted average trading price of the Shares on the Exchange, calculated by dividing the total value by the total volume of the Shares traded during the applicable period.

1.2 **Interpretation.**

- (a) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term “discretion” or “authority” means the sole and absolute discretion or authority, as the case may be, of the Board.
- (b) The provision of a table of contents, the division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.
- (c) In this Plan, words importing the singular shall include the plural and vice versa and words importing any gender include any other gender.
- (d) The words “including”, “includes” and “include” and any derivatives of such words mean “including (or includes or include) without limitation”.
- (e) In this Plan, the expressions “Article”, “Section” and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.
- (f) Unless otherwise specified in the Participant’s Award Agreement, all references to dollar amounts are to Canadian currency, and where any amount is required to be converted to or from a currency other than Canadian currency, such conversion shall be based on the daily exchange rate quoted by the Bank of Canada on the Business Day immediately preceding the applicable date of conversion.
- (g) For purposes of this Plan, the legal representatives of a Participant shall only include the legal representative of the Participant’s estate or will.
- (h) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

**ARTICLE 2**  
**PURPOSE AND ADMINISTRATION; GRANTING OF AWARDS**

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

- (a) to align the interests of the Corporation with those of the Eligible Participants, who share responsibility for the management, growth and protection of the business of the Corporation or a Subsidiary;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Corporation or a Subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Corporation or a Subsidiary are necessary or essential to its success, image, reputation or activities;
- (c) to reward Participants for their performance of services while working for the Corporation or a Subsidiary; and

- (d) to provide a means through which the Corporation or a Subsidiary may attract and retain able Persons to enter its employment or service.

## 2.2 **Implementation and Administration.**

- (a) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. If such committee is appointed for this purpose, all references to the "Board" herein will be deemed references to such committee. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements, subject to any required approval.
- (b) Subject to Article 7 and any applicable Exchange Rules, the Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations or vary the terms of this Plan and/or any Award hereunder for carrying out the provisions and purposes of the Plan and/or to address tax or other requirements of any applicable jurisdiction.
- (c) Subject to the provisions of this Plan, applicable laws and applicable Exchange Rules, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration and operation of the Plan and any Award Agreements as it may deem necessary or advisable. The interpretation, administration, construction and application of the Plan and any provisions hereof made by the Board shall be final and binding on the Corporation, its Subsidiaries and all Eligible Participants.
- (d) No member of the Board or any Person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder. Members of the Board, or any Person acting at the direction or on behalf of the Board, shall, to the extent permitted by law, be fully indemnified and protected by the Corporation with respect to any such action or determination.
- (e) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issuance of any Shares or any other securities in the capital of the Corporation. For greater clarity, the Corporation shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or varying or amending its share capital or corporate structure.

## 2.3 **Participation in this Plan**

- (a) The Corporation makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant, vesting, exercise or settlement of an Award or any transactions in the Shares or otherwise in respect of participation under the Plan. Neither the Corporation nor any of its directors, officers, employees, shareholders or agents shall be liable for anything done or omitted to be done by such Person or any other Person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related

to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant (or any Person with whom the Participant does not deal at arm's length within the meaning of the ITA) under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant (or any Person with whom the Participant does not deal at arm's length within the meaning of the ITA) to compensate for a downward fluctuation in the price of the Shares or any shares of the Corporation or of a related (within the meaning of the ITA) corporation, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Corporation and its Subsidiaries do not assume and shall not have responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with his or her own tax advisors.

- (b) Participants (and their legal representatives) shall have no legal or equitable right, claim or interest in any specific property or asset of the Corporation or any of its Subsidiaries. No asset of the Corporation or any of its Subsidiaries shall be held in any way as collateral security for the fulfillment of the obligations of the Corporation or any of its Subsidiaries under this Plan. Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.
- (c) Unless otherwise determined by the Board and permitted by the applicable Exchange Rules, the Corporation shall not offer financial assistance to any Participant in regards to the exercise of any Award granted under this Plan; provided that, for the avoidance of doubt, if the Corporation is listed on the Canadian Securities Exchange, any financial assistance provided to a Participant shall comply with Policy 7 of the Canadian Securities Exchange (to the extent that such financial assistance is a "Significant Transaction" under the policies of the Canadian Securities Exchange) and shall be subject to the prior approval of the Exchange.

#### 2.4 **Shares Subject to the Plan**

- (a) Subject to adjustment pursuant to Article 7 hereof, and as may be approved by the Exchange and the shareholders of the Corporation from time to time:
  - (i) the securities that may be acquired by Participants pursuant to Awards under this Plan shall consist of authorized but unissued Shares, provided that in the case of Share Units and DSUs, the Corporation (or applicable Subsidiary) may, at its sole discretion, elect to settle such Share Units or DSUs in Shares acquired in the open market by a Designated Broker for the benefit of a Participant; and
  - (ii) the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan (including such number of securities issued as Dividend Equivalents) shall be equal to a maximum of 10% of the Outstanding Issue from time to time, less the number of Shares reserved for issuance pursuant to any other Share Compensation Arrangement, if any (the "Share Limit"). During the terms of the Awards, the Corporation shall keep available at all times the number of Shares

required to satisfy such Awards. Except for Options which shall be settled in Shares issued from treasury, Shares available for distribution under the Plan may consist, in whole or in part, of authorized and unissued shares, treasury shares or shares reacquired by the Corporation in any manner.

- (b) For the purposes of calculating the number of Shares reserved for issuance under this Plan:
  - (i) each Option shall be counted as reserving one Share under the Plan, and
  - (ii) notwithstanding that the settlement of any Share Unit or DSU in Shares shall be at the sole discretion of the Corporation as provided herein, each Share Unit and each DSU shall, in each case, be counted as reserving one Share under the Plan.
- (c) No Award may be granted if such grant would have the effect of causing the total number of Shares reserved for issuance under this Plan to exceed the Share Limit as set out above.
- (d) If (i) an outstanding Award (or portion thereof) expires or is forfeited, surrendered, cancelled or otherwise terminated for any reason without having been exercised or settled in full, or (ii) an outstanding Award (or portion thereof) is settled in cash, then in each such case the Shares reserved for issuance in respect of such Award (or portion thereof) will again be available for issuance under the Plan.

## 2.5 **Participation Limits**

- (a) In no event shall this Plan, together with all other established and outstanding Share Compensation Arrangements of the Corporation, permit at any time:
  - (i) the aggregate number of Shares reserved for issuance under Awards granted to Insiders (as a group) at any point in time to exceed 15% of the Outstanding Issue; or
  - (ii) the grant to Insiders (as a group), within any 12 month period, of an aggregate number of Awards exceeding 15% of the Outstanding Issue, calculated at the date an Award is granted to any Insider,unless the Corporation has obtained the requisite disinterested shareholder approval required by applicable Exchange Rules.
- (b) If the Shares are then listed on the CSE, the maximum number of Shares that may be made issuable to certain Participants, will be subject to the following limitations:
  - (i) the aggregate number of Awards granted to any one Person (and companies wholly-owned by that Person) in any 12 month period shall not exceed 5% of the Outstanding Issue, calculated on the date an Award is granted to the Person, unless the Corporation has obtained the requisite disinterested shareholder approval required by applicable Exchange Rules; and

- (ii) the aggregate number of Options granted to all Investor Relations Service Providers shall not exceed 2% of the Outstanding Issue in any 12 month period, calculated at the date an Option is granted to any such Person.
- (c) Upon authorization by the Board of the exercise of an Option on a “cashless exercise” basis pursuant to Section 3.6(c) or “net exercise” basis pursuant to Section 3.6(d), the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Corporation, will be included in calculating the limits set forth in Section 2.4(a)(ii) and this Section 2.5. Notwithstanding the foregoing, Shares reserved for issuance pursuant to an Award that has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised, and pursuant to which no securities have been issued, will continue to be issuable under this Plan.

