This Listing Statement is intended to provide full, true and plain disclosure about the Issuer. It is not, and is not to be construed as, a prospectus. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. No securities are being sold or qualified for distribution by the filing of this Listing Statement.

An investment in securities of the Issuer is speculative and involves a high degree of risk. In reviewing this Listing Statement, you should carefully consider the matters described under the heading "Risk Factors". No underwriters or selling agents have been involved in the preparation of this Listing Statement or performed any review or independent due diligence of the contents of this Listing Statement. This Listing Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.

CSE FORM 2A LISTING STATEMENT

Rio Grande Resources Ltd.
(the "Issuer")

Dated: January 31, 2025

RIO GRANDE RESOURCES LTD.

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GENERAL MATTERS

Glossary of Terms: See "Glossary of Terms" below for the meaning assigned to certain capitalized terms in this Listing Statement.

Currency: In this Listing Statement, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to $ are to Canadian dollars.

Financial Information: The information contained in this Listing Statement should be read together with the Rio Grande Financial Statements and related MD&A, the Sierra Financial Statements and related MD&As, and the Rio Grande Pro Forma Financial Statements, attached as Schedules "G", "H" and "I" to this Listing Statement respectively. Unless otherwise indicated, all financial information referred to in this Listing Statement were prepared in accordance with IFRS.

Disclosure on a Post-Arrangement Basis: This Listing Statement describes the proposed business of Rio Grande pursuant to the Plan of Arrangement. As at the date of this Listing Statement, Rio Grande has not carried on any active business, and has not issued any securities except through the Arrangement. Unless otherwise indicated, the following information is provided by Rio Grande, is presented on a post-Arrangement basis, and is reflective of the proposed business, financial and share capital position of Rio Grande. See "Cautionary Statement Regarding Forward Looking Statements" below for further details.

Incorporation by Reference: All summaries of, and references to, the below listed documents in this Listing Statement are qualified in their entirety by reference to the complete texts of those documents, each of which is filed under either the Issuer or Foremost's profile on SEDAR+ at www.sedarplus.ca. Shareholders are urged to carefully read the full text of these documents:

1. the Arrangement Agreement;
2. the Circular;
3. the audited consolidated financial statements of Foremost for the years ended March 31, 2024, 2023 and 2022;
4. the unaudited condensed interim consolidated financial statements of Foremost for the three-months ended September 30, 2024 and 2023, together with the notes thereto, being the Foremost Interim Financial Statements; and
5. Foremost's MD&A for the six-month period ended September 30, 2024.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this Listing Statement may constitute forward-looking information, future oriented financial information or financial outlooks (collectively, "**forward-looking information**") within the meaning of applicable Canadian securities legislation, including, but not limited to statements or information with respect to this Listing Statement, the Issuer's future outlook and anticipated events or results. In some cases, forward-looking information can be identified by terminology such as "**anticipate**", "**believe**", "**budget**", "**continue**", "**could**", "**estimate**", "**expect**", "**forecast**", "**goal**", "**intend**", "**may**", "**plan**", "**potential**", "**possible**", "**predict**", "**project**", "**scheduled**", "**should**", "**targeted**", "**will**", and similar expressions or variations (including negative variations) of such words concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to: Listing of the Rio Grande Shares on the CSE; expectations, strategies and plans, including the Issuer's proposed expenditures for exploration work on the Winston Property, and general and administrative expenses; the results of future exploration work and the estimated timelines for same; the timing, receipt and maintenance of approvals, licenses and permits from applicable government, regulatory or administrative bodies; expectations generally about the Issuer's business plan and its ability to raise further capital for corporate purposes and further exploration; future financial or operating performance and condition of the Issuer and its business, operations and properties; environmental, health and safety regulations affecting the mineral exploration industry; competitive conditions; expectations respecting executive compensation; staffing of exploration activities and access to services and supplies at its properties, the impact of climate change; capital and operating expenditures; and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable.

Although the forward-looking information in this Listing Statement reflects management's current beliefs about the prospects of the Issuer based on information currently available to management and on what management believes to be reasonable assumptions, there is no certainty that the actual results achieved will be consistent with such forward-looking information. Forward-looking information is not a guarantee of future performance and by its nature is based on assumptions and involves significant known and unknown risks, uncertainties and other factors which may cause actual results, performance, achievements, industry results, prospects and opportunities of the Issuer in future periods to be materially different from those expressed or implied by the forward-looking information provided in this Listing Statement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking information prove incorrect, then any such change could cause actual results, performance or achievements to differ materially from the anticipated results expressed or implied in the forward-looking information set out in this Listing Statement.

With respect to the forward-looking statements information contained in this Listing Statement, although the Issuer believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the statements containing forward-looking information, because no assurance can be given that they will prove to be correct. Since statements containing forward-looking information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks which include, but are not limited to risks related to general business, economic, competitive, political and social uncertainties; risks related to climate change; operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the actual results of current exploration activities and actual results of reclamation activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, changes in labour costs and other costs and expenses or equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, including but not limited to environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and commodity prices. This list is not exhaustive. A large number of factors could affect the assumptions on which statements about forward-looking information are made in this Listing Statement or the underlying assumptions. A discussion of the factors that could cause actual results to differ significantly from the forward-looking information given in this Listing Statement is set out under the heading "Risk Factors". Forward-looking information is based on certain assumptions that the Issuer believes are reasonable, including that the Issuer will be able to carry on exploration and development activities as anticipated; required approvals, licenses and permits for its proposed exploration program on the Winston Property will be obtained; sufficient working capital will be available for exploration and the Issuer's general operations; the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, the general business and economic conditions will not change in a material adverse manner, financing will be available if and when needed on reasonable terms and the Issuer will not experience any material labour dispute, accident, or failure of plant or equipment and such other assumptions and factors as set out herein. See "Risk Factors" in this Listing Statement.

Although the Issuer has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in the forward-looking information in this Listing Statement, there may be other factors and risks that cause actions, events or results that have not been anticipated. **There can be no assurance that the forward-looking information in this Listing Statement will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The factors discussed in this section should therefore be weighed carefully and readers should not place undue reliance on the forward-looking information provided in this Listing Statement. Forward-looking information contained in this Listing Statement is expressly qualified in its entirety by the foregoing cautionary statements and speak only as of the date of this Listing Statement. Except as required under applicable laws, the Issuer assumes no obligation to update or revise such information to reflect new events or circumstances.**

GLOSSARY OF TERMS

The following is a glossary of terms and abbreviations used frequently throughout this Listing Statement:

"**Arrangement**" means the arrangement of Foremost under Section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, and any amendments or variations thereto made in accordance with the Plan of Arrangement or the Arrangement Agreement or at the direction of the Court in the Final Order.

"**Arrangement Agreement**" means the arrangement agreement dated as of July 29, 2024, as amended and restated as of November 4, 2024, between Foremost and the Issuer.

"**Arrangement Resolution**" means the special resolution of the Foremost Shareholders approving the Arrangement, as required by the Interim Order, in the form as set out in Schedule "C" to this Listing Statement.

"**Associate**" has the meaning ascribed to it in the *Securities Act* (British Columbia), as amended.

"**BCBCA**" means the *Business Corporations Act* (British Columbia) including the regulations thereunder, as amended.

"**BCSC**" means the British Columbia Securities Commission.

"**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in the city of Vancouver, British Columbia, Canada.

"**CEO**" means chief executive officer.

"**CFO**" means chief financial officer.

"**Circular**" means Foremost's management information circular dated November 12, 2024, together with all schedules, appendices and exhibits attached thereto and documents incorporated by reference therein, as amended, supplemented or otherwise modified from time to time.

"**company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Court**" means the Supreme Court of British Columbia.

"**CSE**" means the Canadian Securities Exchange.

"**Denison**" means Denison Mines Corp.

"**Denison Option Agreement**" means the option agreement between Foremost and Denison dated September 23, 2024, pursuant to which Denison granted Foremost an option to acquire up to a 70% interest in the ten (10) exploration uranium properties within the Athabasca Basin, Saskatchewan.

"**Dissent Procedures**" means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 to the Plan of Arrangement.

"**Dissent Rights**" means the rights of dissent granted in favour of a registered Foremost Shareholder in accordance with Article 5 of the Plan of Arrangement.

"**Dissenting Shareholder**" means a registered Foremost Shareholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights in respect of the Arrangement Resolution in strict compliance with the Dissent Procedures and whose Dissent Rights remain valid immediately prior to the Effective Time, but only in respect of the Foremost Shares in respect of which Dissent Rights are validly exercised by such Foremost Shareholder.

"**Dissenting Shares**" means Foremost Shares outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights.

"**Distribution Record Date**" means the close of business on the Business Day immediately preceding the Effective Date for the purpose of determining the Foremost Shareholders entitled to receive New Foremost Shares and Rio Grande Shares pursuant to the Plan of Arrangement.

"**Effective Date**" means January 31, 2025, being the date on which Foremost and the Issuer confirmed in writing that all conditions to the completion of the Plan of Arrangement have been satisfied or waived in accordance with Section 5.1 of the Arrangement Agreement and all documents and instruments required under the Arrangement Agreement, the Plan of Arrangement and the Final Order have been delivered.

"**Effective Time**" means 12:01 a.m. (Pacific Time) on the Effective Date.

"**Final Order**" means the final order of the Court pursuant to Section 291 of the BCBCA approving the Plan of Arrangement obtained on January 10, 2025, attached as Schedule "E" to this Listing Statement.

"**Foremost**" means Foremost Clean Energy Ltd. (previously Foremost Lithium Resources & Technology Ltd.), a company incorporated under the BCBCA.

"**Foremost Board**" means the board of directors of Foremost, as constituted from time to time.

"**Foremost Class A Common Shares**" means the Foremost Shares, as constituted upon being renamed and redesignated as "**Class A Common shares without par value**" pursuant to the Plan of Arrangement.

"**Foremost Incentive Plan**" means the stock incentive plan of Foremost adopted on December 12, 2023, as amended on December 20, 2024 at the Meeting.

"**Foremost Interim Financials**" means the unaudited condensed interim consolidated financial statements of Foremost for the three (3) months ended September 30, 2024 and 2023, together with the notes thereto.

"**Foremost Loan**" means the loan issued by Foremost to the Issuer in the amount of $520,000.

"**Foremost Offering**" means Foremost's "best-efforts" non-brokered private placement, which closed on November 13, 2024.

"**Foremost Options**" means the options of Foremost granted pursuant to the Foremost Incentive Plan, each entitling the holder thereof to acquire one (1) Foremost Share at the applicable exercise price specified in the applicable award agreement.

"**Foremost Promissory Note**" means the promissory note dated November 5, 2024, issued by the Issuer to Foremost in the amount of $520,000, which is due and payable in full on November 5, 2027, with interest thereon from the date that is four (4) months from the Effective Date, payable on the unpaid principal at the rate of eight-point-nine-five percent (8.95%) per year, compounded monthly, with interest payments commencing on December 1, 2025.

"**Foremost Replacement Options**" means stock options of Foremost granted pursuant to the Foremost Incentive Plan, each entitling the holder on the redemption thereof to acquire one (1) New Foremost Share, which were issued pursuant to the Plan of Arrangement by Foremost to holders of Foremost Options as of the Record Distribution Date.

"**Foremost Replacement RSUs**" means restricted share units of Foremost granted pursuant to the Foremost Incentive Plan, each entitling the holder on the redemption thereof to acquire one (1) Foremost Share, which were issued pursuant to the Plan of Arrangement by Foremost to holders of Foremost RSUs as of the Record Distribution Date.

"**Foremost RSUs**" means restricted share units of Foremost granted pursuant to the Foremost Incentive Plan, entitling the holder on the redemption thereof to acquire such number of Foremost Shares specified in the applicable award agreement.

"**Foremost Shareholders**" means each registered or beneficial holder of Foremost Shares, Foremost Class A Common Shares or New Foremost Shares, as the context requires.

"**Foremost Shares**" means the common shares in the capital of Foremost as the same are constituted immediately before the Effective Time, including common shares issued prior to the Effective Date on the exercise of Foremost Warrants, Foremost Options, and Foremost RSUs, as applicable.

"**Foremost Warrants**" means share purchase warrants of Foremost, each exercisable pursuant to the Plan of Arrangement to acquire one (1) New Foremost Share and two (2) Rio Grande Shares.

"**IFRS**" means the IFRS Accounting Standards as adopted by the International Accounting Standards Board or a successor entity, as amended from time to time, and interpretations of the International Financial Reporting Interpretations Committee.

"**Interim Order**" means the interim order of the Court obtained on November 12, 2024, as amended on November 27, 2024, attached as Schedule "D" to this Listing Statement.

"**In-the-Money-Amount**" means the aggregate exercise price (i.e., the price at which a Rio Grande Option may be purchased pursuant to the exercise of a Rio Grande Option) of a Rio Grande Option (or portion thereof) surrendered relating to such Rio Grande Shares.

"**Ivanhoe/Emporia Agreement**" means the agreement dated August 21, 1987, between RHET, successor in interest to Sarah G. Howe and St. Cloud Mining Company, as assigned to Southwest Land & Exploration, Inc. on August 9, 1994, assigned to Redline Mining Corporation effective May 1, 2017, and as further assigned to Sierra effective June, 2017.

"**Issuer**" or "**Rio Grande**" means Rio Grande Resources Ltd., a company incorporated under the BCBCA.

"**Lenders**" means Jason and Christina Barnard.

"**Listing**" means the proposed listing of the Rio Grande Shares on the CSE.

"**Listing Statement**" means this listing statement dated as of the date on the cover page, and includes any appendices, schedules or attachments hereto.

"**Material Adverse Effect**" means the threshold to measure the negative effect of some event on the business.

"**MD&A**" means management's discussion and analysis.

"**Meeting**" means the annual and special meeting of the Foremost Shareholders held on December 20, 2024, where, among other things, the Foremost Shareholders passed the Arrangement Resolution and such other matters set out in the Circular.

"**Mineoro**" means Mineoro Explorations LLC.

"**NASDAQ**" means the NASDAQ Capital Market.

"**New Foremost Shares**" means the new class of common shares without par value in the capital of Foremost, created and issued to Foremost Shareholders pursuant to the Plan of Arrangement, which new class of shares are identical in every relevant respect to Foremost Shares, and which, for certainty, will represent the common shares in the capital of Foremost.

"**NI 43-101**" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

"**NI 52-110**" means National Instrument 52-110 *Audit Committees*.

"**Notice of Articles**" means the Notice of Articles of Foremost.

"**person**" means a company or individual.

"**Phase 1 Exploration Program**" means the initial twelve (12) month phase 1 exploration program to be conducted on the Winston Property, which will include soil sampling, geological mapping to further assess visual targets, expansion of the footprint of the known mineralization by detailed geologic mapping and study of the exposed veins and alteration zones and work towards building a 3D computer model of the vein system to assist with drill targeting.

"**Redline**" means Redline Minerals Inc. and its US subsidiaries, including Redline Mining Corporation.

"**Redline Purchase Agreement**" means the definitive purchase agreement dated April 17, 2017 between Foremost and Redline to acquire all of Redline's outstanding rights, title and interest in and to the Winston Property,

"**Redline Option Agreement**" means the option agreement dated October 17, 2014 between Foremost and Redline to acquire up to an eighty percent (80%) interest in 102 unpatented lode mining claims in the Winston Property, in addition to the four (4) Little Granite Claims and Ivanhoe/Emporia Claims.

"**RHET**" means the Robert Howe Educational Trust.

"**RHET Royalty Payments**" means the monthly payments due at the first of each month of US$1,400 to be paid by Sierra to RHET pursuant to the Ivanhoe/Emporia Agreement.

"**RHET Waiver**" means the irrevocable waiver dated September 30, 2024, among Sierra and ESB Financial, in its capacity as the trustee of the RHET, pursuant to which ESB Financial waived its right, title, and entitlement to demand, pursue, or enforce payment of the RHET Royalty Payments for a definitive period of eighteen (18) months commencing from September 30, 2024.

"**Plan of Arrangement**" means the plan of arrangement of Foremost, attached as Schedule "B" hereto.