2.6 **Award Grants.** Any Award granted under or otherwise governed by the Plan shall be subject to the requirement that, if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any stock exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant, exercise or settlement of such Award or the issuance or purchase of Shares thereunder, as applicable, such Award may not be granted, exercised or settled, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.

2.7 **Predecessor Plan.** This Plan constitutes an amendment and restatement of the Corporation’s incentive stock option plan , which was last approved by the directors of the Corporation on February 28, 2022, and by shareholders on June 20, 2024 (the “**Predecessor Plan**”). All outstanding stock options granted under the Predecessor Plan 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, a holder of such stock options, 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 3 OPTIONS**

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

#### **3.2 Option Awards**

- (a) Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive

Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted (which shall not be prior to the date of the resolution of the Board), (iii) subject to Section 3.3, determine the price per Share to be payable upon the exercise of each such Option (the “**Option Price**”), (d) determine the relevant vesting provisions (including Performance Criteria, if applicable) and (e) determine the Option Term, the whole subject to the terms and conditions prescribed in this Plan or in any Option Agreement, and any applicable Exchange Rules. For Options granted to Employees, Management Company Employees and Consultants, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee, Management Company Employee or Consultant, as the case may be.

- (b) All Options granted herein shall vest in accordance with the terms of the Option Agreement entered into in respect of such Options. Notwithstanding the foregoing, if required by the applicable Exchange Rules, Options granted to Investor Relations Service Providers must vest in stages over a period of not less than twelve (12) months with no more than one-quarter (1/4) of the Options vesting in any three month period. No acceleration of the vesting provisions of Options granted to Investor Relations Service Providers is allowed unless permitted by the applicable Exchange Rules.

**3.3 Option Price.** The Option Price in respect of any Option shall be determined and approved by the Board when such Option is granted, but shall not be less than the Permitted Exercise Price as of the date of the grant. A minimum exercise price cannot be established unless the Options are allocated to particular Participants.

**3.4 Option Term.** The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten (10) years from the date of grant of the Option (“**Option Term**”). Unless otherwise determined by the Board, all unexercised Options shall be cancelled, without any compensation, at the expiry of such Options. Notwithstanding the expiration provisions hereof, if the date on which an Option Term expires falls within a Blackout Period, the expiration date of the Option will be the date that is ten (10) Business Days after the Blackout Period Expiry Date. Notwithstanding anything else herein contained, the ten (10) Business Day period referred to in this Section 3.4 may not be further extended by the Board and, with respect to Awards of U.S. Taxpayers, in no event will this Section extend the term of an Option beyond the earlier of (A) the original Expiry Date and (B) the date that is ten (10) years after the date of grant of the Option.

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

**3.6 Method of Exercise and Payment of Purchase Price**

- (a) Subject to the provisions of the Plan, including Sections 3.6(c) and 3.6(d), an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the legal representative of the Participant) by delivering a fully completed Exercise Notice (in the form required by the Corporation) to the Corporation at its registered office to the attention of the Chief Financial Officer of the Corporation (or the individual that the Chief Financial

Officer of the Corporation may from time to time designate) or by giving notice in such other manner as the Corporation may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by payment, in full, of (i) the Option Price multiplied by the number of Shares specified in such Exercise Notice, and (ii) such amount in respect of withholding taxes and other applicable source deductions as the Corporation may require under Section 8.2. Such payment shall be in the form of cash, certified cheque, bank draft or any other form of payment deemed acceptable by the Board.

- (b) Upon exercise of an Option, the Corporation shall, as soon as practicable after such exercise and receipt of all payments required to be made by the Participant to the Corporation in connection with such exercise, but no later than ten (10) Business Days following such exercise and payment, forthwith cause the transfer agent and registrar of the Shares either to:
  - (i) deliver to the Participant (or to the legal representative of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or the legal representative of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
  - (ii) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the legal representative of the Participant) shall have then paid for and as are specified in such Exercise Notice, which Shares shall be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares.
- (c) The Board may, on terms established by it in its sole discretion and in accordance with the applicable Exchange Rules, permit an Option to be exercised at the election of the Participant by way of a “cashless exercise” mechanism.
- (d) The Board may, in its sole discretion and in accordance with the applicable Exchange Rules, permit Options held by a Participant who is not an Investor Relations Service Provider to be exercised at the election of the Participant on a “net exercise” basis such that the Participant receives only the number of Shares underlying such Options that is equal to the quotient obtained by dividing:
  - (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares for the five Trading Days immediately preceding such date and the Option Price of such Options;
  - by
  - (ii) the VWAP of the underlying Shares for the five Trading Days immediately preceding such date.
- (e) Where the Board permits a net exercise of Options as provided in Section 3.6(d), then with respect to Options of U.S. Taxpayers, the term “VWAP” shall be replaced with “Fair Market Value.”

- (f) Where the Board permits a cashless exercise of Options as provided in Section 3.6(c) or a net exercise of Options as provided in Section 3.6(d), the Corporation may in its sole discretion, where the holder of the Option would otherwise be entitled to a deduction under paragraph 110(1)(d) of the ITA in respect of the ordinary exercise of the Option, make the requisite elections under subsection 110(1.1) of the ITA (if applicable) to agree not to claim a corporate level deduction in respect of such Option.
- (g) No fractional Shares will be issued upon the exercise of Options granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise of an Option, or from an adjustment pursuant to Section 7.1, such Participant will only have the right to acquire the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

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

#### **ARTICLE 4 RESTRICTED AND PERFORMANCE SHARE UNITS**

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

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

receivable by any Canadian Participant in respect of his or her services to the Corporation or a Subsidiary, as applicable.

#### 4.2 **Share Unit Awards**

- (a) Subject to the provisions herein and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Share Units under the Plan, (ii) fix the number of Share Units, if any, to be granted to each Eligible Participant and the date or dates on which such Share Units shall be granted, (iii) determine the relevant conditions, vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the Restriction Period of such Share Units, and (iv) determine any other terms and conditions applicable to the granted Share Units, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan and in any Share Unit Agreement. For Share Units granted to Employees, Management Company Employees and Consultants, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee, Management Company Employee or Consultant, as the case may be.
- (b) All Share Units granted herein shall vest in accordance with the terms of the Share Unit Agreement entered into in respect of such Share Units, provided that no Share Unit shall vest before the one-year anniversary from the date of grant, unless permitted by the applicable Exchange Rules.
- (c) Subject to the vesting and other conditions and provisions in this Plan and in the applicable Share Unit Agreement, each Share Unit awarded to a Participant shall entitle the Participant to receive, on settlement, a cash payment equal to the Market Value of a Share, or, at the discretion of the Board, one Share or any combination of cash and Shares as the Board in its sole discretion may determine, in each case subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any Share Unit, and, notwithstanding any discretion exercised by the Board to settle any Share Unit, or a portion thereof, in the form of Shares, the Board reserves the right to change such form of payment at any time until payment is actually made.

#### 4.3 **Share Unit Agreements**

- (a) The grant of a Share Unit by the Board shall be evidenced by a Share Unit Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. Such Share Unit Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including, without limitation, any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with the Plan and which the Board deems appropriate for inclusion in a Share Unit Agreement. The provisions of the various Share Unit Agreements issued under this Plan need not be identical.