"**Record Date**" means October 24, 2024, being the date that the Foremost Board fixed as the date for determining the persons entitled to received notice of the Meeting.

"**Rio Grande Articles**" means the articles of Rio Grande, attached as Appendix "C" to the Plan of Arrangement, which is attached as Schedule "B" to this Listing Statement.

"**Rio Grande Audit Committee**" means the audit committee of the Issuer.

"**Rio Grande Audit Committee Charter**" means the charter of the Rio Grande Audit Committee, approved by the Rio Grande Board on July 29, 2024.

"**Rio Grande Awards**" means the Rio Grande Options, the Rio Grande RSUs, the Rio Grande PSUs and Rio Grande DSUs, issued pursuant to the Rio Grande Incentive Plan.

"**Rio Grande Board**" means the board of directors of the Issuer, as constituted from time to time.

"**Rio Grande CG&N Committee**" means the corporate governance and nominating committee of the Issuer.

"**Rio Grande CG&N Committee Charter**" means the charter of the CG&N Committee adopted by the Rio Grande Board on July 29, 2024.

"**Rio Grande Compensation Committee**" means the compensation committee of the Issuer.

"**Rio Grande DSUs**" means the deferred share units of the Issuer granted pursuant to the Rio Grande Incentive Plan, each entitling the holder on the redemption thereof to acquire such number of Rio Grande Shares specified in the applicable award agreement.

"**Rio Grande Financial Statements**" means, collectively, the audited financial statements of the Issuer for the period form incorporation on July 19, 2024 to July 31, 2024 and the unaudited condensed interim financial statements for the three-month period ended October 31, 2024.

"**Rio Grande Incentive Plan**" means the fifteen percent (15%) rolling omnibus incentive plan of Rio Grande, effective as of the Effective Date, which was approved by the Rio Grande Board on July 29, 2024, and by ordinary resolution of the Foremost Shareholders at the Meeting.

"**Rio Grande Loan**" means the loan in the amount of $677,450, advanced by Christina Barnard and Jason Barnard, current Foremost Shareholders, to the Issuer.

"**Rio Grande Options**" means stock options of Rio Grande, each entitling the holder thereof to acquire one (1) Rio Grande Share to be issued in accordance with the Rio Grande Incentive Plan and upon such terms as may be determined by the Rio Grande Board from time to time.

"**Rio Grande Pro Forma Financial Statements"** means the pro forma financial statements of Rio Grande dated October 31, 2024.

"**Rio Grande Promissory Note**" means the promissory note issued by the Issuer to Jason Barnard and Christina Barnard, current Foremost Shareholders, in the amount of $677,450, which is due and payable in full on November 5, 2027, and which bears interest at a rate of eight-point-nine-five percent (8.95%) per year.

"**Rio Grande PSUs**" means the performance share units of the Issuer granted pursuant to the Rio Grande Incentive Plan, each entitling the holder on the redemption thereof to acquire such number of Rio Grande Shares specified in the applicable award agreement.

"**Rio Grande RSUs**" means the restricted share units of the Issuer granted pursuant to the Rio Grande Incentive Plan, each entitling the holder on the redemption thereof to acquire such number of Rio Grande Shares specified in the applicable award agreement.

"**Rio Grande Shareholders**" means holders of Rio Grande Shares.

"**Rio Grande Shares**" means the common shares without par value in the capital of the Issuer.

"**SEDAR+**" means System for Electronic Document Analysis and Retrieval, having a website located at https://www.sedarplus.ca.

"**Sierra**" means Sierra Gold & Silver Ltd., a company incorporated under the laws of the State of Nevada in the United States.

"**Sierra Financial Statements**" means, collectively, the audited financial statements of Sierra for the years ended March 31, 2024, 2023 and 2022, and the unaudited condensed interim financials for the period ended September 30, 2024.

"**Sierra Shares**" means the common shares without par value in the capital of Sierra.

"**The Issuer**" or "**Rio Grande**" means Rio Grande Resources Ltd., a corporation existing under the BCBCA.

"**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.) c.1, and the regulations promulgated thereunder, each as amended and as may be amended from time to time.

"**Transfer Agent**" means Odyssey Trust Company.

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

"**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended, and the rules and regulations thereunder.

"**Winston Property**" means the gold and silver mining property spanning one-hundred-forty-seven (147) unpatented claims and two (2) patented claims across almost 3,000 acres/1,214 hectares in Sierra County, New Mexico, United States.

"Winston Property Report" means the technical report titled "*Technical Report for the Winston Gold-Silver Project: Sierra County, New Mexico, USA*" with an effective date of November 4, 2024, prepared by Mineoro under the supervision of Jocelyn Pelletier Msc, SEG-F, P. Geo with contributions from Michael N. Feinstein CPG, PhD.

CORPORATE STRUCTURE

Name, Address and Incorporation

The full name of the Issuer is "***Rio Grande Resources Ltd.***" The Issuer was incorporated pursuant to the BCBCA on July 19, 2024, under corporation number BC1493044 and name "Rio Grande Resources Ltd." The Issuer was incorporated for the sole purpose of the Arrangement.

The registered and records office of the Issuer is located at 666 Burrard St. Suite 1700, Vancouver, BC, V6C 2X8. The head office of the Issuer is located at 750 West Pender St. Suite 250, Vancouver, BC V6C 1G8.

Prior to completion of the Arrangement, the Issuer was not a reporting issuer in any jurisdiction. In connection with the Arrangement, it is anticipated that the Issuer will become a reporting issuer in the Provinces of British Columbia, Alberta and Ontario with its principal regulator being the BCSC.

Intercorporate Relationships

Prior to completion of the Arrangement, the Issuer did not have any subsidiaries and was a wholly-owned subsidiary of Foremost. Pursuant to the terms of the Arrangement, the Issuer became the sole shareholder of Sierra, which was previously a wholly-owned U.S. subsidiary of Foremost, and which holds the rights, title and interest in and to the Winston Property.

DESCRIPTION OF THE BUSINESS

General

Pursuant to the terms of the Arrangement, the Issuer indirectly controls the Winston Property through Sierra, and will concentrate its activities on the exploration and development of the Winston Property. The Issuer's future business is also likely to include the acquisition, through staking activity or otherwise, of additional mineral assets and the Issuer therefore anticipates that its directly held mineral properties will evolve with the business.

Further details regarding the Issuer's business are provided under "*Description of the Business – Three Year History*" and the Winston Property specifically are provided under "*Mineral Properties*". The Winston Property Report is available on the Issuer's SEDAR+ profile at www.sedarplus.ca.

Three Year History

On July 19, 2024, Rio Grande was incorporated under the BCBCA as a wholly-owned subsidiary of Foremost. See "Corporate Structure – Name, Address and Incorporation" above.

On July 29, 2024, Rio Grande entered into the Arrangement Agreement with Foremost in relation to the Arrangement, which was amended and restated on November 4, 2024. See "Description of the Business - The Arrangement" below for additional details.

On November 5, 2024, the Issuer issued the Rio Grande Promissory Note to Jason Barnard and Christina Barnard, current Foremost Shareholders, as evidence of the Rio Grande Loan. See "Use of Available Funds – Funds Available and Principal Purpose – Rio Grande Loan and Foremost Loan" for further details on the Rio Grande Loan and Rio Grande Promissory Note.

On November 5, 2024, the Issuer also issued the Foremost Promissory Note to Foremost, as evidence of the Foremost Loan. See "Use of Available Funds – Funds Available and Principal Purpose – Rio Grande Loan and Foremost Loan" for further details on the Foremost Loan and Foremost Promissory Note.

On January 27, 2025, Rio Grande obtained conditional approval from the CSE for the Listing of the Rio Grande Shares on the CSE.

The three-year history of Foremost is included in Schedule J to the Circular, which is incorporated by reference to this Listing Statement.

The Arrangement

On July 29, 2024, the Issuer entered into the Arrangement Agreement with Foremost in relation to the Arrangement, which was later amended and restated on November 4, 2024. Foremost intended to spin-out the Winston Property to Rio Grande by way of statutory plan of arrangement pursuant to section 288 of the BCBCA.

On November 14, 2024, Foremost disseminated the Circular to Foremost Shareholders providing notice of the Meeting, where, among other things, Foremost Shareholders as of the Record Date were entitled to vote on the Arrangement Resolution, being the special resolution approving the Arrangement. The Arrangement Resolution is attached as Schedule "C" to this Listing Statement.

On November 12, 2024, Foremost obtained the Interim Order from the Court, which was amended on November 27, 2024 to approve revised methods of delivery of the Meeting Materials required as a result of the 2024 Canada Post strike.

On December 20, 2024, the Arrangement Resolution was approved by the Foremost Shareholders at the Meeting.

On January 10, 2025, Foremost obtained the Final Order from the Court approving the Arrangement.

On January 27, 2025 Rio Grande received conditional approval from the CSE for the listing of the Rio Grande Shares on the CSE.

On January 30, 2025, Foremost received the CSE bulletin announcing the anticipated Effective Date of January 31, 2025, as well as the commencement of trading for the New Foremost Shares under the new CUSIP and ISIN numbers on January 31, 2025.

On January 31, 2025, Foremost announced the completion of the Arrangement, being the Effective Date of the Arrangement.

Principal Steps to the Arrangement

The following summary sets out the principal steps of the Arrangement in chronological order. The summary is not exhaustive and readers are advised to read the full text of the Plan of the Arrangement, a copy of which is attached as Schedule "B" to this Listing Statement.

1. Each Dissenting Share was directly transferred and assigned by such Dissenting Shareholder to Foremost, without any further act or formality and free and clear of any encumbrances, and such Dissenting Share was cancelled and ceased to be outstanding;

   (a) such Dissenting Shareholder's name was removed from the register of holders of Foremost Shares maintained by or on behalf of Foremost as it related to the Dissenting Shares so transferred; and

   (b) such Dissenting Shareholder ceased to have any rights as a Foremost Shareholder other than the right to be paid the fair value for their Foremost Shares by Foremost in accordance with the Plan of Arrangement;

2. Foremost (i) transferred to the Issuer the right to collect receivables in respect of all amounts outstanding and owing from Sierra to Foremost as at the Effective Date; and (ii) assigned and transferred to the Issuer all of the issued and outstanding Sierra Shares, in consideration for the Issuer issuing to Foremost such number of Rio Grande Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the Effective Time by two (2). In respect of such transfer, Foremost and the Issuer jointly elected, in the prescribed form and within the time allowed by subsection 85(6) of the Tax Act to have the provisions of subsection 85(1) of the Tax Act apply to the transfer of the Sierra Shares. The amount added to the stated capital in respect of the Rio Grande Shares issued as consideration on the transfer of the Sierra Shares was equal the amount Foremost and the Issuer agreed to in their election form, and:

   (a) Foremost ceased to be a holder of the Sierra Shares transferred to the Issuer and was removed in respect of such Sierra Shares from the register of holders of Sierra Shares maintained by or on behalf of Sierra;

   (b) the Sierra Shares transferred to the Issuer were registered in the name of the Issuer; and

   (c) the Rio Grande Shares transferred to Foremost were registered in the name of Foremost;

3. The authorized share structure of Foremost was reorganized and altered by:

   (a) renaming and redesignating all of the issued and unissued Foremost Shares as Foremost Class A Common Shares and amending the special rights and restrictions attached to the Foremost Class A Common Shares to provide the holders thereof with two (2) votes for each Foremost Class A Common Share held at all meetings of Foremost Shareholders (except meetings at which only holders of a specified class of shares are entitled to vote), and, concurrently therewith, outside of and not as part of the Plan of Arrangement, the Foremost Class A Common Shares are represented for listing purposes on the CSE by the continued listing of the Foremost Shares; and

   (b) creating the New Foremost Shares, which were unlimited in number and have special rights and restrictions identical to those of the Foremost Shares immediately prior to giving effect to the amendments

   (collectively, referred to as the "**First Amendment**");

4. Foremost's Notice of Articles was amended to reflect the First Amendment;

5. The Rio Grande Incentive Plan came into force and effect with the terms and conditions set out in Schedule "A" to this Listing Statement;

6. Notwithstanding the Foremost Incentive Plan, each Foremost Option then outstanding to acquire one (1) Foremost Share was deemed to be simultaneously surrendered and transferred by the holder thereof in the following portions:

   (a) 0.9136 of each Foremost Option held immediately prior to the Effective Time was transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) New Foremost Share having an exercise price (rounded up to the nearest cent) as determined in accordance with the Plan of Arrangement; and

   (b) 0.0864 of each Foremost Option held immediately prior to the Effective Time was transferred and exchanged for two (2)Rio Grande Options, with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Share having an exercise price (rounded up to the nearest cent) as determined in accordance with the Plan of Arrangement, provided that, for greater certainty:

      (i) the exercise prices of the Foremost Replacement Options and the Rio Grande Options was adjusted to the extent necessary to ensure that (i) the aggregate In-the-Money-Amount thereof immediately after the exchange did not exceed the In-the-Money-Amount of such Foremost Option immediately before the exchange, and (ii) solely in the case of holders of Foremost Options that are U.S. taxpayers, the ratio of the exercise price to the fair market value of the Foremost Share or Rio Grande Share, as applicable, was not more favourable to the holder of the Foremost Option than the ratio of the exercise price to the fair market value of a Foremost Share immediately prior to the Effective Time, accordingly and with effect at the time of the exchange of Foremost Options;

      (ii) the holder of a Foremost Replacement Option or Rio Grande Option received no consideration other than the Foremost Replacement Option and Rio Grande Option in respect of the transfer of the applicable portion of a Foremost Option;

      (iii) no Foremost Replacement Option or Rio Grande Option will be exercisable until after the date that is after five (5) trading days following the date the New Foremost Shares and the Rio Grande Shares, respectively, appear on the CSE's publicly disseminated trading list; and

      (iv) the Foremost Options so transferred to Foremost were cancelled;

7. Notwithstanding the Foremost Incentive Plan, each Foremost RSU outstanding to acquire one (1) Foremost Share was deemed to be simultaneously surrendered and transferred by the holder thereof in the following portions:

   (a) 0.9136 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time was transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

   (b) 0.0864 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time was transferred and exchanged for two (2) Rio Grande RSUs to acquire such number of Rio Grande Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU;

   provided that, for greater certainty:

(c) the holder of a Foremost Replacement RSU or Rio Grande RSU received no consideration other than the Foremost Replacement RSU and Rio Grande RSU in respect of the transfer of the applicable portion of a Foremost RSU; and

(d) the Foremost RSUs transferred to Foremost was cancelled;

8. Foremost undertook a reorganization of capital within the meaning of Section 86 of the Tax Act as follows, with the steps having occurred in the following order:

(a) each issued and outstanding Foremost Class A Common Share outstanding immediately following the giving of effect to the Item 3(a) above was surrendered and transferred by the holder thereof to Foremost in exchange for one (1) New Foremost Share and two (2) Rio Grande Shares held by Foremost (subject to any withholding of Rio Grande Shares required to be made pursuant to Section 3.7 of the Plan of Arrangement);

(b) the holders of Foremost Class A Common Shares were removed from the register of holders of Foremost Class A Common Shares and were added to the register of holders of New Foremost Shares as the holders of the number of New Foremost Shares they received;

(c) the Rio Grande Shares transferred to the former holders of Foremost Class A Common Shares were registered in the name of such former holders;

(d) Foremost ceased to be a holder of the Rio Grande Shares transferred to the former holders of Foremost Class A Common Shares and was removed in respect of such Rio Grande Shares from the register of holders of the Rio Grande Shares maintained by or on behalf of the Issuer;

(e) concurrently with the exchange, the stated capital account maintained in respect of the Foremost Class A Common Shares was reduced to nil and there shall be added to the stated capital account of the New Foremost Shares in accordance with the terms of the Plan of Arrangement; and

(f) the Foremost Class A Common Shares were cancelled and the appropriate entries made in the register of holders of Foremost Class A Common Shares and the authorized share structure and articles of Foremost were amended by eliminating the Foremost Class A Common Shares

(collectively referred to as the "**Second Amendment**");

9. Foremost's Notice of Articles was amended and restated to reflect the alterations in Item 8(f) above;

10. Concurrently with the exchange of Foremost Options and Foremost RSUs, each Foremost Warrant outstanding immediately prior to this Item 10 was amended to entitle the holder thereof to receive, upon due exercise of the Foremost Warrant:

(a) one (1) New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant; and

(b) two (2) Rio Grande Shares for each Foremost Share that was issuable upon due exercise of a Foremost Warrant;

11. The directors of Rio Grande were appointed to be Jason Barnard, Raymond Strafehl and Richard Silas;

12. The Rio Grande Board has the authority to appoint one or more additional directors of the Issuer, who will hold office for a term expiring not later than the close of the next annual meeting of the Rio Grande Shareholders, but the total number of directors so appointed may not exceed one third of the number of persons who become directors of the Issuer;

13. The by-laws of the Issuer are the by-laws set out in Appendix "C" to the Plan of Arrangement, which is attached as Schedule "B" to this Listing Statement;

14. Davidson & Company LLP is the initial auditors of the Issuer, to hold office until the close of the first annual meeting of Rio Grande Shareholders, or until Davidson & Company LLP resigns as contemplated or are removed from office, and the directors of the Issuer are authorized to fix their remuneration; and

15. The registered office of the Issuer is located at 666 Burrard St. Suite 1700, Vancouver, BC V6C 2X8.

Reasons for the Arrangement

The Foremost Board believes that the creation of two (2) separate companies being: (i) Foremost, a publicly traded emerging exploration company focused on the advancement of its uranium and lithium properties in Manitoba and Quebec and (ii) Rio Grande, a publicly traded gold and silver company focused on the advancement of the Winston Property, provides a number of benefits to Foremost, the Issuer and the securityholders of Foremost, including:

(a) providing Foremost Shareholders with enhanced value by creating independent investment opportunities in separate project focused companies;

(b) expanding Rio Grande's shareholder base by allowing investors that want specific ownership in a particular resource portfolio to invest directly rather than through Foremost;

(c) unlocking the value of the Winston Property, which is not fairly valued in the Foremost portfolio;

(d) enabling investors, analysts and other stakeholders or potential stakeholders to more accurately evaluate each company and compare the assets to appropriate peers;

(e) retaining Foremost Shareholders' existing pro rata ownership of Foremost and providing Foremost Shareholders' with pro rata ownership of Rio Grande to ensure that existing Foremost Shareholders retain upside potential as the Winston Property is advanced;

(f) providing each company with a sharper business focus, enabling them to pursue independent business and financing strategies best suited to their respective business plans;

(g) enabling each company to pursue independent growth and capital allocation strategies; and

(h) allowing each company to be led by experienced executives and directors who have experience exploring resource properties.

Conditions to the Arrangement

Completion of the Arrangement was subject to the satisfaction or waiver, as applicable, of certain conditions, including the following:

(a) the Interim Order shall have been granted in a form and substance satisfactory to each of Foremost and Rio Grande;

(b) the Arrangement Resolution, with or without amendment, shall have been approved and adopted at the Meeting in accordance with the provisions of the BCBCA, the Interim Order, and the requirements of any applicable regulatory authorities;

(c) the Final Order shall have been obtained in a form and substance satisfactory to each of Foremost and Rio Grande;

(d) the CSE, and if required, the NASDAQ, shall have conditionally approved (i) the Arrangement, including the listing of the New Foremost Shares issuable to Foremost Shareholders under the Plan of Arrangement in exchange for the Foremost Class A Common Shares, and (ii) the delisting of the Foremost Class A Common Shares, as of the Effective Date, subject to compliance with the requirements of the CSE and/or the NASDAQ, as applicable;

(e) the CSE shall have conditionally approved the listing of the Rio Grande Shares, subject to compliance with the requirements of the CSE;

(f) the issuance of the Rio Grande Loan;

(g) the issuance of the Rio Grande Promissory Note;

(h) the issuance of the Foremost Loan;

(i) the issuance of the Foremost Promissory Note;

(j) if requested by Foremost, Foremost and Rio Grande shall have jointly made and filed the election in the prescribed form and manner pursuant to Section 85(1) of the Tax Act prior to the Effective Time;

(k) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in the Arrangement Agreement and the Plan of Arrangement shall have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances, each in a form acceptable to Foremost and Rio Grande;

(l) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement;

(m) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement and Plan of Arrangement, including any material change to the income tax laws of Canada, which would reasonably be expected to have a Material Adverse Effect on any of Foremost, the Foremost Shareholders, or if the Arrangement is completed, Rio Grande or the Rio Grande Shareholders;

(n) the aggregate number of Foremost Shares held, directly or indirectly, by those holders of such shares who have validly exercised Dissent Rights and not withdrawn such exercise in connection with the Arrangement shall not exceed five percent (5%) of the aggregate number of Foremost Shares outstanding immediately prior to the Effective Time;

(o) the issuance of the securities under the Plan of Arrangement shall be exempt from registration under Section 3(a)(1) of the U.S. Securities Act; and

(p) the Arrangement Agreement shall not have been terminated under Article 6 thereof.

As of the date of this Listing Statement, the conditions set out above were satisfied and the Arrangement was completed, effective January 31, 2025.

Productions and Operations

The Issuer intends to engage in the exploration and development of the Winston Property, and as management may determine to be appropriate, in other exploration projects. As the Issuer is an exploration stage company, it is not anticipated to have operating income, cash flow or revenues from the Winston Property for the first twelve (12) months following the Issuer's Listing on the CSE. Additionally, there is no assurance that commercially viable mineral

deposits exist on the Winston Property. See "Mineral Properties" for further information regarding the production and operations of the Winston Property.

Specialized Skills and Knowledge

All aspects of the business of the Issuer will require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, logistical planning, geophysics, metallurgy and mineral processing, implementation of exploration programs, mine construction, mine operation and accounting. The Issuer retains executive officers, employees and consultants with relevant experience in mining, geology, exploration, development and accounting experience. See "Description of the Business – Employees" and "Risk Factors – Risks Related to the Issuer – Dependence on Key Individuals" for further details.

Competitive Conditions

As a Canadian mineral exploration and development company with exploration activities in the United States, the Issuer is likely to compete with other entities that have greater financial resources than the Issuer in various aspects of the business, including, but not limited to: (i) seeking out and acquiring mineral exploration and development properties; (ii) attracting and retaining qualified service providers and employees; (iii) obtaining equipment and suppliers; and (iv) raising the capital necessary to fund its operations. See "Risk Factors – Risks Related to Mineral Exploration – Competition" for further details.

Components

Over the past several years, increased mineral exploration activity on a global scale has made some services difficult to procure, particularly skilled and experienced contract drilling personnel. It is possible that delays or increased costs may be experienced in order to proceed with drilling activities during the current period. Such delays could significantly impact the Issuer if, for example, commodity prices fall significantly, thereby reducing the opportunity the Issuer may have had to develop a particular project had such tests been completed in a timely manner before the fall of such prices. In addition, assay labs are often significantly backlogged, thus significantly increasing the time that the Issuer waits for assay results. Such delays can slow down work programs, thus increasing field expenses or other costs. See "Risk Factors – Risks Related to Mineral Exploration – Exploration and Development Risks" and "Risk Factors – Risks Related to Mineral Exploration – Operating Hazards and Other Uncertainties" for further details.

Cycles and Seasonality

Pursuant to the Arrangement, the Issuer became an exploration-stage mining company focused on the Winston Property. The majority of exploration costs by companies with exploration in the United States are incurred in the months of June through November. The mineral exploration business is also subject to mineral price cycles. The marketability of minerals and mineral concentrates and the ability to finance the Issuer's ongoing mineral exploration activities on favourable terms will also be affected by worldwide economic cycles. See "Risk Factors – Risks Related to Mineral Exploration – Fluctuating Mineral Prices" for further details.

Economic Dependence and Changes to Contracts

The Issuer's business is not anticipated to be dependent on any contract to sell the majority of its products or to purchase the majority of its requirements for goods, services or raw materials, or on any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends. It is not expected that the Issuer's business will be affected in the current financial year by the renegotiation, amendment or termination of any contracts or subcontracts.

Employees

During the first twelve (12) months following Listing, the Issuer plans to engage one (1) full-time and ten (10) part-time consultants, with compensation to be paid in Rio Grande Shares or cash, as determined in the sole discussion of

the Issuer's management. Cash compensation will be contingent upon the funds raised through potential financings. Since the operations of the Winston Property are based in the United States, employees and contractors that work on site will continued to be engaged by Sierra. Sierra has plans to employ one (1) full-time employee and one (1) part-time employee, and will also engage a combination of full-time and part-time contractors through independent consulting. See "Risk Factors – Risks Related to the Issuer – Dependence on Key Individuals" for further details.

Foreign Operations

As the Winston Property is located in the United States, the Issuer's operations and investments may be affected by local political and economic developments, including expropriation, invalidation of government orders, permits or agreements pertaining to mineral or property rights, political unrest, labour disputes, limitations on repatriation of earnings, limitations on mineral exports, limitations on foreign ownership, inability to obtain or delays in obtaining necessary mining permits, opposition to mining from local, environmental or other non-governmental organizations, government participation, royalties, duties, rates of exchange, high rates of inflation, price controls, exchange controls, currency fluctuations, taxation and changes in laws, regulations or policies as well as by-laws and policies of Canada affecting foreign trade, investment and taxation.

Environmental Protection

The Issuer's operations on the Winston Property are subject to regulation under, among other things, the 1993 New Mexico Mining Act and the related rules that are administered by the Mining and Minerals Division of the New Mexico Energy, Minerals and Natural Resources Department. Both the Bureau of Land Management ("**BLM**") and U.S. Department of Agriculture, Forest Service ("**USFS**") require permits for mineral exploration, including drilling activities. There are several layers of approval, including environmental review, environmental impact assessment, reclamation obligations and mitigation measures, for any mining operations. The BLM may require consultation with other federal, state, and local agencies for any financial guarantees for reclamation. A bond covering the full amount of estimated land reclamation costs, including costs for stabilization, re-vegetation and other environmental restoration tasks, must be posted after drilling or mining activities are completed. If a National Environmental Policy Act review is triggered, an environmental assessment, or in the case of larger more impactful projects, a full environmental impact statement, may be required. There are often requirements for cultural and environmental compliance under the Endangered Species Act and section 106 of the National Historic Preservation Act. The BLM must consult with the State Historic "K"–6 Preservation Office to ensure that cultural resources, such as archaeological sites, are not adversely impacted which could require an archaeological survey before approval.

The Issuer's operations generally will require approval by appropriate regulatory authorities prior to commencement and any failure to comply with regulations could result in fines and penalties. More specifically, all drilling activities will be carried out under approval and protocols of the Cultural Resources Office, Environmental Compliance Office and the Office of the State Engineer of New Mexico. The Issuer must conduct its mineral exploration activities in compliance with applicable environmental protection legislation, such as the 1967 New Mexico Water Quality Act. The Issuer is not aware of any existing environmental problems related to any of its properties that may result in material liability to the Issuer. See "Risk Factors – Risks Related to Mineral Exploration – Environmental and Other Regulatory Requirements" for further details.

Reorganizations

The purpose of the Arrangement was to reorganize Foremost and its assets and operations into two (2) separate companies: Foremost and Rio Grande. On the Effective Date, Foremost Shareholders on record as of the close of business on the Distribution Record Date became shareholders of both Foremost and Rio Grande, receiving one (1) New Foremost Share and two (2) Rio Grande Shares for each Foremost Share held on the Distribution Record Date.

Other than in connection with the Arrangement, the Issuer has not completed any significant acquisitions or dispositions since its incorporation on July 19, 2024.

Management of the Issuer does not know of any trends, commitments, events or uncertainties that are expected to materially affect the Issuer's business other than as disclosed herein under "Risk Factors" and "Description of the Business".

MINERAL PROPERTIES

Winston Property

The Issuer indirectly controls the Winston Property through Sierra, which, pursuant to the terms of the Arrangement, became a wholly-owned subsidiary of the Issuer.

Source of Information and Data

The scientific and technical information with respect to the Winston Property contained herein is derived from the Winston Property Report, available on the Issuer's SEDAR+ profile at www.sedarplus.ca.

Capitalized terms used in this summary but not defined herein have the meanings assigned to them in the Winston Property Report. Pursuant to NI 43-101, the full text of the Winston Property Report was filed by Foremost with Canadian securities regulatory authorities on November 12, 2024, and by the Issuer on the Effective Date. The Winston Property Report is available for review on the Issuer's SEDAR+ profile at www.sedarplus.ca.

The information provided here is based on assumptions, qualifications, and procedures not fully described in this summary. Readers are encouraged to consult the full text of the Winston Property Report for a comprehensive description of the Winston Property.

Michael N. Feinstein, CPG, PhD and Jocelyn Pelletier, Msc, SEG-F, P.Geo, have reviewed and approved the scientific and technical geological content and interpretation in respect of the Winston Property disclosure contained in this Listing Statement. Mr. Feinstein, and Ms. Pelletier are each considered, by virtue of their education, experience and professional association, to be a "qualified person" for the purposes of NI 43-101. Ms. Pelletier is considered to be independent of the Issuer within the meaning of NI 43-101. Mr. Feinstein is not considered to be independent of the Issuer within the meaning of NI 43-101 for purposes of the Winston Property Report due to the fact that Rio Grande was a wholly-owned subsidiary of Foremost at the time the report was prepared.

Readers are reminded that the conclusions of the Winston Property Report are preliminary in nature and may include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Readers are further cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability.

Summary of the Winston Property Report

Property Description, Location and Access

Overview

The Winston Property is located in northwestern Sierra County, New Mexico, approximately 45 miles (72.4 km) northwest of the town of Truth or Consequences and it is coincident with the 18.0-mile-long north-south by 8.0 mile wide east-west (19.3 km long by 9.7 km wide) Chloride Sub-District which is a part of the Black Range District. Pursuant to the Arrangement and at the time of this Listing Statement, subject to certain underlying royalties, the Issuer controls one hundred percent (100%) interest in the Winston Property, through its wholly owned subsidiary Sierra, an exploration stage company in the State of Nevada.

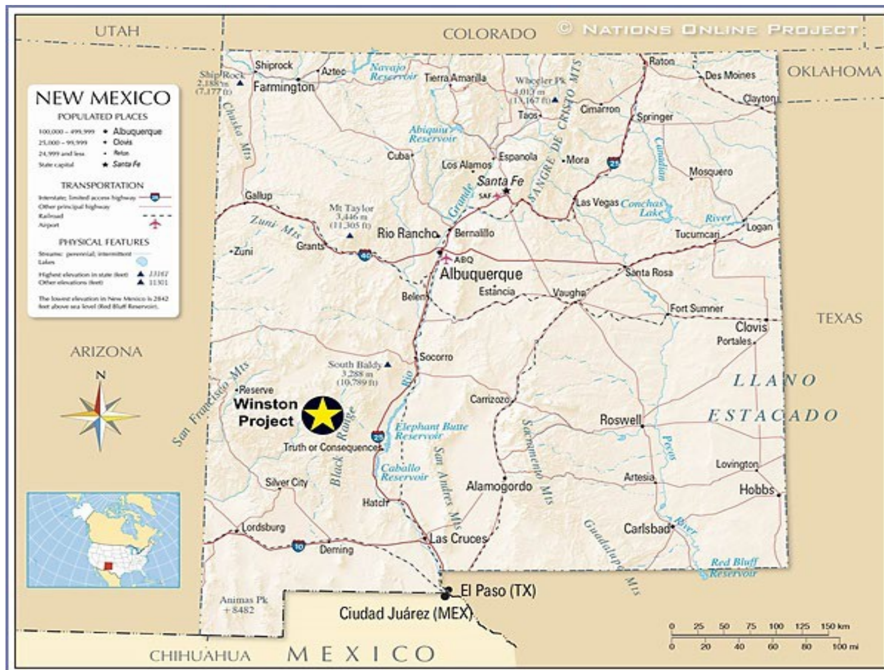

Figure 1. Location of the Winston Property in New Mexico.