- (b) The Share Unit Agreement shall contain such terms that the Corporation considers necessary in order that the Share Units granted to U.S. Taxpayers will comply with Code Section 409A and any provisions respecting restricted share units in the income tax laws (including, in respect of Canadian Participants (other than Canadian Participants that are Consultants), such terms and conditions so as to ensure that the Share Units shall not constitute a “salary deferral arrangement” as defined in subsection 248(1) of the ITA, by reason of the exclusion in paragraph (k) thereof) or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Corporation.

4.4 **Vesting of Share Units.** Subject to the applicable Exchange Rules, the Board shall have sole discretion to (a) determine if any vesting conditions with respect to a Share Unit, including any Performance Criteria or other vesting conditions contained in the applicable Share Unit Agreement, have been met, (b) waive the vesting conditions applicable to Share Units (or deem them to be satisfied), and (c) extend the Restriction Period with respect to any grant of Share Units, provided that (i) any such extension shall not result in the Restriction Period for such Share Units extending beyond the Share Unit Outside Expiry Date, and (ii) with respect to any grant of Share Units to a U.S. Taxpayer, such extension constitutes a substantial risk of forfeiture and such Share Units will continue to be exempt from (or otherwise comply with) Code Section 409A. The Corporation shall communicate to a Participant, as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of Share Units to the Participant have been satisfied, waived or deemed satisfied and such Share Units have vested (the “**Vesting Date**”).

4.5 **Redemption/Settlement of Share Units**

- (a) Subject to the provisions of this Section 4.5 and Section 4.6, a Participant’s vested Share Units shall be redeemed in consideration for a cash payment on the date (the “**Redemption Date**”) that is determined by the Corporation in its sole discretion, provided that such date shall not be later than: (a) in the case of a Canadian Participant, the earlier of: (i) 30 days following the Participant’s Termination Date; or (ii) the Share Unit Outside Expiry Date, and (b) in the case of a Participant who is a U.S. Taxpayer, the earlier of: (i) 30 days following the Participant’s Termination Date; or, (ii) the U.S. Share Unit Outside Expiry Date.
- (b) Subject to the provisions of this Section 4.5 and Section 4.6, during the period between the Vesting Date and the Redemption Date in respect of a Participant’s vested Share Units, the Corporation (or any Subsidiary that is party to an Employment Agreement or Consulting Agreement with the Participant whose vested Share Units are to be redeemed) shall, at its sole discretion, be entitled to elect to settle all or any portion of the cash payment obligation otherwise arising in respect of the Participant’s vested Share Units either (a) by the issuance of Shares to the Participant (or the legal representative of the Participant, if applicable) on the Redemption Date, or (b) by paying all or a portion of such cash payment obligation to the Designated Broker, who shall use the funds received to purchase Shares in the open market, which Shares shall be registered in the name of the Designated Broker in a separate account for the Participant’s benefit.
- (c) Settlement of a Participant’s vested Share Units shall take place on the Redemption Date as follows:

- (i) where the Corporation (or applicable Subsidiary) has elected to settle all or a portion of the Participant's vested Share Units in Shares issued from treasury:
  - (A) in the case of Shares issued in certificated form, by delivery to the Participant (or to the legal representative of the Participant, if applicable) of a certificate in the name of the Participant (or the legal representative of the Participant, if applicable) representing the aggregate number of Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 8.2; or
  - (B) in the case of Shares issued in uncertificated form, by the issuance to the Participant (or to the legal representative of the Participant, if applicable) of the aggregate number of Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2, which Shares shall be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares;
- (ii) where the Corporation or a Subsidiary has elected to settle all or a portion of the Participant's vested Share Units in Shares purchased in the open market, by delivery by the Corporation or Subsidiary of which the Participant is a Director, Officer, Employee or Consultant to the Designated Broker of readily available funds in an amount equal to the Market Value of a Share as of the Redemption Date multiplied by the number of vested Share Units to be settled in Shares purchased in the open market, less the amount of any applicable withholding tax and other applicable source deductions under Section 8.2, along with directions instructing the Designated Broker to use such funds to purchase Shares in the open market for the benefit of the Participant and to be evidenced by a confirmation from the Designated Broker of such purchase;
- (iii) any cash payment to which the Participant is entitled (excluding, for the avoidance of doubt, any amount payable in respect of the Participant's Share Units that the Corporation or a Subsidiary has elected to settle in Shares) shall, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2, be paid to the Participant (or to the legal representative of the Participant, if applicable) by the Corporation or Subsidiary of which the Participant is a Director, Officer, Employee or Consultant, in cash, by cheque or by such other payment method as the Corporation and Participant may agree; and
- (iv) where the Corporation or a Subsidiary has elected to settle a portion, but not all, of the Participant's vested Share Units in Shares, the Participant shall be deemed to have instructed the Corporation or Subsidiary, as applicable, to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 8.2 and to remit such withheld amount to the applicable taxation authorities on account of any withholding tax

obligations, and the Corporation or Subsidiary, as applicable, shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the legal representative of the Participant, if applicable) as soon as reasonably practicable. In the event that the cash portion payable to settle a Participant's Share Units in the foregoing circumstances is not sufficient to satisfy the withholding obligations of the Corporation or a Subsidiary pursuant to Section 8.2, the Corporation or Subsidiary, as applicable, shall be entitled to satisfy any remaining withholding obligation by any other mechanism as may be required or determined by the Corporation or Subsidiary as appropriate.

- (d) Notwithstanding any other provision in this Article 4, no payment, whether in cash or in Shares, shall be made in respect of the settlement of any Share Units later than December 15th of the third (3rd) calendar year following the end of the calendar year in which the services were provided in respect of which such Share Unit is granted (the "**Share Unit Outside Expiry Date**").

#### 4.6 **Determination of Amounts**

- (a) The cash payment obligation arising in respect of the redemption and settlement of a vested Share Unit pursuant to Section 4.5 shall be equal to the Market Value of a Share as of the applicable Redemption Date. For the avoidance of doubt, the aggregate cash amount to be paid to a Participant (or the legal representative of the Participant, if applicable) in respect of a particular redemption of the Participant's vested Share Units shall, subject to any adjustments in accordance with Section 7.1 and any withholding required pursuant to Section 8.2, be equal to the Market Value of a Share as of the Redemption Date for such vested Share Units multiplied by the number of vested Share Units in the Participant's Account at the commencement of the Redemption Date (after deducting any such vested Share Units in the Participant's Account in respect of which the Corporation (or applicable Subsidiary) makes an election under Section 4.5(b) to settle such vested Share Units in Shares).
- (b) If the Corporation (or applicable Subsidiary) elects in accordance with Section 4.5(b) to settle all or a portion of the cash payment obligation arising in respect of the redemption of a Participant's vested Share Units by the issuance of Shares, the Corporation shall, subject to any adjustments in accordance with Section 7.1 and any withholding required pursuant to Section 8.2, issue to the Participant (or the legal representative of the Participant, if applicable), for each vested Share Unit which the Corporation (or applicable Subsidiary) elects to settle in Shares, one Share. Where, as a result of any adjustment in accordance with Section 7.1 and/or any withholding required pursuant to Section 8.2, the aggregate number of Shares to be received by a Participant upon an election by the Corporation (or applicable Subsidiary) to settle all or a portion of the Participant's vested Share Units in Shares includes a fractional Share, the aggregate number of Shares to be received by the Participant shall be rounded down to the nearest whole number of Shares.