The Winston Property is in sections 27, 33, 34, and 35 of Township 9 South, Range 9 West, and sections 2, 3, 4, 10, 15, 16, 21, and 22 of Township 10 South, Range 9 West, New Mexico Principal Meridian (Figure 3). It is about 21 road kilometers (15 miles) northwest of Winston, New Mexico, 60 air kilometers (40 miles) northwest of Truth or Consequences, and about 200 air-kilometers (140 miles) southwest of Albuquerque, New Mexico. The center of the Winston Property is approximately latitude 33.46° N, longitude 107.74° W.

The Winston Property currently consists of lode claims in sections 19 and 30 of T13N R3W and sections 1 and 12, T13N, R4W, New Mexico State Meridian. The Winston Property is on public lands, the west half on land managed by the U.S. Department of the Interior, BLM, and the east half on land administered by the USFS.

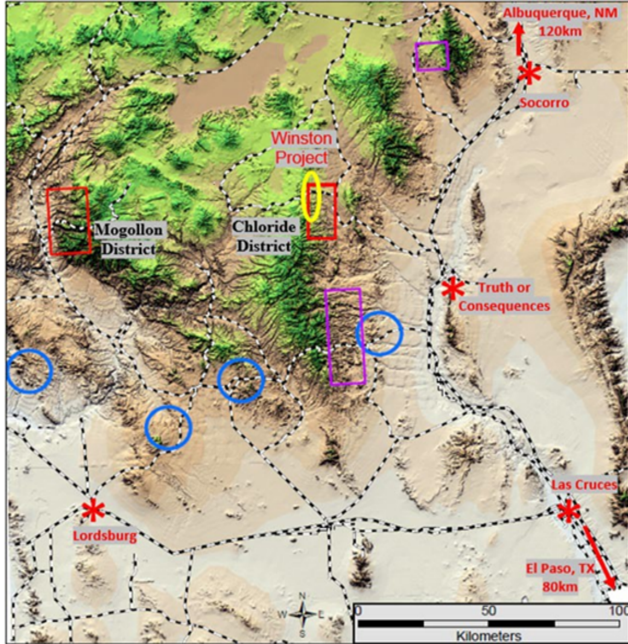

Figure 2. Winston Property (yellow ellipse) regional location map, showing the north end of Chloride Sub-District. Porphyry Copper Deposit (PCD) in blue circles; Base-Metal CRD Districts in purple rectangles; epithermal precious metals in red rectangles.

Claims Ownership History

At the time of this Listing Statement, Sierra is the outright owner of the Winston Property with no underlying interests in its staked lode claims or the Little Granite Claims, with the exception of the two (2) patented Ivanhoe/Emporia Claims.

In October 2014, Foremost entered into the Redline Option Agreement to an eighty percent (80%) interest in 102 unpatented lode mining claims in the Winston Property, in addition to the four (4) Little Granite Claims and Ivanhoe/Emporia Claims. In April 2017, Foremost, through Sierra, entered into the Redline Purchase Agreement to acquire all of Redline's rights, title and interest in and to the Winston Property. The terms of the Redline Purchase Agreement closed on May 17, 2017, thereby extinguishing any remaining obligations to Redline for an aggregate of $240,000 and 88,000 Foremost Shares valued at $341,500.

Little Granite Claims

In accordance with the terms and conditions of the Redline Purchase Agreement, Redline agreed to sell and convey the Little Granite Claims for the purchase price of US$500,000, of which US$434,000 remained due owing to the Silver Rose Corporation ("**Silver Rose**") upon closing on May 17, 2017. In October 2022, Foremost, together with Sierra, successfully negotiated the final cash payment required to exercise its option on these claims down to US$75,000, through the issuance of a non-interest-bearing promissory note to Silver Rose during the year ended March 31, 2023. US$25,000 was repaid by Foremost during the year ended March 31, 2024. As at March 31, 2023, US$50,000 remained payable. The promissory note was due on October 15, 2023, and was fully paid by Foremost on behalf of Sierra during the year ended March 31, 2024. The Little Granite Property was acquired for an aggregate consideration of US$186,000, versus aggregate consideration of US$434,000 under the original terms. There are no encumbrances on the four (4) unpatented Little Granite Claims.

Ivanhoe/Emporia Claims

In accordance with the terms and conditions of the Redline Purchase Agreement, Redline agreed to sell and convey the Ivanhoe/Emporia Claims for the purchase price of US$500,000, of which US$361,375 remained due owing to RHET under the Ivanhoe/Emporia Agreement upon closing on May 17, 2017. In connection therewith, ESB Financial,

in its capacity as trustee to RHET consented to the assignment of the Ivanhoe /Emporia Agreement from Redline to Sierra. To complete the acquisition, Foremost and Sierra agreed to pay RHET any outstanding balance owing on the original US$500,000 purchase price in the form of a monthly royalty equal to the greater of the minimum monthly royalty or production royalty determined in accordance with the below table:

Ivanhoe / Emporia - Royalty Schedule		
Monthly Average Silver Price/oz	**Minimum Monthly Royalty**	**Production Royalty %**
Less than $5.00	$125	3%
$5.00 ~ $6.99	$250	4%
$7.00 ~ $8.99	$500	5%
$9.00 ~ $10.99	$1,000	6%
$11.00 ~ $14.99	$1,500	7%
$15 or greater	$2,000	8%

As of June 30, 2024, US$283,184 remained owing on the Ivanhoe/Emporia Claims which may be satisfied in the form of monthly payments, or a lump-sum payment. The Issuer and RHET have agreed to monthly payments due at the first of each month of US$1,400 to pay the remaining amount owing, being the RHET Royalty Payments. The permanent production royalty of a two percent (2%) net smelter royalty on all materials mined will be the only remaining encumbrance on the Ivanhoe/Emporia Claims when the purchase price is paid in full.

In the event that Sierra is in default of the monthly payments, RHET may give Sierra written notice of such default. Upon receiving written notice, Sierra shall have ninety (90) days, or such longer period as the parties may agree in writing, to cure the default. Should Sierra fail to correct such default within such time, the Ivanhoe/Emporia Agreement can be terminated by RHET. Sierra remains in good standing with RHET as of the date of this Listing Statement. Provided that the Ivanhoe/Emporia Agreement is terminated, RHET may retain all prior payments and the claim.

On April 23, 2021, Foremost announced that it had completed staking new claims, increasing the Winston Property to an aggregate of 149 claims. It subsequently decided to not renew seven (7) of the newly staked claims the following year. On October 17, 2023, Foremost announced it had extended its land holdings by staking seven (7) additional claims at the north end of the Winston Property, resulting in once again, an aggregate total of 149 total claims. The purpose was to secure a more solid holding of the northern extension of the PayMaster Fault, a structural trend known for historic gold deposits (Minnehaha-New Republic, Ivanhoe, Dreadnaught, U.S. Treasury, St. Cloud).

On September 30, 2024, RHET issued the RHET Waiver to Sierra, pursuant to which ESB Financial, in its capacity as trustee to RHET, waived its right, title, and entitlement to demand, pursue, or enforce payment of the RHET Royalty Payments under the Ivanhoe/Emporia Agreement for a definitive period of eighteen (18) months commencing from September 30, 2024.

The Winston Property covers 1,229 hectares (3,037 acres) in the Black Range District/Chloride Sub-District of central New Mexico. All Winston Property claims are current, active and in good standing at the time of the Winston Property Report. At the time of the report, all claims are registered under the name of Sierra.

Figure 3. Winston Property Lode Mining Claim Map.

Access

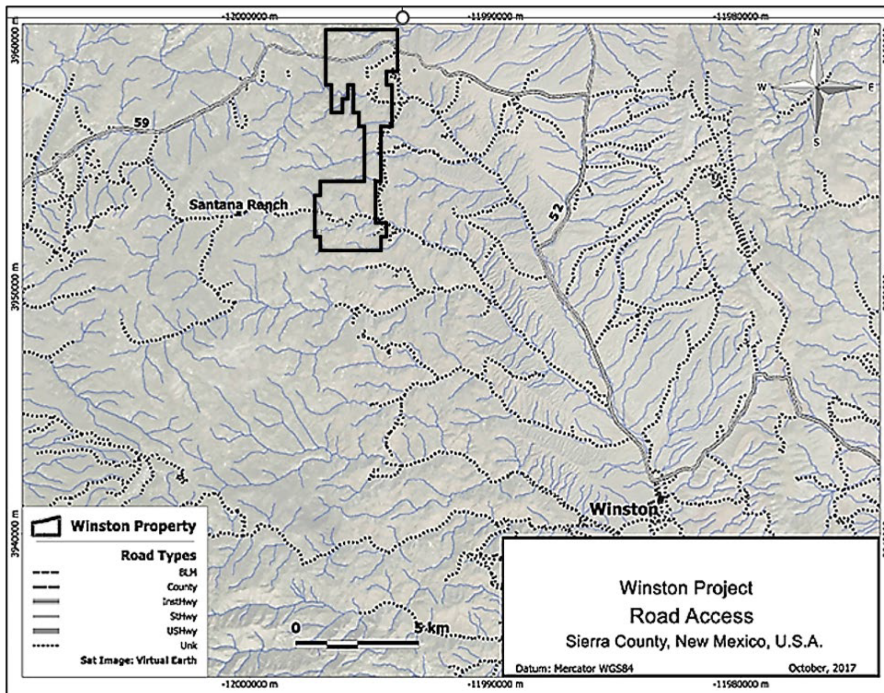

Figure 4. Winston Property Local Access.

The Winston Property is located 12.5 road-miles northwest of Winston, New Mexico. To access the Winston Property from the town of Truth or Consequences, travel west on NM Highway 52 for about 9.2 miles (14.8 km) to the town of Winston, continue past the general store/gas-station and turn right (north) for 9.0 miles (14.4 km) to intersection with Highway 59, and turn left toward Poverty Creek. Approximately 3.0 miles after turning onto Highway 59, the road drops down from a plateau and curves around to follow a stream, this is essentially the eastern limit of the Winston

Property. There are numerous dirt roads, prospect pits, and several historic producing mines in this area. The Winston Property was originally accessed via a 10-mile dirt road along Turkey Creek to the historic Grafton Post Office. This original access road intersects NM Highway 52 just 1.7 miles north of the town of Winston. All of the Winston Property claims are located within the Gila National Forest and are under the management of the USFS. The Winston Property was originally accessible via a 10-mile dirt road up the Turkey Creek stream bed that intersects highway 52 which is 1.7 miles (2.7 km) north of the small town of Winston.

Ability to Perform Work, Local Resources and Infrastructure

The climate and physiography of the Winston Property are favourable to developing long-term, year-round operations. Normal weather and climate of the area is not anticipated to hinder year-round access or interfere with exploration and mining activities.

Other than a nearby county-maintained gravel access road, abandoned mining roads, and dirt trails, infrastructure on the Winston Property is negligible. Water resources on the Winston Property are currently unknown and it may be necessary to purchase water or water rights from one of the local farmers if development proceeds. Water for drilling can be purchased locally and hauled to the site. Major power lines traverse the general area and spur lines can be built to bring grid power to the site. Surface water is scarce but historical tests have demonstrated that there is an adequate supply of ground water which Rio Grande will be able to verify, prior to the commencement of a drill program, once on site.

Since the location, size of the deposit, and the type of processing facility required are not yet known, the development footprint for a mine at the Winston Property is also unknown. However, there is sufficient space to operate an underground mining operation and a processing facility to the East in the flats of the Winston graben.

Drill rigs would likely need to come from Tucson or Phoenix, Arizona or other locations in the western U.S. Mining is a common occupation in the area with small to world class mines operating in New Mexico over the past several decades. It is anticipated that a well-trained and experienced mining workforce, available in Arizona, Nevada, and Utah would flow to the Winston Property as needed.

Climate and Physiography

The Winston Property is located at an elevation of about 7,100 feet (2,165 meters); elevations on the property range from 6,900 to 7,600 feet (2,100 to 2,320 meters). The slopes are covered with pines and oaks. The area of the Chloride Sub-District is classified as a semi-arid region with a mean precipitation rate of 12 to 15 inches (30.5 to 38.1 cm). Most rainfall is observed in thunderstorms in July and August and a late summer-early fall monsoon is commonly in effect. The torrential rainfall results in flash floods in the narrow creeks and canyons and can cause serious temporary travel hazards. Temperatures are generally moderate and range from an average low of 20º to 35º F (-7 º to +2º C) in the winter to a high of 85º to 95º F (+29º to +35º C) in the summer. However, exceptional extremes of -25º and 100º F (-32º to +38º C) have been recently recorded. Overall, the climate is mild and would not hinder year-round exploration or mining operations at the Winston Property.

The Winston Property is moderately rugged with elevations ranging from 6,800 to 7,900 feet (~2,073 to 2,409 m). Approximately 1.5 miles (~2.4 km) to the west, Sawmill Peak is 8,400 feet (~2,561 m) high. The hamlet of Winston lying 10 miles (~16.1 m) to the south has an elevation of ~6,000 feet (~1,829 m). The mountains are generally composed of flat-lying volcanic rocks which are thoroughly dissected by steep drainages of several hundred feet. They are usually covered by overall sparse vegetation typically comprised of range grasses, scrub oak, pinion shrubs, and alligator-bark juniper trees.

Environmental Liability

Several historic mine workings are found on the Winston Property. Some of these have been fenced and stabilized but several are open and may present a hazard to workers and the public. There is an unknown risk of ground or surface water contamination associated with the workings and their waste piles. The historic workings are normally not considered an environmental liability to the current claimant. However, if they pose a significant risk to recreationists and other members of the public, they should be fenced and posted with warning signs to avoid potential liability issues.

If the Winston Property proceeds to development, a remediation plan to contain any mine drainage from the historic workings would likely be required as a condition of any operating permits issued by the BLM, USFS, or New Mexico state agencies.

Operational Permits and Jurisdictions

The Winston Property is located on open federal land managed by the USFS, Black Range District. Geologic mapping, soil and rock sampling, and other low-impact activities can be conducted without specific permits on a casual use basis. Any road or trail construction used for mechanized equipment, drilling, or trenching will require a permit.

With mixed jurisdictions, the agency where most of the work will be conducted will usually be the lead agency for the permits. The permitting process begins with a plan of operation ("**POO**") filing with the USFS supervisor. All disturbance on Gila National Forest land is conducted under a POO. Approval of a POO will come with restrictions to protect biological, historical, or archeological resources. A performance bond is required to ensure the required reclamation work is done. The use of any excavation equipment, road repair, or drilling will require a POO permit from the USFS.

Special-use Permit

When an applicant intends to make use of USFS lands for business purposes, an application must be submitted to the local USFS office for assessment. The bond related to such a permit varies depending on cost recovery for monitoring costs, land use fee and other associated costs to do with environmental impacts. The USFS is the administrator of surface rights in the Gila National Forest and the primary contact for surface use, while the mineral rights are administered by the BLM.

USFS Plan of Operation

This type of permit is for roads and drilling related activities that cause less than five (5) acres of surface disturbances and costs US$1,000 to be filed. A detailed work program is filled out on a New Mexico state form and submitted to the New Mexico Mining and Minerals Division of the Energy, Minerals and Natural Resources Department and USFS, who then contact other concerned agencies. The review process for approval can generally take three (3) to six (6) months. Upon approval, a bond must be posted in accordance with the amount of disturbance anticipated. Rio Grande expects the bond amount to be approximately US$74,000 for the type of drilling program and disturbance it will carry out. A general permit for US$50 may also be filed if the disturbance is less than two (2) acres in size and does not impact wetlands, ground water or cultural lands.

New Mexico Office of the State Engineer-Permit

A permit will be required for an exploratory drill hole that may penetrate the water table, with requirements to cement the entire borehole upon completion.

For general exploration and prospecting activities that do not require mechanized equipment, no permit is required. Rio Grande does not require any permits for the type of exploration currently being undertaken but will require a permit for drilling operations, once drilling is commenced.

All types of permits are valid for one (1) year from the commencement of operations.

Significant Risk Factors

Neither Michael N. Feinstein, CPG, PhD nor Jocelyn Pelletier, Msc, SEG-F, P.Geo are aware of any significant factors or risks that may affect access, title, or the right or ability to perform work on the Winston Property. Because the claims are located on the Black Range District of the Gila National Forest, a POO needs to be filed along with the associated biological and archeological review requirements.

Current exploration is limited to non-mechanized methods/techniques. In other jurisdictions, the USFS has taken one (1) year or more to approve even simple POOs including a "Categorical Exclusion" permit for small operation (less than 1 mile of road building and limited disturbance for drill pads or trenching). Full POOs can take up to two (2) years to be approved.

Since the access roads shown on the topographic maps of the Winston Property have been officially decommissioned by the USFS, the area of the claims is officially "Roadless", so an application to open the roads and build drill sites will trigger a higher level of environmental scrutiny with the potential for access limitations. Depending on the outcome of wildlife studies, limitations will likely be placed on when and what sort of exploration activities will be allowed.

Historic Exploration and Drilling

The Chloride Sub-District, originally known as the Apache District, saw a boom of activity after initial discovery in 1880. The silver crash of 1892 resulted in many of the mining operations closing. There was a brief burst of production and exploration in the 1920s but the 1980s saw a revived interest in gold and silver when Getchell Gold actively evaluated the district, leading to the formation of the St. Cloud Mining Issuer which exploited the U.S. Treasury/St. Cloud mines in the south of the district. Numerous explorers have focused on singular veins within the Winston Property, but a district scale exploration program has never been completed in this area. Numerous ore-shoots have been confirmed from historic workings and geological mapping has identified additional structural zones which display ore-shoot quartz texture indications consistent with mineralization throughout the district.

The primary period of production was from 1882 to 1893 and was curtailed by the Great Silver Panic of 1893 (the "**Great Silver Panic**"). A revival of exploration, re-development, and production in the 1970s and 1980s included at least six (6) major mining companies as well as a plethora of smaller ones and local entrepreneurs. Single claims to claim blocks comprising hundreds of claims were leased, staked, prospected, and in some cases, drilled. In the northern Chloride Sub-District, the Ivanhoe/Emporia Mines, as well as the near-by Occidental, Minnehaha, and Great Republic Mines were among some that produced gold-silver through 1987. Mining throughout the Chloride Sub-District primarily ceased due to the decline in the price of silver and gold – not for a lack of significant mineralization. As an example, un-developed mineralization defined by historical channel sampling and very limited drilling still exists, thus suggesting that significant mineralized material remains un-mined.

The first silver mineralization in what became the Chloride area was discovered in 1879. Among the earliest claims staked were the Ivanhoe/Emporia Claims having been respectively located in 1880 and 1886. Subsequently, prior to 1934, over 400 prospects and mines were developed in steeply-dipping supergene-enriched silver-gold-bearing quartz veins occupying fissures and faults within tertiary andesite host rocks. These veins variably display northerly, northwesterly, northeasterly and easterly strikes, are up to 8.0 feet wide, and can be traced for several miles (Lovering and Heyl, 1989). The exploitation of them was primarily between 1879-1893 and 1901-1931; the period of greatest production was from 1886-1893. Between 1879 and 1931, approximately 6.3 million ounces of silver were produced within all of Sierra County, New Mexico (Harley, 1934). The total value of silver, gold, copper, lead, and zinc was largely obtained from a few large mines in the Chloride, Hermosa, and Kingston Sub-Districts of the Black Range District and was in excess of US$20 million (Lovering and Heyl, 1989). Approximately US$1 million of this total production prior to 1980 is attributable to the Grafton-Phillipsburg area in northern portion of the Chloride Sub-District that now coincides with the Winston Property (Lovering and Heyl, 1989).

A drill program supervised by DeWitt in 1984 intersected vein material 5.78 to 11.82 feet (~1.8 m to 3.6 m) thick in pierce points 165 feet (~50.3 m) apart situated in the immediate area of the old mine workings at depths of between 150 and 300 feet (~45.7 m to 91.4 m) down-dip. No lithologic logs or drill site location maps whatsoever are available or known to exist, only pierce point locations relative to surface work exposures are provided. The work was not carried out under supervision of a "qualified person" for the purposes of NI 43-101. The assaying sampling, and quality assurance and pre quality control ("**QA/QC**") protocols are unknown, and therefore cannot be relied upon. These results are presented as historical information only. The site visit confirmed the location of the main infrastructure mentioned in the DeWitt (1984) report. Several possible old drill sites were located, along with fragments of small diameter (AX or similar) size diamond drill core. The mine decline on the north side of Turkey Creek driven subsequent to the De Witt (1984) report was inspected.

Ivanhoe Mine Historical Drill Results

Historical mining in most cases ceased due to the decline in the historical price of silver and gold. Most records relating to the estimated grades and/or tonnages of the Ivanhoe Mine mirror those stated in independent reports between 1940 and 1989 found for the adjoining Emporia mine (Van Dolah, 1940; Entwhistle, 1948; and Daffron, 1978). This includes the high quality of raw data as well as lack of specific location and detailed calculations for the amount of

mineralization stated to exist. Additionally, a single record documents the tenor of mineralization stockpiled in 1887 (Schmidt, 1953). Subsequent much later evaluations by larger companies such as Western Nuclear (Ristorcelli, 1980) and Goldfield Corporation (Freeman, 1986; Freeman 1989) are more detailed regarding their calculations of the mineralization present. Historic results are not verifiable; while they are considered to be generated by reliable authors, they should be used with caution. All historical reports of resources and reserves, including statements of grades associated with sampling, production, tonnages, widths, and lengths, do not satisfy NI 43-101 standards and should not be relied upon. The various data sets provide a valuable window into exploration targets within the Ivanhoe Mine vein system; see Table 1 below.

Table 1 Exploration target for Emporia Mine, New Mexico (based on Entwhistle, 1944; 1948; Ristorcelli, 1980; Freeman, 1986, 1989).

Mine	Exploration Target Size (tons)	Au (opt)	Ag (opt)	Au+ Ag	Sample Size	Reference
Ivanhoe	14,500 to 150,000	0.01 to 1.68	0.26 to 60.5	NR	52 channel + 6 dump samples	Entwhistle (1944) Entwhistle (1948)
Ivanhoe	22,680 to 150,000	0.008 to 0.060	6.44 to 11.47	NR	55 channel samples + dump samples	Freeman, 1986 Freeman, 1989

* The estimated potential of the quantity and grade of the mineralization listed above is conceptual in nature and there has been insufficient exploration to define a mineral resource using current guidelines. Additionally, it is uncertain if further exploration will result in the targets being delineated as a mineral resource. The expressed potential of the targets is based on the results of extensive historical underground channel sampling and bulk sampling of surface dumps.

Emporia Mine Historical Drill Results

The Ivanhoe/Emporia Claims each contain a past producing gold-silver mine, under the same names. High grade deposits of silver and gold were discovered in 1880 when the Chloride District saw a rush of miners and prospectors and the area was a major producer until the 1893 crash in the silver price. Little production or modern exploration has occurred since.

Written records of the estimated grades and/or tonnages of the Emporia Mine are only available for the period between 1940 and 1989 even though production is documented as early as 1887 (Schmidt, 1953). Most evaluations of the mineralization were made by consulting geologists and mining engineers assumedly for the mine operator or un-named clients with an interest in purchasing the claims; these include the reports of the Van Dolah (1940), Entwhistle (1948) and Daffron (1978). Although, the work on all of the preceding mines is thorough and the lengths and assays of the actual channel sample on which grade and tonnage estimates are given, the location, construction, and calculation of the respective blocks of mineralization is not available and thus cannot be classified as a historical resource or reserve. Later work by significant companies such as Western Nuclear (Ristorcelli, 1980) and Goldfield Corporation (Freeman, 1986; Freeman 1989) generally display their systematic calculations, but maps of the location of the mineralized blocks are still lacking. Nonetheless, estimates based on the data regardless of a company's size provides an important in-sight into exploration targets within the Emporia Mine vein system. See **Table 2** below:

Table 2. Exploration target for Emporia mine, New Mexico (based on Entwhistle, 1944; 1948; Ristorcelli, 1980; Freeman, 1986, 1989).

Mine	Exploration Target Size (tons)	Au (opt)	Ag (opt)	Au+ Ag	Sample Size	Reference
Emporia	74,500 to 200,000	0.01 to 0.96	0.14 to 169.28	NR	44 channel samples	Entwhistle (1944) Entwhistle (1948)
Emporia	120,000 to 200,000	0.102 to 0.188	4.62 to 11.07	NR	18 channel samples + 4 dump samples	Ristorcelli (1980)
Emporia	98,385 to 200,000	0.050 - 0.0752	3.45 - 4.27	NR	80 channel + 14 under- ground s samples	Freeman (1986), Freeman (1989)

* The estimated potential of the quantity and grade of the mineralization listed above is conceptual in nature and there has been insufficient exploration to define a mineral resource using current guidelines. Additionally, it is uncertain if further exploration will result in the targets being delineated as a mineral resource. The expressed potential of the targets is based on the results of extensive historical underground channel sampling and bulk sampling of surface dumps.

Combined Emporia and Ivanhoe Mine Historical Drill Results

Historic work did not separate the respective sampling data for the Emporia and Ivanhoe Mine. This includes that obtained by consultants preparing reports for small companies (Van Dolah, 1940; Entwhistle, 1948), as well as the geologists for larger companies (Ristorcelli, 1980; Freeman, 1986). Since the mineralization has been mined and milled as a consolidated unit, these data suggest exploration targets as summarized in **Table 3** below:

Table 3 Exploration target for combined Emporia and Ivanhoe Mines, Sierra County, New Mexico (based on Entwhistle, 1944; Entwhistle, 1948; Ristorcelli, 1980; Freeman, 1986; and Freeman, 1989). Exploration target for Little Granite Mine, Sierra County, New Mexico (based on Eveleth, 1980; and DeWitt, 1984).

MINE	EXPL TGT SIZE (tons)	AU (opt)	AG (opt)	AU + AG	BASIS OF ESTIMATE	REFERENCE
Emporia & Ivanhoe	8,704 to 350,000	0.146 to 0.248	4.46 to 15.75	NR	7 composite bulk dump samples from 64 pits	Daffron (1978)
Emporia & Ivanhoe	191,000 to 350,000	0.005 to 2.470	1.93 to 39.00	NR	18 channel samples + 22 channel samples	Lemback (1978) Ristorcelli (1980)
Emporia & Ivanhoe	16,566 to 121,066	0.055 to 0.056	6.23 to 7.77	NR	94 channel samples + 55 channel samples	Freeman (1986) Freeman (1989)

* The estimated potential of the quantity and grade of the mineralization listed above is conceptual in nature and there has been insufficient exploration to define a mineral resource using current guidelines. Additionally, it is uncertain if further exploration will result in the targets being delineated as a mineral resource. The expressed potential of the targets is based on the results of extensive historical underground channel sampling and bulk sampling of surface dumps.

The Little Granite Mine (Little Granite Claims) Historical Results

Seven (7) core holes over the 1,700-foot (518 m) strike length of the most productive of three (3) veins at the Little Granite Claims were undertaken in 1984 by a geologic consultant (DeWitt, 1984). Earlier, a series of vein and dump samples were collected and evaluated (Eveleth, 1980). Based on both sets of data and calculations, exploration targets are as listed in **Table 4**.

Table 4. Exploration target for Little Granite Mine, Sierra County, New Mexico (based on Eveleth, 1980 and DeWitt, 1984). Collar details and assay data from 1984 Little Granite Mine Diamond Drilling Program, Sierra County, New Mexico (compiled from DeWitt, 1984).

MINE	EXPL TGT SIZE (tons)	AU (opt)	AG (opt)	AU + AG	BASIS OF ESTIMATE	REFERENCE
Little Granite	150,000 to 300,000	0.050 to 0.120	7.3 to 15.6	NR	Undetermined number of vein and dump samples	Eveleth (1980)
Little Granite	165,603 to 300,000	0.005 to 11.421 Au	<0.05 to 182.69	NR	Seven DDH along strike length of 1700 feet	DeWitt (1984)

* The estimated potential of the quantity and grade of the mineralization listed above is conceptual in nature and there has been insufficient exploration to define a mineral resource using current guidelines. Additionally, it is uncertain if further exploration will result in the targets being delineated as a mineral resource. The expressed potential of the targets is based on the results of extensive historical underground channel sampling and bulk sampling of surface dumps.

Little Granite Historic Drilling

A drill program supervised by DeWitt in 1984 intersected vein material 5.78 to 11.82 feet (~1.8 m to 3.6 m) thick in pierce points 165 feet (~50.3 m) apart situated in the immediate area of the old mine workings at depths of between

150 and 300 (~45.7 m to 91.4 m) feet down-dip. No lithologic logs or drill site location maps are available or known to exist, only pierce point locations relative to surface work exposures are provided. Hole details and assay results from this program are provided in **Table 5**.

The work was not carried out under supervision of a "qualified person" for the purposes of NI 43-101. The assaying sampling, and QA/QC protocols are unknown, and therefore cannot be relied upon. These results are presented as historical information only.

Table 5: Collar details and assay data from 1984 Little Granite Mine Diamond Drilling Program, Sierra County, New Mexico (compiled from DeWitt, 1984).

Hole	Azimuth	Inclination	From	Interval	True Width	Assay	
			Feet	Feet	Feet	Au (oz/ton)	Ag (oz/ton)
LG-1	252°	-78°	257	15.0	9.64	0.596	0.15
LG-2	0	-90°	216	16.0	10.28	1.256	0.81
LG-3	274°	-80°	193.5	14.0	9.0	2.346	3.82
LG-4	0	-90°	221	18.0	11.57	0.021	0.44
LG-5	0	-90°	139	9.0	5.78	0.985	0.65
LG-6	283°	-81°	190	17.0	11.82		
			4 samples of unknown individual lengths			0.278	7.95
						0.1	5.2
						0.02	2.1
						0.05	0.2
LG-7	270°	-79°	441.5	14.5	9.32		
			3 samples of unknown individual lengths			0.576	0.15
						0.18	<0.05
						0.546	<0.05

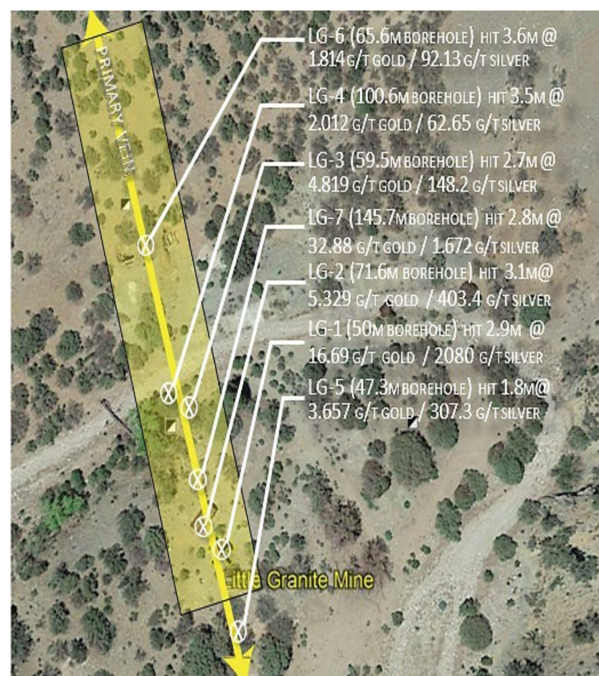

Figure 5. Little Granite Historical Drill Map Location.

Regional Mining History

The primary period of production was from 1882 to 1893 and was curtailed by the Great Silver Panic. A revival of exploration, re-development, and production in the 1970s and 1980s included at least six (6) major mining companies as well as a plethora of smaller ones and local entrepreneurs. Single claims to claim blocks comprising hundreds of claims were leased, staked, prospected, and in some cases, drilled. In the northern Chloride Sub-District, the Emporia and Ivanhoe Mines, as well as the near-by Occidental, Minnehaha, Great Republic Mines were among some that produced gold-silver through 1987. Mining throughout the Chloride Sub-District primarily ceased due to the decline in the price of silver and gold – not for a lack of significant mineralization. As an example, un-developed mineralization defined by historical channel sampling and limited drilling still exists, thus suggesting that significant mineralized material remains un-mined.