#### 4.7 **Award of Dividend Equivalents**

- (a) Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded as a bonus for services rendered in the year in respect of unvested Share

Units in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional Share Units, the number of which shall be equal to a fraction where the numerator is the product of (a) the number of Share Units in such Participant's Account on the date that dividends are paid multiplied by (b) the dividend paid per Share, and the denominator of which is the Market Value of a Share calculated as of the date that dividends are paid. Any additional Share Units credited to a Participant's Account as a Dividend Equivalent shall be subject to the same terms and conditions (including vesting, Restriction Periods and expiry) as the Share Units in respect of which such additional Share Units are credited.

- (b) In the event that the Participant's applicable Share Units do not vest, all Dividend Equivalents, if any, associated with such Share Units will be forfeited by the Participant.

## **ARTICLE 5 DEFERRED SHARE UNITS**

5.1 **Nature of DSUs.** A DSU is an Award for services rendered, or for future services to be rendered, and that, upon settlement, entitles the recipient Eligible Participant to receive cash or acquire Shares, as determined by the Corporation in its sole discretion, unless such DSU expires prior to being settled. For greater certainty, the aggregate of all amounts each of which may be received in respect of a DSU shall depend, at all times, on the fair market value of shares in the capital of the Corporation or any corporation related (within the meaning of the ITA) thereto within the period that commences one year prior to the Participant's Termination Date and ends at the time the amount is received.

### 5.2 **DSU Awards**

- (a) Subject to the provisions of this Plan, any shareholder or regulatory approval which may be required, and the requirements of paragraph 6801(d) of the ITA Regulations and Code Section 409A, in addition to Board Retainer DSUs granted pursuant to Section 5.8, the Board may, from time to time by resolution, in its sole discretion, (a) designate the Eligible Participants who may receive DSUs under the Plan, (b) fix the number of DSUs, if any, to be granted to any Eligible Participant and the date or dates on which such DSUs shall be granted, and (c) determine the relevant conditions and vesting provisions for such DSUs, subject to the terms and conditions prescribed in this Plan and in any DSU Agreement, as applicable.
- (b) Subject to the vesting and other conditions and provisions in this Plan and in any DSU Agreement, each DSU awarded to a Participant shall entitle the Participant to receive on settlement a cash payment equal to the Market Value of a Share, or, at the discretion of the Board, one Share or any combination of cash and Shares as the Corporation in its sole discretion may determine. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any DSU, and, notwithstanding any discretion exercised by the Corporation to settle any DSU, or portion thereof, in the form of Shares, the Corporation reserves the right to change such form of payment at any time until payment is actually made.

### 5.3 **DSU Agreements**

- (a) The grant of a DSU by the Board shall be evidenced by a DSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. Such DSU Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a DSU Agreement. The provisions of the various DSU Agreements issued under this Plan need not be identical.
- (b) Each DSU Agreement shall contain such terms that the Corporation considers necessary in order that the DSUs granted thereunder to U.S. Taxpayers will comply with Code Section 409A and any provisions respecting deferred share units in the income tax laws (including, in respect of Canadian Participants, such terms and conditions so as to ensure that the DSUs shall not constitute a “salary deferral arrangement” as defined in subsection 248(1) of the ITA by reason of the exclusion in paragraph 6801(d) of the ITA Regulations) or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Corporation.
- (c) Notwithstanding the foregoing, the Corporation makes no representations that the DSUs comply with the requirements of paragraph 6801(d) of the ITA Regulations, and shall have no liability to any Participant for any failure to comply with such requirements.

5.4 **Vesting of DSUs.** DSUs of a Participant will be fully vested on the Termination Date of such Participant, provided that no DSU shall vest before the one-year anniversary from the date of grant unless permitted by applicable Exchange Rules. Notwithstanding the foregoing, if the date on which any DSUs have vested falls within a Blackout Period, the vesting of such DSUs will be deemed to occur on the date that is 10 Business Days after the Blackout Period Expiry Date for a Participant that is not a U.S. Taxpayer. Notwithstanding anything else herein contained, the 10 Business Day period referred to in this Section 5.4 may not be further extended by the Board and with respect to Awards of U.S. Taxpayers, in no event will this Section extend the time for settlement/payment.

### 5.5 **Redemption/Settlement of DSUs**

- (a) Except as otherwise provided in this Section 5.5 or Section 8.8 of this Plan, (1) DSUs of a Participant who is a U.S. Taxpayer shall be redeemed and settled by the Corporation as soon as reasonably practicable following the Participant’s Separation from Service but in all events no later than the later of (i) the December 31st following the Participant’s Separation from Service and (ii) the 15<sup>th</sup> day of the third calendar month following the month that includes the Participant’s Separation from Service, and (2) DSUs of a Participant who is a Canadian Participant (or who is neither a U.S. Taxpayer nor a Canadian Participant) shall be redeemed and settled by the Corporation as soon as reasonably practicable following the Participant’s Termination Date, but in any event not later than, and any payment (whether in cash or in Shares) in respect of the settlement of such DSUs shall be made no later than, December 15th of the first (1st) calendar year commencing

immediately after the Participant's Termination Date. Notwithstanding the foregoing, if a payment in settlement of DSUs of a Participant who is both a U.S. Taxpayer and a Canadian Participant:

- (i) is required as a result of his or her Separation from Service in accordance with clause (a)(1) above, but such payment would result in such DSUs failing to satisfy the requirements of paragraph 6801(d) of the ITA Regulations, and the Board determines that it is not practical to make such payment in some other manner or at some other time that complies with both Code Section 409A and paragraph 6801(d) of the ITA Regulations, then such payment will be made to a trustee to be held in trust for the benefit of the Participant in a manner that causes the payment to be included in the Participant's income under the Code but does not contravene the requirements of paragraph 6801(d) of the ITA Regulations, and the amount shall thereafter be paid out of the trust at such time and in such manner as complies with the requirements of paragraph 6801(d) of the ITA Regulations (and provided that if the terms of the trust are not such as would satisfy the requirements of paragraph 6801(d) of the ITA Regulations, then the DSUs shall be forfeited without compensation therefor); or
  - (ii) is required pursuant to clause (a)(2) above, but such payment would result in such DSUs failing to satisfy the requirements of Code Section 409A because the Participant has not experienced a Separation from Service, and if the Board determines that it is not practical to make such payment in some other manner or at some other time that satisfies the requirements of both Code Section 409A and paragraph 6801(d) of the ITA Regulations, then the Participant shall forfeit such DSUs without compensation therefor.
- (b) The Corporation will have, at its sole discretion, the ability to elect to settle all or any portion of the cash payment obligation otherwise arising in respect of the redemption and settlement of a Participant's DSUs either (a) by the issuance of Shares to the Participant (or the legal representative of the Participant, if applicable) on the DSU Redemption Date, or (b) by paying all or a portion of such cash payment obligation to the Designated Broker, who shall use the funds received to purchase Shares in the open market, which Shares shall be registered in the name of the Designated Broker in a separate account for the Participant's benefit.
  - (c) For greater certainty, the Corporation shall not pay any cash or issue or deliver any Shares to a Participant in satisfaction of the redemption of a Participant's DSUs prior to the Corporation being satisfied, in its sole discretion, that all applicable withholding taxes and other applicable source deductions under Section 8.2 will be timely withheld or received and remitted to the appropriate taxation authorities in respect of any particular Participant and any particular DSUs.
  - (d) The redemption and settlement of a Participant's DSUs shall occur on the applicable DSU Redemption Date as follows:
    - (i) where the Corporation has elected to settle all or a portion of the Participant's DSUs in Shares issued from treasury:

- (A) in the case of Shares issued in certificated form, by delivery to the Participant (or to the legal representative of the Participant, if applicable) of a certificate in the name of the Participant (or the legal representative of the Participant, if applicable) representing the aggregate number of Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 8.2; or
  - (B) in the case of Shares issued in uncertificated form, by the issuance to the Participant (or to the legal representative of the Participant, if applicable) of the aggregate number of Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2, which Shares shall be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares;
- (ii) where the Corporation has elected to settle all or a portion of the Participant's DSUs in Shares purchased in the open market, by delivery by the Corporation to the Designated Broker of readily available funds in an amount equal to the Market Value of a Share as of the applicable DSU Redemption Date multiplied by the number of DSUs to be settled in Shares purchased in the open market, less the amount of any applicable withholding tax and other applicable source deductions under Section 8.2, along with directions instructing the Designated Broker to use such funds to purchase Shares in the open market for the benefit of the Participant and to be evidenced by a confirmation from the Designated Broker of such purchase;
  - (iii) any cash payment to which the Participant is entitled (excluding, for the avoidance of doubt, any amount payable in respect of the Participant's DSUs that the Corporation has elected to settle in Shares) shall, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 8.2, be paid to the Participant (or to the legal representative of the Participant, if applicable) by the Corporation in cash, by cheque or by such other payment method as the Corporation and Participant may agree; and
  - (iv) where the Corporation has elected to settle a portion, but not all, of the Participant's DSUs in Shares, the Participant shall be deemed to have instructed the Corporation to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 8.2 and to remit such withheld amount to the applicable taxation authorities on account of any withholding obligations of the Corporation, and the Corporation shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the legal representative of the Participant, if applicable) as soon as reasonably practicable. In the event that the cash portion elected by the Corporation to settle the Participant's DSUs is not sufficient to satisfy the withholding obligations of the Corporation pursuant to Section 8.2, any remaining amounts shall be satisfied by the Corporation by any

other mechanism as may be required or determined by the Corporation as appropriate.

- (e) For greater certainty, no DSU shall be redeemable or settled beyond a date that is twelve (12) months from the Participant's Termination Date or such date that a Participant ceases to be an Eligible Participant, and no Participant shall have any rights with respect to any DSU not redeemed or settled beyond such date.

## 5.6 **Determination of Amounts**

- (a) The cash payment obligation by the Corporation in respect of the redemption and settlement of a DSU pursuant to Section 5.5 shall be equal to the Market Value of a Share as of the applicable DSU Redemption Date. For the avoidance of doubt, the aggregate cash amount to be paid to a Participant (or the legal representative of the Participant, if applicable) in respect of a particular redemption of the Participant's DSUs shall, subject to any adjustment in accordance with Section 7.1 and any withholding required pursuant to Section 8.2, be equal to the Market Value of a Share as of the DSU Redemption Date for such DSUs multiplied by the number of DSUs being redeemed (after deducting any such DSUs in respect of which the Corporation makes an election under Section 5.5(b) to settle such DSUs in Shares).
- (b) If the Corporation elects in accordance with Section 5.5(b) to settle all or a portion of the cash payment obligation arising in respect of the redemption of a Participant's DSUs by the issuance of Shares, the Corporation shall, subject to any adjustments in accordance with Section 7.1 and any withholding required pursuant to Section 8.2, issue to the Participant, for each DSU which the Corporation elects to settle in Shares, one Share. Where, as a result of any adjustment in accordance with Section 7.1 and/or any withholding required pursuant to Section 8.2, the aggregate number of Shares to be received by a Participant upon an election by the Corporation to settle all or a portion of the Participant's DSUs includes a fractional Share, the aggregate number of Shares to be received by the Participant shall be rounded down to the nearest whole number of Shares.

## 5.7 **Award of Dividend Equivalents**

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

## 5.8 Board Retainer DSUs

- (a) Subject to Section 5.8(b), an Eligible Participant may elect (subject to the approval of the Board no later than December 31st of the calendar year immediately preceding the calendar year to which such election is to apply), irrevocably and in advance, by filing an election notice (the “**Election Notice**”), to have an amount (the “**Elected Amount**”) up to 100% of the value of his or her Annual Board Retainer be satisfied in the form of DSUs (“**Board Retainer DSUs**”). In the case of an existing director, the election must be completed, signed and delivered to the Corporation no later than December 15th of the calendar year immediately preceding the calendar year to which such election is to apply. In the case of a new director, the election must be completed, signed and delivered to the Corporation as soon as possible, and, in any event, no later than 30 days, after the director’s appointment (subject to the approval of the Board within such 30-day period), with such election to be effective for amounts of Annual Board Retainer to be paid after the date of the election for services to be performed subsequent to the date of such Election Notice. For the first year of this Section 5.8 becoming part of the Plan, directors must make such election as soon as possible, and, in any event, no later than 30 days, after adoption of the Plan containing this Section 5.8 and the election shall be effective for amounts of Annual Board Retainer to be paid after the date of the election for services to be performed subsequent to the date of such Election Notice. If no election is validly made or exists in respect of a particular calendar year, the new or existing director will, subject to Section 5.8(b), be paid in accordance with the Corporation’s regular practices of paying such compensation. Notwithstanding any other provision of this Section 5.8(a), if a Blackout Period is in effect, an Eligible Participant may not deliver an election until the first day immediately following the expiration of the Blackout Period. If such date extends beyond December 31st of the calendar year, then no such election may be made in respect of the succeeding year and any election made in respect of previous years continues in effect until and unless a new election is made in accordance with this Section 5.8 for the next succeeding year.
- (b) Notwithstanding Section 5.8(a):
- (i) if the Board authorizes a resolution that the directors of the Corporation that are Eligible Participants shall be credited with Board Retainer DSUs in lieu of all or a minimum amount of the Annual Board Retainer, then the Eligible Participants shall be obliged to accept such Board Retainer DSUs as payment of such amounts. Any such resolution shall be passed prior to December 31 of the year immediately preceding the particular year in which an Annual Board Retainer is earned and becomes payable; and
  - (ii) the Board, in its discretion, may determine that it is not feasible or desirable to honour an election in favour of DSUs due to any applicable laws or regulations of a regulatory authority, provided that such determination shall be made in accordance with Code Section 409A for all U.S. Taxpayers.
- (c) The Election Notice shall, subject to any minimum amount that may be required by the Board, from time to time (and in any case no later than December 15th of the calendar year immediately preceding the calendar year to which the election relates), designate the Elected Amount as a percentage of the Annual Board Retainer for the applicable calendar year that is to be satisfied in the form of Board

Retainer DSUs, with the remaining percentage to be paid in accordance with the Corporation's regular practices of paying such compensation.