The first silver mineralization in what became the Chloride Sub-District was discovered in 1879. Among the earliest claims staked were the Ivanhoe/Emporia Claims having been respectively located in 1880 and 1886. Subsequently, prior to 1934, over 400 prospects and mines were developed in steeply-dipping supergene-enriched silver-gold-bearing quartz veins occupying fissures and faults within tertiary andesite wall rock hosts. These veins variously display northerly, northwesterly, northeasterly and easterly strikes, are up to 8.0 feet wide, and can be traced for several miles. The exploitation of them was primarily between 1879-1893 and 1901-1931; the period of greatest production was from 1886-1893. Between 1879 and 1931 approximately 6.3 million ounces of silver were produced within all of Sierra County, New Mexico. The total value of silver, gold, copper, lead, and zinc was largely obtained from a few large mines in the Chloride, Hermosa, and Kingston Subdistricts of the Black Range District and was in excess of US$20 million. Approximately US$1 million of this total production prior to 1980 is attributable to the Grafton-Phillipsburg area in northern portion of the Chloride Sub-District that now coincides with the Winston Property.

A drill program supervised by Christopher B. DeWitt in 1984 intersected vein material 5.78 to 11.82 feet (~1.8 to 3.6 meters) thick in pierce points 165 feet (~50.3 m) apart situated in the immediate area of the old mine workings at depths of between 150 and 300 feet (~45.7 m to 91.4 m) downhole. No lithologic logs or drill site location maps whatsoever are available or known to exist, only pierce point locations relative to surface work exposures are provided. The work was not carried out under supervision of a "qualified person" for the purposes of NI 43-101. the assaying sampling, and QA/QC protocols are unknown, and therefore cannot be relied upon. Field visits, completed by Foremost, have confirmed the location of the main infrastructure mentioned in the DeWitt report. Several old drill sites were located, along with fragments of small diameter (AX or similar) size diamond drill core. The mine decline on the north side of Turkey Creek was inspected and sampled.

The Little Granite Claims and Ivanhoe/Emporia Claims saw sporadic technical work performed sporadically through the 20th century, primarily focused on milling and metallurgy, however the little amount of exploration work performed was poorly documented, with the exception of a small surface exploration program by Redline Resources Inc. ("**Redline Resources**") in 2012.

While there have been estimates done of the potential quality and grade of the mineralization at the Little Granite Claims and Ivanhoe/Emporia Claims, all of the work was conceptual in nature and there has been insufficient exploration to define a mineral resource using current guidelines. The expressed potential of the targets was based on the results of extensive historical underground channel sampling and bulk sampling of surface dumps.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Winston Property is located along the west flank of the Rio Grande rift, where the rift is superimposed upon the older Mogollon-Datil volcanic domain. Tertiary volcanics associated with this domain dominate the stratigraphy of the Black Range District. The eastern boundary of the Winston Property mineralization is coincident with the Winston graben, an extensional basin in which sediments and local volcanics have accumulated since the late Oligocene.

Tectonic Setting

The Winston Property structural setting is composed of a network of faults and folds associated with Laramide compression. Richard W. Harrison attributed north-northeast-striking dextral strike-slip faults in the Black Range District to Laramide compressional tectonics and used some of the larger exotic blocks of limestone in the Black Range District to determine that at least 3,140 meters of dextral offset has occurred along the strike-slip faults.

Normal faults associated with Rio Grande rift extension offset all units, except for the post-Santa Fe Group ("**SFG**") alluvial deposits. The earliest expression of extension appears to be a set of northwest-striking veins and mineralized normal faults occurring just southwest of the town of Chloride. M. Bauman (unpublished report, cited in Harrison, 1986) obtained "K-Ar" ages from vein adularia of some of these mineralized zones, which ranged from 26.2 to 28.9 Ma. This late Oligocene age is consistent with the previous interpretation that initial graben subsidence began between the eruptions of the tuff of Little Mineral Creek and the Vicks Peak Tuff, at ~29 Ma. The small offsets of these early faults, generally less than a few hundred meters, is also consistent with the interpretation that initial subsidence was minor.

Small offset faults can be found in outcrops of upper SFG strata, map patterns suggest the upper-middle SFG contact is offset by numerous faults, particularly at the south-central portion of the quadrangle. The largest normal fault lies at the base of the Black Range District, which in places juxtaposes Pennsylvanian strata against late Miocene upper SFG strata. This fault mainly strikes north to north-northwest, and locally trends northwest, where it is possibly reactivating an older late Oligocene structure. The next largest faults lie in the southeastern corner of the quadrangle, and locally juxtapose Eocene ignimbrites against Miocene middle SFG strata. These two faults strike north-northwest and have opposing dip directions and bound an intra-basinal horst. The highest density of normal faults occurs in the southeastern corner of the quadrangle, where numerous relatively small offset faults uplift Eocene-Oligocene volcanics along the Chise lineament to form the southern end of the graben. Normal faulting in the Winston graben appears to have continued into the Pliocene.

The Winston graben is located on the western margin of the Rio Grande rift in south-central New Mexico in an area of intense Neogene faulting. It is a symmetrical graben, 5 to 10 km wide, approximately 56 km long, and trends north-northwest to north-northeast. The structure is bounded by high-angle normal faults with about 2 km of stratigraphic separation across both margins. Most of its eastern boundary fault is believed to be a reactivated Eocene strike-slip fault. Northeast-trending accommodation zones (structural highs) terminate the graben at both north and south ends. Rocks exposed within the graben include Pennsylvanian and Permian sedimentary formations, several Eocene-Oligocene volcanic and volcaniclastic units, the upper Oligocene-Quaternary SFG, a Miocene andesite flow that is intercalated with the SFG and a Pliocene basalt flow. Boundary faults of the Winston graben have been inactive for at least the past 4.8 million years.

District and Property Geology

The Chloride Sub-District lies on the eastern slope of the Black Range District, which forms part of the eastern edge of the Mogollon plateau. Situated to the east is the Winston graben, a major north-south structure that parallels the Rio Grande Rift. Regional features that have influenced mineralization in the district include the Gila National Forest Cliff Dwellings caldera located to the west, the rhyolitic Moccasin-John flow-dome complex, Emory caldera to the south, and the Sheep Creek rhyolitic dome complex.

Within the Chloride Sub-District, proterozoic granite and metasedimentary rocks underlie approximately 1,500 meters of Paleozoic sediments and up to 1,900 meters of tertiary volcanic rocks. Outcropping Paleozoic sedimentary units include the Pennsylvanian Madera Formation and the Permian Abo Formation. The Madera Formation is a variably carbonaceous and cherty limestone interbedded with carbonaceous pyritic shale. The Abo Formation is a sandy, silty, shaly red bed sequence with minor strata-bound copper and uranium mineralization.

The oldest volcanic unit in the Winston Property is the Rubio Peak Formation. The Rubio Peak Formation overlies Paleozoic rocks with angular unconformity and is divisible into a lower, sediment-dominated sequence overlain by a volcanic-dominated sequence. Very large exotic blocks of Paleozoic rocks occur as landslide deposits within lower Rubio Peak Formation. Overlying the Rubio Peak Formation are Kneeling Nun Tuff, sandstone of Monument Park-Caballo Blanco Tuff-tuff of Koko Well, basaltic andesite of Poverty Creek, tuff of Little Mineral Creek-tuff of Stiver Canyon, and Moccasin John Rhyolite. Strike-slip faulting along north-northeast trends cut only the Rubio Peak

Formation and older rocks. High-angle normal faults along north, northwest, north-northeast to northeast and east trends cut the entire stratigraphic section. Epithermal vein deposits occupy al fault trends.

The tertiary stratigraphy is composed of the Rubio Peak Formation, Kneeling Nun Tuff, and a series of volcaniclastic, basaltic-andesitic and rhyolitic units. This section is dominated by the 37 Ma. Rubio Peak Formation which is part of the Mogollon-Datil volcanic field. Its 800-900 meter thickness is divided into two (2) sequences. The lower sequence consists mainly of volcaniclastic rocks and debris-flow breccias. The upper sequence is bimodal with compositions of quartz-latite to rhyolite ash flow tuffs and basaltic-andesitic lava flows with intercalated volcaniclastic sediments. Within the Chloride Sub-District, the Rubio Peak Formation unconformably overlies the Abo Formation and exposures of the Madera Formation occur as allochthonous blocks within the lower Rubio Peak Formation. These allochthonous blocks range in size from boulders to slabs up to 150 meters thick and 5 to 10 square kilometers in outcrop; they are interpreted to be gravity-slide blocks. The 35.2 Ma Kneeling Nun Tuff is a 170-200 meter thick, ash-flow tuff unit that unconformably overlies the Rubio Peak Formation. It is unconformably overlain by a series of volcaniclastic units: Caballo Blanco Tuff, Sandstone of Monument Park, and Tuff of Koko Well. These are overlain by a basaltic-andesite flow, more tuff units, and a rhyolite flow.

Faulting in the Chloride Sub-District is dominated by high-angle, normal faults occurring along north, north-east, and north-west trends. These faults are pre-, syn-, and post-mineralization in origin.

In 1910, Waldemar Lindgren visited the district and described the Ivanhoe-Emporia Veins thusly: "The Ivanhoe vein strikes about N. 23° E., apparently crossing some distance down the hill, another-the Emporia-which comes from the northwest." It is the belief of the miners that the two (2) veins come together some distance north of the camp, but this could not be verified. The vein varies in width from 1.2 to 3.6 meters and dips 70° E. The vein is partly free milling and also contains sulfides. The gangue consists of predominant quartz, with calcite and barite. The country rock is andesite and andesite breccia. Along the vein the rock is much altered. Silliman, who visited this mine in 1882, speaks of the Great Mother Lode as composed of a "vitreous and variegated copper, blue and green malachite, calcite, cerussite, free silver, silver chloride and gold in a quartzose gangue." Streaks of black mineral brilliant with free gold are found.

The vein is usually frozen to both walls and possesses in places a well-marked ribbon structure. The mineralized shoot is about 15 to 18 meters wide along the vein, with a well-marked pitch to the south. At the 30 meter level occurs a clearly defined watercourse lined with calcite. The mineralization occurs in small, irregular lens-shaped masses, and according to the miners is generally associated with the barite. The workings consist of a 82 meter tunnel and a winze, 87 meters deep, which starts about 50 meters from the portal. Levels extend out at intervals of 15 meters. Not much material is being taken out. It is said to assay 40 ounces in silver and $1 in gold to the ton and 1 to 2 per cent in copper (Lindgren, 1910).

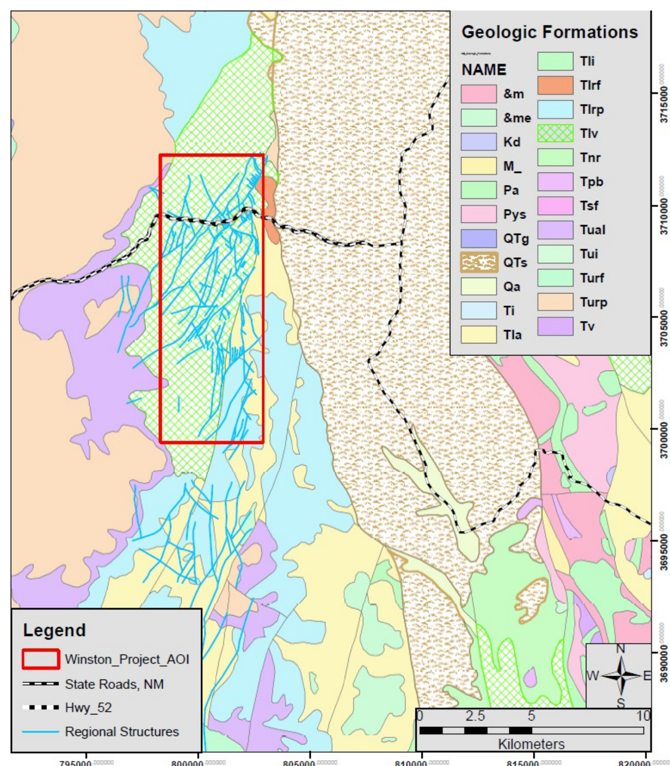

Figure 6. Regional Geologic Map by from the New Mexico Geological Survey, 2021. Winston Property location indicated by red rectangle.

Mineralization

The mineralization of the Winston Property is classified as low-sulphidation epithermal precious metal vein system. This style of mineralization has been thoroughly discussed in literature and responsible for many commercial gold and silver mining operations around the globe. Epithermal deposits form at shallow depths (typically less than 1.5 km) and relatively low temperatures (150-300°C). This type of mineralization occurs in extensional tectonic settings, often associated with volcanic or sub-volcanic rocks. The term "low-sulphidation" refers to the low sulfur content in the mineralizing fluids and the dominance of reduced sulfur species (H2S) rather than oxidized forms (SO2). These systems are characterized by the presence of quartz, adularia and carbonates alongside precious metals like gold and silver.

The formation of these deposits involves the interaction of meteoric waters with magmatic fluids. These fluids ascend through fractures and faults, often driven by the pressure of underlying magmatic activity. As the hydrothermal fluids rise and cool, they undergo boiling and/or mixing with cooler groundwater. This process leads to rapid changes in temperature and pressure, causing the precipitation of minerals. Boiling is a critical process in epithermal veins, as it leads to the loss of volatiles and destabilization of metal complexes, which in turn causes gold and silver to precipitate from the solution.

Mineralogically, low-sulphidation epithermal vein systems are distinguished by their gangue and accessory mineral assemblages. Gangue minerals typically include: quartz, chalcedony, adularia, and various carbonates such as calcite and rhodochrosite. The textures of these deposits are often banded, reflecting episodic fluid flow and mineral deposition within the veins. Quartz textures provide depth-level indicators. Geochemical zonation also occurs across the vertical profile, the precious metal horizon is to be targeted.

Modern Exploration to Date

Michael N. Feinstein, CPG, PhD completed all the modern exploration pursuant to which a total of ten (10) separate visits to the Winston Property were completed. For the purposes of NI 43-101, Jocelyn Pelletier, Msc, SEG-F, P.Geo, as the independent "qualified person" responsible for the Winston Property Report, has thoroughly reviewed all the records, reports, and data, in addition to visiting the Project in November 2024.

Sampling Program

Michael N. Feinstein, CPG, PhD has visited the Winston Property area on ten (10) separate occasions since October 2020 and has spent more than three (3) months, cumulatively, on the Winston Property; most recently visited in September 2023. Jocelyn Pelletier, Msc, SEG-F, P.Geo visited the property for over two (2) days in 2024 and conducted a traverse of the claims along the Paymaster Fault and the Ivanhoe/Emporia and Little Granite Mines were also visited.

The project-scale sampling program consisted of prospecting, rock geochemical sampling, and geological mapping with particular focus on determining the structural controls of the silver-gold mineralization. Samples were collected throughout the project area to better understand the vertical expression of the epithermal system, identify the precious metal horizon, and define the areas of greatest economic interest; sample ranges which represent the program are included in Table 6 below.

The results confirm that earlier reports of high-grade silver and gold values from historic workings have legitimacy and justify a major exploration program using modern methods to define the nature and size of mineralization. The additional property samples that are mentioned are deemed relevant due to their indicating the potential of additional ore-bearing structures within the project area.

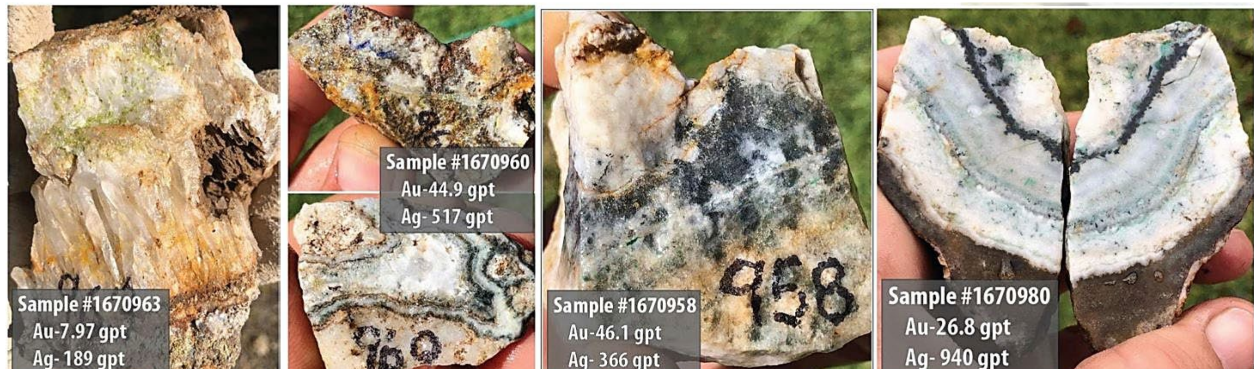

Figure 7. Samples collected at Little Granite and Ivanhoe/Emporia program; sample correspond to Table 6 below from the Winston Property.