- (d) In the event that an Elected Amount would result in the granting of a fractional number of Board Retainer DSUs, the number of Board Retainer DSUs that are to be granted in respect of such Elected Amount shall automatically, and without requiring any action on the part of the applicable Eligible Participant, be rounded down to the nearest whole number of Board Retainer DSUs.
- (e) Any Election Notice shall, once delivered to the Corporation, be irrevocable in respect of the calendar year in which it was made and will continue in effect thereafter for subsequent years until and unless a new election is made in accordance with this Section 5.8 (or until the election is otherwise terminated or changed by the Eligible Participant) and shall only apply prospectively with respect to the Eligible Participant's Retainer Board Amount yet to be earned. No Eligible Participant shall be entitled to file more than one Election Notice for any calendar year unless specifically authorized by resolution of the Board.
- (f) Each Eligible Participant that has filed a valid Election Notice or who is entitled to receive DSUs in accordance with Section 5.8(b) shall be credited with a number of Board Retainer DSUs equal to the portion of the Annual Board Retainer corresponding to the Elected Amount (or the amount resolved by the Board pursuant to Section 5.8(b), if applicable) divided by the Market Value of a Share as of the corresponding DSU Grant Date. Board Retainer DSUs for any calendar year will be credited to each electing director in equal portions on the last Business Day of each fiscal quarter during the calendar year to which the applicable Eligible Participant's Elected Amount relates (each such date being a "**DSU Grant Date**") without requiring any further action on the part of the applicable Eligible Participant; provided that if the division of such Board Retainer DSUs into equal amounts of Board Retainer DSUs would result in a fractional number of Board Retainer DSUs being credited to an Eligible Participant on any DSU Grant Date, the number of Board Retainer DSUs that are to be credited to the applicable Eligible Participant on such DSU Grant Date shall automatically, and without requiring any action on the part of the applicable Eligible Participant, be rounded down to the nearest whole number of Board Retainer DSUs and the number of Board Retainer DSUs that are to be credited to the applicable Eligible Participant on the immediately succeeding DSU Grant Dates shall automatically, and without requiring any action on the part of the applicable Eligible Participant, be reduced on a corresponding basis.
- (g) Any Board Retainer DSUs granted to an Eligible Participant to satisfy an Elected Amount pursuant to this Section 5.8 or in accordance with a resolution of the Board as set forth in Section 5.8(b) shall vest and become payable in accordance with the Plan.

## **ARTICLE 6 GENERAL CONDITIONS**

6.1 **General Conditions Applicable to All Awards.** Each Award shall be subject to the following conditions:

- (a) Vesting Period. Each Award granted hereunder shall vest in accordance with the terms of this Plan and the Award Agreement entered into in respect of such Award. Subject to the applicable Exchange Rules, the Board has the right, in its sole discretion, to waive any vesting conditions or accelerate the vesting of any Award, or to deem any Performance Criteria or other vesting conditions to be satisfied, notwithstanding the vesting schedule set forth for such Award; provided, however, that no acceleration of the vesting provisions of Options granted to Investor Relations Service Providers is allowed, unless permitted by applicable Exchange Rules.
- (b) Employment. Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee by the Corporation or a Subsidiary to the Participant of employment or another service relationship with the Corporation or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Corporation or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Corporation or any of its Subsidiaries in connection with the employment, retention or termination of any such Participant. The loss of existing or potential profit in Shares underlying Awards granted under this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.
- (c) Grant of Awards. Eligibility to participate in this Plan does not confer upon any Eligible Participant any right to be granted Awards pursuant to this Plan. Granting Awards to any Eligible Participant does not confer upon any Eligible Participant the right to receive nor preclude such Eligible Participant from receiving any additional Awards at any time. The extent to which any Eligible Participant is entitled to be granted Awards pursuant to this Plan will be determined in the sole discretion of the Board. Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship or employment with the Corporation or any Subsidiary.
- (d) Rights as a Shareholder. Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as a shareholder in respect of any Shares covered by such Participant's Awards by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Without in any way limiting the generality of the foregoing and except as provided under this Plan, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.
- (e) Conformity to Plan. In the event that an Award is granted or an Award Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.
- (f) Non-Transferability. Except as set forth herein, each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the

Participant, whether voluntarily or by operation of law, except by will or by the laws of descent and distribution. Awards may be exercised only by:

- (i) the Participant to whom the Awards were granted;
- (ii) upon the Participant's death, by the legal representative of the Participant's estate; or
- (iii) upon the Participant's incapacity, the legal representative having authority to deal with the property of the Participant;

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

- (g) Participant's Entitlement. Except as otherwise provided in this Plan (including, without limiting the generality of the foregoing, pursuant to Section 6.2), or unless the Board permits otherwise, upon any Subsidiary of the Corporation ceasing to be a Subsidiary of the Corporation, Awards previously granted under this Plan that, at the time of such change, are held by a Person who is a Director, Officer, Employee or Consultant of such Subsidiary of the Corporation and not of the Corporation itself, whether or not then exercisable, shall automatically terminate on the date of such change

6.2 **General Conditions Applicable to Options.** Except as otherwise provided in any applicable Employment Agreement or Consulting Agreement or in any Award Agreement, each Option shall be subject to the following conditions:

- (a) Termination for Cause. Upon a Participant ceasing to be an Eligible Participant for Cause, any vested or unvested Option granted to such Participant shall terminate automatically and become void immediately. For the purposes of the Plan, the determination by the Corporation that the Participant was discharged for Cause shall be binding on the Participant. "Cause" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Corporation's codes of conduct and any other reason determined by the Corporation to be cause for termination.
- (b) Termination not for Cause. Upon a Participant ceasing to be an Eligible Participant as a result of his or her employment or service relationship with the Corporation or a Subsidiary being terminated without Cause (including, for the avoidance of doubt, as a result of any Subsidiary of the Corporation ceasing to be a Subsidiary of the Corporation, as contemplated by Section 6.1(g)), (i) each unvested Option granted to such Participant shall terminate and become void immediately upon such termination, and (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days after the Participant's Termination Date (or such later date as the Board may, in its sole discretion, determine, but which shall not be later than twelve (12) months from the Participant's Termination Date) and (B) the expiry date of such Option as set forth in the applicable Award Agreement, after which such vested Option will expire.

- (c) Resignation. Upon a Participant ceasing to be an Eligible Participant as a result of his or her resignation from the Corporation or a Subsidiary, (i) each unvested Option granted to such Participant shall terminate and become void immediately upon such resignation, and (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days after the Participant's Termination Date (or such later date as the Board may, in its sole discretion, determine, but which shall not be later than twelve (12) months from the Participant's Termination Date) and (B) the expiry date of such Option as set forth in the applicable Award Agreement, after which such vested Option will expire.
- (d) Retirement/Permanent Disability. Upon a Participant ceasing to be an Eligible Participant by reason of Retirement or permanent disability, (i) each unvested Option granted to such Participant shall terminate and become void immediately, and (ii) each vested Option held by such Participant shall cease to be exercisable on the earlier of (A) ninety (90) days after the Participant's Termination Date (or such later date as the Board may, in its sole discretion, determine, but which shall not be later than twelve (12) months from the Participant's Termination Date) and (B) the expiry date of such Option as set forth in the applicable Award Agreement, after which such vested Option will expire.
- (e) Death. Upon a Participant ceasing to be an Eligible Participant by reason of death, (i) each unvested Option granted to such Participant shall terminate and become void immediately, and (ii) each vested Option held by such Participant on the Termination Date may be exercised by the legal representative of the Participant, provided that any such vested Option shall cease to be exercisable on the earlier of (A) the date that is twelve (12) months after the Participant's Termination Date, or (B) the expiry date of such Option as set forth in the applicable Award Agreement, after which such vested Option will expire.
- (f) Leave of Absence. Upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, the Board may determine, at its sole discretion but subject to applicable laws, that such Participant's participation in the Plan shall be terminated, provided that all vested Options shall remain outstanding and in effect until the earlier of (i) the date that is twelve (12) months after a Participant ceases to be an Eligible Participant, (ii) the applicable exercise date, or (iii) such earlier date determined by the Board at its sole discretion

**6.3 General Conditions Applicable to Share Units and/or DSUs.** Except as otherwise provided in any applicable Employment Agreement or Consulting Agreement or in any Award Agreement, each Share Unit shall be subject to the following conditions:

- (a) Termination for Cause and Resignation. Upon a Participant ceasing to be an Eligible Participant for Cause or as a result of his or her resignation from the Corporation or a Subsidiary, the Participant's participation in the Plan shall be terminated immediately, all Share Units and/or DSUs credited to such Participant's Account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested Share Units and/or DSUs shall be forfeited and cancelled on the Termination Date, provided that for any Share Units or DSUs that are unvested as of the Termination Date as a result of a Blackout Period, such Share Units or DSUs shall be deemed to be vested for the purposes of this Section 6.3(a).