Table 6. Mineralization Characterization samples collected from historic mine dumps, none omitted.

Sample#	Comment	Mine	G/T GOLD	G/T SILVER
1670958	Sugary white quartz w patches of black sulphides	Emporia	46.10	366.0
1670959	amethyst vein and breccia w minor oxides	Emporia	0.02	1.0
1670960	banded vein w some red zones and minor ginguro	Emporia	44.90	517.0
1670957	banded comb quartz w calcite, oxides, dark gray zones	Ivanhoe	0.38	563.0
1670976	sugary quartz/adularia/calcite banded vein w black sulphide bands, up to 20% locally	Ivanhoe	4.82	1,670.0
1670977	layered comb amethyst w oxides and replacement textures	Ivanhoe	0.02	3.8
1670978	massive dark gray quartz w red oxide zone, some copper oxide	Ivanhoe	2.91	628.0
1670979	calcite breccia w chalcopyrite, included banded vein clast	Ivanhoe	0.47	383.0
1670980	layered chalcedony w black sulphide,	Ivanhoe	26.80	940.0
1670981	qtz/adularia vein w green mustard oxide	Ivanhoe	1.30	849.0
1670962	comb amethyst/sugary quartz w red-	L Granite	3.33	218.0
1670963	coarse comb quartz w calcite and bright green crystalline oxide	L Granite	7.97	189.0
1670964	dark grey mucky quartz vein phase, red-orange oxides with trace copper oxide	L Granite	6.43	525.0
1670990	comb quartz with red and black sulphide layers, rare variety on this dump	L Granite	0.41	690.0
1670992	Quartz with red-oxide fluff	L Granite	0.10	7.6
1670993	Qtz/adularia vein phase w minor orange oxides	L Granite	2.15	163.0
1670994	white banded coarse comb vein, dump background	L Granite	7.00	337.0
1670995	select high grade vein grab at LG haul tower	L Granite	66.50	2,940.0

Detailed sample results from each historic mine are listed in **Table 6** above. The samples were obtained as part of the initial geological evaluation of the property, during which mine environs, workings and dumps were walked and inspected to collect representative samples of the different styles of mineralization. High grade mineralization was confirmed at the Little Granite, Ivanhoe and Emporia mine sites. All samples were collected under the direct supervision of a "qualified person" for the purposes of NI 43-101, and securely transported to the Tucson facility of ALS Laboratories for analysis. A total of 155 samples have been collected and had geochemical results returned; all QA/QC protocols have shown minimal variance. Geologic reconnaissance sampling method is indicated at each sample location with the intent to provide a representative result. Sample types include: grab, chip, measured chip, and channel; samples range from 0.1 m to 3.0 m in measured width. Systematic sampling and trenching along vein trends have not been carried out at this point.

Exceptional results from property-wide confirmatory sampling, completed in 2021, include numerous high-grade results, such as a discovery of 41.5 g/t gold and 4610 g/t silver on newly staked claims. Mineralization Characterization

samples from the three mines returned peak values of: 66.5 g/t gold and 2940 g/t silver from Little Granite, 26.8 g/t gold and 1670 g/t silver from Ivanhoe, and 46.1 g/t gold and 517 g/t silver from Emporia.

Highest Grade Sample from Each Mine:		
Mine	**G/T Gold**	**G/T Silver**
Little Granite	66.5	2,940
Ivanhoe	26.8	940
Emporia	44.9	517
Prospecting Best	41.5	4,610

Drilling

There are no modern drilling records on the Winston Property. See listed historical drill results for the Little Granite Claims and Ivanhoe/Emporia Claims under the heading "Mineral Properties – Summary of the Winston Property Report – Property Description, Location and Access – Historic Exploration and Drilling".

Sampling, Analysis and Data Verification

Sample Preparation, Analysis, and Security

Samples collected by Michael N. Feinstein, CPG, PhD and Foremost were handled in a secure manner, delivered to ALS Intake Facilities in Tucson, Arizona, and processed by ALS Global, a multi-national independent geochemical laboratory with numerous certifications and accreditations. Previous sampling by Redline Resources was carried out with QA/QC protocols and also by ALS Global, full records and certificates were verified and accepted. Contractors for Foremost have conducted a review of ALS analyses and have found the QC samples to be within acceptable variance and approve of their use.

Data Verification

All the recent data generated by Foremost is in good condition. Analytical certificates match the electronic versions and values recorded in the provided database. Historic results are not verifiable; while they are considered to be generated by reliable authors, they should be used with caution. Original source material was either obtained digitally for the cited references in the public domain or are in the professional library collections of Dr. Feinstein or Ms. Pelletier.

Michael N. Feinstein, CPG, PhD and contract geologists for Mineoro have conducted multiple rounds of rock chip sampling, which are documented with QA/QC procedures. Paper copies of the Certificates of Assay are available by request. The data is of good quality and Jocelyn Pelletier, Msc, SEG-F, P.Geo is satisfied that it is of sufficient quality to integrate with the Winston Property database.

Mineral Processing and Metallurgical Testing

As of the date of this Listing Statement, no mineral processing or metallurgy has been carried out on the Winston Property.

Current Exploration and Development Plans

Jocelyn Pelletier, Msc, SEG-F, P.Geo and Michael Feinstein, CPG, PhD of Mineoro will be assisting Rio Grande with their Phase 1 Exploration Program aimed at targeting ore-shoots within the precious metal horizon of the epithermal vein system. Existing data will be integrated with structure, alteration and geochemistry in a 3D model. The host volcanic stratigraphy of the Gila National Forest and dominant structural control of the Rio Grande Rift provide excellent context for the emplacement of a well-developed vein system. The property was most recently drilled in the 1980s, at multiple targets within Rio Grande land-holdings, although records are limited. Historic exploration/development has blocked out multiple mineralized shoots, which will be considered for drill testing. Property reconnaissance sampling in 2021/2022 has additionally identified multiple locations with potential mineralized shoots. This property had little to no modern exploration since the early 1980s.

Recent preparatory work for future drilling has included data compilation both of historic and recent work, along with acquisition of high-resolution LiDAR data to allow for the construction of an accurate terrane model. Ground geological mapping and surveying has utilized high resolution satellite imagery and LiDAR (laser-generated infrared light beams) to construct a detailed digital model of the area. This 3D GIS will be used for all drill targeting and project planning. Special attention will be given to maintaining a high level of vertical accuracy due to the local topography. This was followed by geophysical surveying using both electrical and magnetic methods.

Geological field work is expected to commence in the first half of 2025 and will seek to expand the footprint of the known mineralization on exposed veins and alteration zones. Some of the resources available that the Issuer can be expected to utilize could include detailed geologic mapping, a project- wide sampling program, alteration and vein texture mapping, fluid inclusion studies, structural analysis, project-wide ground magnetics, and targeting studies. Data compilation from previous exploration as well as any current results will serve to build a 3D computer model of the vein system to assist in drill targeting. Utilizing a broad range of data sets will serve to define the precious metals-rich level along each vein trend, identifying potential mineralized shoots and de-risking future drill program targets.

Once the Phase 1 Exploration Program has been completed and all the related data has been compiled and assessed, it is anticipated that Rio Grande will move forward with a drill program. Rio Grande expects that the Webber Mine, north of the Winston Property and within Catron County, New Mexico, will be of particular focus and will be drilled using truck/track mounted equipment with minimized disturbance. The portion of the Winston Property within Sierra County, New Mexico, will be drilled using a man-portable drill rig and be man/mule supported. Drilling on the property will require a USFS Permit and Bond and may take up to eighteen (18) months to process. The current proposed plan consists of a 20-hole, 3,000 foot, diamond drill program to drill test targeted drill-holes along strike and/or at depth to confirm mineralization and will be predicated on the results of previous surface exploration results. All core drilling is expected to be oriented with drillholes being surveyed by gyro. Ground magnetic geophysical surveys and further geological field work is expected in preparation for an anticipated drill program that is projected to commence in 2026.

DIVIDENDS OR DISTRIBUTIONS

Since incorporation, the Issuer has not declared or paid any cash dividends on its Rio Grande Shares and does not currently have a policy with respect to the payment of dividends. While there are no restrictions precluding Rio Grande from paying dividends, it anticipates using all available cash resources toward its stated business objectives. For the immediate future, Rio Grande does not anticipate any earnings arising from which dividends could be paid. The payment of dividends in the future will depend on the earnings, if any, Rio Grande's financial condition and such other factors as the Rio Grande Board considers appropriate.

USE OF AVAILABLE FUNDS

Proceeds

As of the date of the Listing Statement, the Issuer is not engaged in any business and has no operating revenue.

All funds available to the Issuer upon Listing will be used for the exploration and development of the Winston Property and for general working capital. The Issuer is not raising any further funds in conjunction with this Listing Statement. See "Use of Available Funds – Funds Available and Principal Purpose" for further details.

Funds Available and Principal Purpose

The working capital of the Issuer as of this Listing Statement is $491,450, which, as illustrated below, is sufficient to cover its capital expenditures and corporate general and administrative expenditures through the next twelve (12) months.

It is anticipated that the Issuer will complete additional financings within the first year following completion of the Arrangement. The quantity of funds to be raised and the terms of any financing that may be undertaken will be

negotiated by management as opportunities to raise funds arrive. There can be no assurance that such funds will be available on favourable terms, or at all.

Rio Grande Loan and Foremost Loan

On November 5, 2024, Jason Barnard and Christina Barnard, the Lenders, current Foremost Shareholders, issued to the Issuer the Rio Grande Loan, being a secured loan in the amount of $677,450. The Rio Grande Loan is evidenced by the Rio Grande Promissory Note dated November 5, 2024, issued by the Issuer to the Lenders, which is due and payable in full on November 5, 2027, and which bears interest at a rate of eight-point-nine-five percent (8.95%) per year, compounded monthly, with payments commencing on December 1, 2025.

Additionally, Foremost issued to the Issuer the Foremost Loan, being an unsecured loan in the amount of $520,000, as such amount may have been increased on or before the Effective Date by virtue of the accrual of incremental third-party expenses associated with the Arrangement (including but not limited to legal, accounting, audit and other professional fees). The Foremost Loan is evidenced by the Foremost Promissory Note dated November 5, 2024, issued by the Issuer to Foremost. The Foremost Loan is due and payable in full on November 5, 2027, with interest thereon from the date that is four (4) months from the Effective Date, payable on the unpaid principal at the rate of eight-point-nine-five percent (8.95%) per year, compounded monthly, with interest payments commencing on December 1, 2025.

12 Month Forecast

During the first twelve (12) months following Listing, the Issuer intends to use funds currently available from the Rio Grande Loan for the principal purposes described below:

Principal Purposes	**Amount**
Phase 1 Exploration Program	$253,850
Professional fees for Corporate Secretary and paralegal services	$36,000
Legal fees	$48,000
Consulting and contracting fees including accounting	$50,000
Audit fees	$24,000
Office expenses	$5,000
Website hosting and IT expenses	$3,600
Transfer agent fees	$12,000
Monthly royalty payments for the Ivanhoe/Emporia Claims	$23,000
Exchange fees	$22,000
Income tax penalty(2)	$186,000
TOTAL:	**$663,450**

Notes:

(1) Please see the heading "Use of Available Funds – Business Objectives and Milestones" for a breakdown of the budget for the Phase 1 Exploration Program and "Mineral Properties – Regional Mining History – Current Exploration and Development Plans" for more information on the Phase 1 Exploration Program.

(2) Foremost has applied to the Internal Revenue Service for an abatement on this tax penalty, which, due to a backlog on the Internal Revenue Service's side, may take up to two (2) years to process. There are no penalties or interest accruing on the penalty.

Pending their use, net funds available to the Issuer will be maintained in bank accounts or invested in short-term, interest-bearing, investment-grade securities.

Business Objectives and Milestones

The Issuer's main business objective for the first twelve (12) months following Listing is to complete the Phase 1 Exploration Program, described in further detail in the Winston Property Report. The estimated cost of this Phase 1 Exploration Program is $253,850, as more particularly described and broken down in the table below:

Item	Amount
Lab analysis with QA/QC	$26,345
Geological mapping and computer modelling	$29,590
Geological crew and staffing	$114,295
Office	$8,000
Per diem	$52,490
Contingency (10%)	$23,130
TOTAL:	**$253,850**

Jocelyn Pelletier, Msc, SEG-F, P.Geo and Michael Feinstein, CPG, PhD will be assisting the Issuer with the Phase 1 Exploration Program, which is aimed at targeting ore-shoots within the precious metal horizon of the epithermal vein system. Existing data will be integrated with structure, alteration and geochemistry in a 3D model. Recent preparatory work for future drilling has included data compilation both of historic and recent work, along with acquisition of high-resolution LiDAR data to allow for the construction of an accurate terrane model. Ground geological mapping and surveying has utilized high resolution satellite imagery and LiDAR (laser-generated infrared light beams) to construct a detailed digital model of the area. This 3D GIS will be used for all drill targeting and project planning, following the Phase 1 Exploration Program. Special attention will be given to maintaining a high level of vertical accuracy due to the local topography. This was followed by geophysical surveying using both electrical and magnetic methods. This Phase 1 Exploration Program is expected to commence in the in the first half of 2025, subject to the availability of contractors and satisfactory weather conditions.

As noted above, geological field work, which is part of the Phase 1 Exploration Program, is expected to commence in the first half of 2025 and will seek to expand the footprint of the known mineralization on exposed veins and alteration zones. Some of the resources available that Rio Grande can be expected to utilize could include detailed geologic mapping, a project-wide sampling program, alteration and vein texture mapping, fluid inclusion studies, structural analysis, project-wide ground magnetics, and targeting studies. Data compilation from previous exploration as well as any current results will serve to build a 3D computer model of the vein system to assist in drill targeting. Utilizing a broad range of data sets will serve to define the precious metals-rich level along each vein trend, identifying potential mineralized shoots and de-risking future drill program targets.

The Phase 1 Exploration Program is expected to take approximately four (4) to six (6) months, but the exact timeline is subject to change. Analysis of the results of the survey will also be undertaken subsequent to the physical survey being completed. Once the Phase 1 Exploration Program has been completed and all the related data has been compiled and assessed, and if the results of the Phase 1 Exploration Program are positive, the Issuer will transition into Phase 2, which includes embarking on a drill program. The Issuer will begin preliminary preparation for drilling including application of work permits following the completion of the Phase 1 Exploration Program, with established, de-risked drill targets. A USFS Permit and Bond and may take up to eighteen (18) months to process, so the Issuer anticipates that drilling will commence in the second half of 2026.

The Issuer expects that the Webber Mine, north of the Winston Property and within Catron County, New Mexico, will be of particular focus and will be drilled using truck/track mounted equipment with minimized disturbance. The portion of the Winston Property within Sierra County, New Mexico, will be drilled using a man-portable drill rig and be man/mule supported. The current proposed plan consists of a 20-hole, 3,000 foot, diamond drill program to drill test targeted drill-holes along strike and/or at depth to confirm mineralization and will be predicated on the results of previous surface exploration results. All core drilling is expected to be oriented with drillholes being surveyed by gyro. Ground magnetic geophysical surveys and further geological field work is expected in preparation for an anticipated 2026 drill program.

The Issuer's current funds available will not be sufficient to fund any additional exploration program on the Winston Property. Therefore, in the event the results of the proposed exploration program warrant conducting further exploration, the Issuer will require additional financing to complete the next phase exploration program. The availability of such financing cannot be guaranteed.