- (b) Death, Retirement, Leave of Absence or Termination of Service. Except as otherwise determined by the Board from time to time, at its sole discretion, upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, or upon a Participant ceasing to be Eligible Participant as a result of (i) death, (ii) Retirement, (iii) Termination of Service for reasons other than for Cause, (iv) his or her employment or service relationship with the Corporation or a Subsidiary being terminated by reason of injury or disability or (v) becoming eligible to receive long-term disability benefits, the Participant's participation in this Plan shall be terminated immediately and all unvested Share Units credited to such Participant's Account as of such date relating to a Restriction Period in progress shall be forfeited and cancelled. Notwithstanding the foregoing, if the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested Share Units, the date of such action is the Vesting Date, so long as no Share Units vest before the one year anniversary of being granted unless in connection with a Change of Control or the death of a Participant.
- (c) General. For greater certainty, where (i) a Participant's employment or service relationship with the Corporation or a Subsidiary is terminated pursuant to Section 6.3(a) or Section 6.3(b) hereof or (ii) a Participant elects for a voluntary leave of absence pursuant to Section 6.3(b) hereof following the satisfaction of all vesting conditions in respect of particular Share Units but before receipt of the corresponding distribution or payment in respect of such Share Units, the Participant shall remain entitled to such distribution or payment until the earlier of (1) a date that is twelve (12) months from the Participant's Termination Date or such date that a Participant ceases to be an Eligible Participant, as applicable, or (2) the Vesting Date. For greater certainty, unless permitted by applicable Exchange Rules, no Share Unit shall be exercisable, redeemable or settled beyond a date that is twelve (12) months from the Participant's Termination Date or such date that a Participant ceases to be an Eligible Participant, and no Participant shall have any rights with respect to any Share Unit not redeemed or settled beyond such date. Notwithstanding the foregoing, nothing in this Section will permit settlement beyond the U.S. Share Unit Outside Expiry Date for Share Units of U.S. Taxpayers.

## ARTICLE 7 ADJUSTMENTS AND AMENDMENTS

7.1 **Adjustments to Shares Subject to Outstanding Awards.** At any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award or the forfeiture or cancellation of such Award, in the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of the Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the Corporation with or into another corporation, or (v) any distribution to all holders of Shares or other securities in the capital of the Corporation of cash, evidences of indebtedness or other assets of the Corporation (excluding an ordinary course dividend in cash or shares, but including for greater certainty shares or equity interests in a Subsidiary or business unit of the Corporation or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit) or any transaction or change having a similar effect, then the Board shall in its sole discretion, subject to the required approval of any Exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order

to maintain the economic rights of the Participant in respect of such Award in connection with such occurrence or change, including, without limitation:

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

## 7.2 **Change of Control**

- (a) In the event that the Company receives a binding offer from an arm's length third party or enters into a binding agreement with respect to a transaction that, if completed, would cause a Change of Control, vesting of Options will accelerate to assist the Participants to tender into a takeover bid or participate in any other transaction leading to a Change of Control. Additionally, in the event of a take-over bid or any other transaction leading to a Change of Control, the Board shall have the power, in its sole discretion, to (permit Participants to conditionally exercise their vested Options immediately prior to the consummation of the take-over bid and the Shares issuable under such Options to be tendered to such bid, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the potential Change of Control referred to in this Section 7.2 is not completed within the time specified therein (as the same may be extended), then notwithstanding this Section 7.2 or the definition of "Change of Control": (i) any conditional exercise of vested Options shall be deemed to be null, void and of no effect, and such conditionally exercised Options shall for all purposes be deemed not to have been exercised, (ii) Shares which were issued pursuant to the exercise of Options which vested pursuant to this Section 7.2 shall be returned by the Participant to the Corporation and reinstated as authorized but unissued Shares, and (iii) the original terms applicable to Options which vested pursuant to this Section 7.2 shall be reinstated. In the event of a Change of Control, subject to applicable Exchange Rules, any outstanding but unvested Share Units shall also vest immediately, and any Performance Criteria or other vesting conditions applicable to such Share Units shall be waived, and the date of such action shall be the Vesting Date of such Share Units.
- (b) If the Corporation completes a transaction constituting a Change of Control and within twelve (12) months following the Change of Control a Participant who was also an officer or employee of, or Consultant to, the Corporation prior to the Change of Control has their Employment Agreement or Consulting Agreement terminated, then: (i) all unvested Options granted to such Participant shall immediately vest and become exercisable, and remain open for exercise until the earlier of (1) their expiry date as set out in the applicable Award Agreement, and (2) the date that is 90 days after such termination or dismissal; and (b) all unvested Share Units shall become vested, and the date of such Participant's Termination Date shall be deemed to be the Vesting Date.

### 7.3 Initial Approval, Amendment or Discontinuance of the Plan

- (a) Prior to its implementation by the Corporation, this Plan is subject to approval by the Exchange and the shareholders of the Corporation and thereafter this Plan must be approved by shareholders of the Corporation and the Exchange on an annual basis or as otherwise required by applicable Exchange Rules.
- (b) The Board may amend the Plan or any Award at any time without the consent of the Participants, provided that such amendment shall:
  - (i) not adversely alter or impair the rights of any Participant, without the consent of such Participant, except as permitted by the provisions of the Plan;
  - (ii) be in compliance with applicable law (including Code Section 409A and the provisions of the ITA, to the extent applicable), and subject to any regulatory approvals including, where required, the approval of the Exchange; and
  - (iii) be subject to shareholder approval to the extent such approval is required by applicable law or the applicable Exchange Rules, provided that the Board may, from time to time, in its absolute discretion and without approval of the shareholders of the Corporation, make the following amendments:
    - (A) other than amendments to the exercise price and the expiry date of any Award as described in Section 7.3(c)(ii) and Section 7.3(c)(iii), any amendment, with the consent of the Participant, to the terms of an Award previously granted to such Participant under the Plan;
    - (B) any amendment necessary to comply with applicable law (including taxation laws), applicable Exchange Rules, or any other regulatory body to which the Corporation is subject;
    - (C) any amendment of a “housekeeping” nature, including, without limitation, amending the wording of any provision of the Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correcting grammatical or typographical errors and amending the definitions contained within the Plan; or
    - (D) any amendment regarding the administration or implementation of the Plan.
- (c) Notwithstanding Section 7.3(b)(iii), the Board shall be required to obtain shareholder approval, including, if required by the applicable Exchange Rules, disinterested shareholder approval, to make the following amendments:
  - (i) any amendment to the maximum percentage or number of Shares that may be reserved for issuance pursuant to the exercise or settlement of Awards granted under the Plan, including an increase to the fixed maximum percentage of Shares or a change from a fixed maximum percentage of

Shares to a fixed maximum number of Shares or vice versa, except in the event of an adjustment pursuant to Section 7.1;

- (ii) any amendment which reduces the exercise price of any Award, as applicable, after such Award has been granted or any cancellation of an Award and the replacement of such Award with an Award with a lower exercise price or other entitlements, except in the event of an adjustment pursuant to Section 7.1; provided, however, that, for greater certainty, disinterested shareholder approval will be required for any amendment which reduces the exercise price of any Option if the Participant is an Insider of the Corporation at the time of the proposed amendment;
  - (iii) any amendment which extends the expiry date of any Award, or the Restriction Period of any Share Unit beyond the original expiry date or Restriction Period, except in the event of an extension due to a Blackout Period; provided, however, that, for greater certainty, disinterested shareholder approval will be required for any amendment which extends the expiry date of an Option if the Participant is an Insider of the Corporation at the time of the proposed amendment;
  - (iv) any amendment to the definition of an Eligible Participant under the Plan;
  - (v) any amendment to the participation limits set out in Section 2.5; or
  - (vi) any amendment to this Section 7.3 of the Plan.
- (d) The Board may, by resolution, but subject to applicable regulatory and shareholder approval, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment or engagement shall not apply for any reason acceptable to the Board.
- (e) The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan.

## **ARTICLE 8 MISCELLANEOUS**

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

**8.2 Tax Withholding.** Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the legal representative of the Participant) under this Plan shall be made net of any applicable withholdings, including in respect of applicable withholding taxes required to be withheld at source and other source deductions, as the Corporation determines. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then the withholding obligation may be satisfied in such manner as the Corporation determines, including (a) by the sale of a portion of such Shares by the

Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 8.1, on behalf of and as agent for the Participant, as soon as permissible and practicable, with the proceeds of such sale being used to satisfy any withholding and remittance obligations of the Corporation (and any remaining proceeds, following such withholding and remittance, to be paid to the Participant), (b) by requiring the Participant, as a condition of receiving such Shares, to pay to the Corporation an amount in cash sufficient to satisfy such withholding, or (c) any other mechanism as may be required or determined by the Corporation as appropriate.

### 8.3 **Securities Law Compliance**

- (a) The Plan (including any amendments to it), the terms of the grant of any Award under the Plan, the grant of any Award, the exercise of any Option, the delivery of any Shares upon exercise of any Option, or the Corporation's election to deliver Shares in settlement of any Share Units or DSUs, shall be subject to all applicable federal, provincial, state and foreign laws, rules and regulations, the rules and regulations of applicable Exchanges and to such approvals by any regulatory or governmental agency as may, as determined by the Corporation, be required. The Corporation shall not be obliged by any provision of the Plan or the grant of any Award or exercise of any Option hereunder to issue, sell or deliver Shares in violation of such laws, rules and regulations or any condition of such approvals.
- (b) No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of the Plan or of the Shares under the securities laws of any jurisdiction or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void.
- (c) Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws and applicable Exchange Rules.
- (d) If Shares cannot be issued to a Participant upon the exercise of an Option due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares shall terminate and any funds paid to the Corporation in connection with the exercise of such Option will be returned to the applicable Participant as soon as practicable.
- (e) With respect to Awards granted in the United States or to U.S. Persons (as defined under Regulation S under the U.S. Securities Act) or at such time as the Corporation ceases to be a "foreign private issuer" (as defined under the U.S. Securities Act), unless the Shares which may be issued upon the exercise or settlement of such Awards are registered under the U.S. Securities Act, the Awards granted hereunder and any Shares that may be issuable upon the exercise or settlement of such Awards will be considered "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Accordingly, any such Awards or Shares issued prior to an effective registration statement filed with the SEC may not be transferred, sold, assigned, pledged, hypothecated or otherwise disposed by the Participant, directly or indirectly, without registration under the U.S. Securities Act and applicable state securities laws or unless in compliance with an available exemption therefrom. Certificate(s) representing the

Awards and any Shares issued upon the exercise or settlement of such Awards prior to an effective registration statement filed with the SEC, and all certificate(s) issued in exchange therefor or in substitution thereof, will be endorsed with the following or a similar legend until such time as it is no longer required under the applicable requirements of the U.S. Securities Act:

“THE SECURITIES REPRESENTED HEREBY [for Awards add: AND ANY SECURITIES ISSUABLE UPON EXERCISE HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT EFFECTIVE UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION THEREUNDER. HEDGING TRANSACTIONS INVOLVING SUCH SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE U.S. SECURITIES ACT.”

**8.4 Reorganization of the Corporation.** The existence of any Awards shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, reclassification, recapitalization, reorganization or other change in the Corporation’s capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

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

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

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

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

- (a) Except as permitted under Code Section 409A, any deferred compensation (within the meaning of Code Section 409A) payable to or for the benefit of a U.S. Taxpayer may not be reduced by, or offset against, any amount owing by the U.S. Taxpayer to the Corporation or any of its Affiliates.

- (b) If a U.S. Taxpayer becomes entitled to receive payment in respect of any Share Units or any DSUs that are subject to Code Section 409A, as a result of his or her Separation from Service and the U.S. Taxpayer is a “specified employee” (within the meaning of Code Section 409A) at the time of his or her Separation from Service, and the Board makes a good faith determination that (a) all or a portion of the Share Units or DSUs constitute “deferred compensation” (within the meaning of Code Section 409A) and (b) any such deferred compensation that would otherwise be payable during the six-month period following such Separation from Service is required to be delayed pursuant to the six-month delay rule set forth in Code Section 409A in order to avoid taxes or penalties under Code Section 409A, then payment of such “deferred compensation” shall not be made to the U.S. Taxpayer before the date which is six months after the date of his or her Separation from Service (and shall be paid in a single lump sum on the first day of the seventh month following the date of such Separation from Service) or, if earlier, the U.S. Taxpayer’s date of death.
- (c) A U.S. Taxpayer’s status as a “specified employee” (within the meaning of Code Section 409A) shall be determined by the Corporation as required by Code Section 409A on a basis consistent with Code Section 409A and such basis for determination will be consistently applied to all plans, programs, contracts, agreements, etc. maintained by the Corporation that are subject to Code Section 409A.
- (d) Although the Corporation intends that Share Units will be exempt from Code Section 409A or will comply with Code Section 409A, and that DSUs will comply with Code Section 409A, the Corporation makes no assurances that the Share Units will be exempt from Code Section 409A or will comply with it. Each U.S. Taxpayer, any beneficiary or the U.S. Taxpayer’s estate, as the case may be, is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Taxpayer in connection with this Plan (including any taxes and penalties under Code Section 409A), and neither the Corporation nor any Subsidiary shall have any obligation to indemnify or otherwise hold such U.S. Taxpayer or beneficiary or the U.S. Taxpayer’s estate harmless from any or all of such taxes or penalties.
- (e) In the event that the Board determines that any amounts payable hereunder will be taxable to a Participant under Code Section 409A prior to payment to such Participant of such amount, the Corporation may (a) adopt such amendments to the Plan and Share Units and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Board determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by the Plan and Share Units hereunder and/or (b) take such other actions as the Board determines necessary or appropriate to avoid or limit the imposition of an additional tax under Code Section 409A.
- (f) In the event the Corporation amends, suspends or terminates the Plan or Share Units as permitted under the Plan, such amendment, suspension or termination will be undertaken in a manner that does not result in adverse tax consequences under Code Section 409A.

8.9 **Effective Date of the Plan.** The Plan shall be effective as of the date written below, subject to its approval by the Company's shareholders and the receipt of all necessary CSE or applicable regulatory authority approvals. Subject to being approved by the Company's shareholders as required by the CSE or any applicable regulatory authorities, the Plan shall continue to be effective unless terminated by the Board pursuant to the terms and conditions herein, and no Award shall be granted under the Plan after such date.

APPROVED by the Board of Directors on May 22, 2026.

**FORGE RESOURCES CORP.**

*"Peter Jonathan Murphy"*

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Per authorized signatory