Due to the nature of the business of mineral exploration, management of the Issuer will regularly review its budget with respect to both the success of its exploration programs and other opportunities which may become available to the Issuer. Accordingly, if the results of the Phase 1 Exploration Program are not supportive of proceeding with additional work, or if continuing with the current proposed exploration program becomes inadvisable for any reason, the Issuer may abandon in whole or in part its interest in the Winston Property or may, as work progresses, alter the recommended work program, and may use any funds so diverted for the purpose of conducting work on another property, although the Issuer has no present plans in this respect. Investors must rely on the experience, good faith, and expertise of management of the Issuer with respect to future acquisitions and activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Rio Grande Financial Statements being the audited financial statements of the Issuer for the period form incorporation on July 19, 2024 to July 31, 2024 and the unaudited condensed interim financial statements for the three-month period ended October 31, 2024, and related MD&A are attached as Schedule "G" to this Listing Statement and the Rio Grande Pro Forma Financial Statements are attached as Schedule "I" to this Listing Statement.

The Sierra Financial Statements, being the audited financial statements of Sierra for the years ended March 31, 2024, 2023 and 2022, and the unaudited condensed interim financials for the period ended September 30, 2024, and related MD&As are attached as Schedule "H" to this Listing Statement.

Certain information included in the MD&As is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Cautionary Statement Regarding Forward Looking Statements" for further details.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

The following is the description of the issued and outstanding securities of the Issuer.

Common Shares

Pursuant to the terms of the Plan of Arrangement, 25,827,349 Rio Grande Shares are issued and outstanding as of the date hereof, being the Effective Date of the Arrangement.

The Issuer is authorized to issue an unlimited number of Rio Grande Shares. Prior to completion of the Arrangement, one (1) Rio Grande Share was issued and outstanding as fully paid and non-assessable. The sole Rio Grande Share was held by Foremost.

Pursuant to the Plan of Arrangement, on the Effective Date, each Foremost Share was exchanged, through a series of steps for one (1) New Foremost Share and two (2) Rio Grande Shares.

Holders of Rio Grande Shares are entitled to receive notice of and vote at all meetings of the Rio Grande Shareholders, with one (1) vote for each Rio Grande Share held.

Subject to the BCBCA, and any rights of Rio Grande Shareholders, the Issuer may issue, allot, sell, or otherwise dispose of unissued Rio Grande Shares, as well as any issued Rio Grande Shares held by the Issuer. This can occur at times, to individuals (including directors), and on terms, conditions, and issue prices (including any premiums on shares with par value) determined by the Rio Grande Board. The issue price for a share with par value must be at least

equal to the par value of the share. The Rio Grande Board is authorized to issue additional Rio Grande Shares on terms and conditions, and for consideration, as deemed appropriate, without requiring further action from securityholders.

See "Consolidated Capitalization – Share Capital – Non-Diluted" for further details regarding Rio Grande Shares.

Options

As of the date of this Listing Statement, the Issuer has a total of 944,018 Rio Grande Options outstanding. See "Options to Purchase Securities – Options" for further details regarding the grant of Rio Grande Options pursuant to the Arrangement.

Restricted Share Units

As of the date of this Listing Statement, the Issuer has a total of 444,982 Rio Grande RSUs outstanding. See "Options to Purchase Securities – Restricted Share Units" for further details regarding the grant of Rio Grande RSUs pursuant to the Arrangement.

Warrants

As of the date of this Listing Statement, the Issuer has granted nil Rio Grande Warrants. See " Options to Purchase Securities – Warrants" for further details regarding Rio Grande Warrants and the exercise of Foremost Warrants following completion of the Arrangement.

Deferred Share Units

As of the date of this Listing Statement, the Issuer has granted nil Rio Grande DSUs, including pursuant to the Arrangement.

Preferred Share Units

As of the date of this Listing Statement, the Issuer has granted nil Rio Grande PSUs, including pursuant to the Arrangement.

CONSOLIDATED CAPITALIZATION

Share Capital – Non-Diluted

The following table sets out the capitalization of the Issuer as of the dates specified:

Designation of Security	Amount Authorized	Amount Outstanding as of June 30, 2024 (unaudited)	Amount Outstanding as of October 31, 2024 (unaudited)	Amount Outstanding as of the Effective Date
Shares	Unlimited	1	1	25,827,349
Warrants	Unlimited	Nil	Nil	Nil
Options	Up to 15% of the issued capital from time to time	Nil	Nil	944,018
RSUs	Up to 15% of the issued capital from time to time	Nil	Nil	444,982
DSUs	Up to 15% of the issued capital from time to time	Nil	Nil	Nil

Notes:

(1) See "Description of the Securities Distributed" and "Options to Purchase Securities" for additional details.

Share Capital – Fully Diluted

The following table sets out the details of the issued and outstanding Rio Grande Shares and securities convertible into Rio Grande Shares on a fully diluted basis:

Designation of Security[1]	Amount Outstanding/Reserved	Percentage of Fully Diluted Total
Issued and outstanding Rio Grande Shares on the Effective Date	25,827,349	70.8%
Rio Grande Shares reserved for issuance upon exercise of outstanding Foremost Warrants	9,281,236	25.4%
Rio Grande Shares reserved for issuance upon exercise of Rio Grande Options	944,018	2.6%
Rio Grande Shares reserved for issuance upon conversion of Rio Grande RSUs	444,982	1.2%
TOTAL:	36,497,585	**100%**

Notes:

(1) See "Description Of The Securities Distributed" and "Options to Purchase Securities" for details.

OPTIONS TO PURCHASE SECURITIES

Options

Pursuant to the terms of the Plan of Arrangement, at the Effective Time, each Foremost Option then outstanding to acquire one (1) Foremost Share was deemed to be simultaneously surrendered and transferred by the holder thereof as follows:

1. 0.9136 of each Foremost Option held immediately prior to the Effective Time was transferred and exchanged for one (1) Foremost Replacement Option entitling the holder thereof to acquire one (1) New Foremost Share having an exercise price (rounded up to the nearest cent) as determined in accordance with the Plan of Arrangement; and

2. 0.0864 of each Foremost Option held immediately prior to the Effective Time was transferred and exchanged for two (2) Rio Grande Options, with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Share having an exercise price (rounded up to the nearest cent) as determined in accordance with the Plan of Arrangement.

On the Record Distribution Date, there were 472,009 Foremost Options outstanding. Accordingly, as of the date of this Listing Statement, 944,018 Rio Grande Shares may be issued upon the exercise of the 944,018 Rio Grande Options that were granted pursuant to the Arrangement.

The following table sets out information regarding the outstanding Rio Grande Options as of the date of this Listing Statement:

Category of Option Holder	Number of Option Holders	Number of Options	Exercise Price	Grant Date	Expiry Date
Executive officers of the Issuer(1)	3	199,046	0.0590	12/13/2022 through 11/15/2024	12/13/2025 through 4/1/2029
Directors who are not included as executive officers above	Nil.	Nil.	Nil.	Nil.	Nil.
Consultants of the Issuer who are not included as directors or executive officers above	7	110,000	0.0310	11/15/2024	11/15/2027 through 11/15/2029
Holders of Foremost Options as of the Record Distribution Date who are not included as directors, executive officers, or consultants above	13	634,972	0.0674	11/20/2020 through 11/15/2024	3/8/2025 through 11/15/2029
TOTAL:	23	944,018			

Restricted Share Units

Pursuant to the terms of the Plan of Arrangement, each Foremost RSU held immediately prior to the Effective Time was deemed to be simultaneously surrendered and transferred by the holder thereof in the following portions:

1. 0.9136 of each Foremost RSU held immediately prior to the Effective Time was transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

2. 0.0864 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time was transferred and exchanged for two (2) Rio Grande RSUs to acquire such number of Rio Grande Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU.

On the Record Distribution Date, there were 222,491 Foremost RSUs outstanding. Accordingly, as of the date of this Listing Statement, 444,982 Rio Grande Shares may be issued upon the exercise of the 444,982 Rio Grande RSUs that were granted pursuant to the Arrangement.

Warrants

Concurrently with the exchange of Foremost Options and Foremost RSUs, pursuant to the terms of the Plan of Arrangement, each Foremost Warrant outstanding was amended to entitle the holder thereof to receive, upon due exercise of the Foremost Warrant:

1. one (1) New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and

2. two (2) Rio Grande Shares for each Foremost Share that was issuable upon due exercise of a Foremost Warrant immediately prior to the Effective Time.

On the Record Distribution Date, there were 4,640,618 Foremost Warrants outstanding. Accordingly, as of the date of this Listing Statement, 9,281,236 Rio Grande Shares may be issued upon the exercise of the 4,640,618 Foremost Warrants outstanding.

Rio Grande Incentive Plan

On July 29, 2024, the Rio Grande Board approved the Rio Grande Incentive Plan, being a fifteen percent (15%) rolling omnibus equity incentive plan. The Rio Grande Plan was approved by the Foremost Shareholders at the Meeting on December 20, 2024 and became effective on the Effective Date.

The Rio Grande Incentive Plan was established to provide incentive to directors, officers, employees and consultants of the Issuer. The aggregate number of Rio Grande Shares issuable as Rio Grande Awards under the Rio Grande Incentive Plan may be up to fifteen percent (15%) of the Issuer's issued and outstanding Rio Grande Shares on the date on which a Rio Grande Award is granted, less the number of Rio Grande Shares reserved for issuance on exercise of Rio Grande Awards then outstanding under the Rio Grande Incentive Plan.

For a summary of the Rio Grande Awards and material terms of the Rio Grande Incentive Plan see "Statement of Executive Compensation". A copy of the Rio Grande Incentive Plan is also attached hereto as Schedule "A" to this Listing Statement.

PRIOR SALES

As of the date of this Listing Statement, the Issuer has not issued any Rio Grande Shares other than the one (1) Rio Grande Share at incorporation and 25,827,348 Rio Grande Shares issued in connection with the Arrangement. See "Consolidated Capitalization" above for further details.

As of the date of the Foremost Interim Financials, Foremost had 5,496,404 Foremost Shares, 1,432,388 Foremost Warrants, 317,000 Foremost Options and nil Foremost RSUs issued and outstanding.

Following the Foremost Interim Financials, Foremost issued the securities as set out in the below listed chart, resulting in 10,337,396 Foremost Shares (4,840,992 Foremost Shares issued following the Foremost Interim Financials), 4,640,618 Foremost Warrants (3,208,230 Foremost Warrants issued following the Foremost Interim Financials), 472,009 Foremost Options (155,009 Foremost Shares issued following the Foremost Interim Financials) and 222,491 Foremost RSUs (222,491 Foremost RSU issued following the Foremost Interim Financials) issued and outstanding as of the Effective Date.

Date of Issue	Number and Type of Securities	Issue or Exercise Price per Security ($)	Reason for Issue
October 4, 2024	1,369,810 Foremost Shares	4.29	Pursuant to the Denison Option Agreement, following completion of phase one of the option.
October 8, 2024	316,097 Foremost Shares	4.29	Issued to Cantor Fitzgerald Canada Corporation for advisory fees related to the Denison Option Agreement.
October 8, 2024	109,585 Foremost Shares	4.29	Issued to Machai Capital Inc. for finder's fees related to the Denison Option Agreement.
October 15, 2024	(20,000) Foremost Options	3.98	Expiration of Foremost Options held by Sead Hamzagic, Foremost's former CFO.
November 14, 2024	1,473,000 Foremost Shares	3.00	Issued as part of the Foremost Offering.
November 14, 2024	1,022,500 Foremost Shares	3.50	Issued as part of the Foremost Offering.
November 14, 2024	550,000 Foremost Shares	4.55	Issued as part of the Foremost Offering.
November 14, 2024	3,045,500 Foremost Warrants	4.00	Issued as part of the Foremost Offering.
November 14, 2024	162,730 Foremost Warrants	3.00	Issued as compensation warrants to the brokers in connection with the Foremost Offering.
November 15, 2024	175,009 Foremost Options	2.76	Issued to certain directors, officers and consultants of Foremost.
November 15, 2024	222,491 Foremost RSUs	2.79 to 3.29	Issued to certain directors, officers and consultants of Foremost.

TRADING PRICE AND VOLUME

Prior to the Arrangement, the Rio Grande Shares were not listed or traded on any stock exchange. See "The Arrangement – Conditions to the Arrangement".

ESCROWED SECURITIES

To the knowledge of Rio Grande's directors and executive officers, none of the Rio Grande Shares are or will be in escrow or are subject to a contractual restriction on transfer.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the director and executive officer of the Issuer, no persons beneficially owned, directly or indirectly, or exercised control or direction over, voting securities carrying more than ten percent (10%) of the voting rights attached to the voting securities of the Issuer, other than as set out below:

Name of Shareholder	Number of Rio Grande Shares Owned	Percentage of Outstanding Rio Grande Shares
Foremost	5,152,556	19.95%
Denison Mines Corp.	3,954,820	15.31%

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

At the Meeting, the Foremost Shareholders approved the Arrangement Resolution, pursuant to which the Rio Grande Shareholders were deemed to have approved the proposed directors of Rio Grande effective upon completion of the Arrangement. The directors of Rio Grande are those persons listed in the table below.

The directors of Rio Grande will hereafter be elected by Rio Grande Shareholders at each annual meeting of the Rio Grande Shareholders and will hold office until the next annual meeting of the Issuer or until their successor is duly elected or appointed, unless: (i) their office is earlier vacated in accordance with the Rio Grande Articles; or (ii) they become disqualified to act as a director.

Name, Province and Country of Residence and Positions Held with the Issuer	Occupation, Business or Employment During 5 Years Preceding the Date of this Listing Statement[1]	Period Served as Director	Rio Grande Shares Beneficially Owned or Controlled, or Directed, Directly or Indirectly[4]
Jason Barnard[3], [5] British Columbia, Canada CEO and Director	President, CEO and director of Foremost; Self-employed as a private investor since 2004.	July 19, 2024 to present.	1,102,168 (4.27%)
Raymond Strafehl[3], [6] British Columbia, Canada President and Director	President and CEO of Tearlach Resources Limited from 2019 to 2022, and a current director from 2019 to present; Director and member of the audit committee of Goldex Resources Corporation from 2015 to present; President and CEO of Redline Minerals Inc., from 2010 to present.	Appointed January 31, 2025	2,400 (0.01%)
Curtis Bouwman[7] Ontario, Canada CFO	CFO of Foremost from May, 2022 to present; Staff Accountant at Baker Tilly International, since May, 2019 to present.	Appointed January 31, 2025	86,180 (0.33%)
Richard Silas[3], [8] British Columbia, Canada Independent Director & Head of Audit committee	Director, CEO and CFO of Sanibel Ventures Corp., from October 2017 to present; Director of Carcetti Capital Corp., from May 2023 to present; Vice President of Corporate Development and Corporate	Appointed January 31, 2025	18,000 (0.07%)

Name, Province and Country of Residence and Positions Held with the Issuer	Occupation, Business or Employment During 5 Years Preceding the Date of this Listing Statement[1]	Period Served as Director	Rio Grande Shares Beneficially Owned or Controlled, or Directed, Directly or Indirectly[4]
	Secretary and Director of Guanajuato Silver Issuer Ltd., from May 2021 to present; Director of LDB Capital Corp., from August 2021 to present; Director and Corporate Secretary of Northern Lion Gold Corp., from September 2019 to present; Corporate Secretary of Barksdale Resources Corp., from August 2016 to February 2021; Principal of Universal Solutions Inc., from 1997 to present.		

Notes:

(1) The information in the table above as to principal occupation and business or employment of director nominees is not within the knowledge of management of Rio Grande and has been furnished by the respective nominees.
(2) The information as to number of Rio Grande Shares beneficially owned, or controlled or directed, directly or indirectly, is not within the knowledge of management of Rio Grande and has been furnished by the respective nominees or sourced from information available to Rio Grande regarding shareholdings in Foremost retrieved from SEDI (www.sedi.ca) and/or in reports provided by the respective nominee.
(3) Member of the Rio Grande Audit Committee, the Rio Grande Compensation Committee and the Rio Grande CG&N Committee.
(4) Upon completion of the Arrangement, based on such individual's ownership of Foremost Shares as of the date of this Listing Statement.
(5) Based on 162,128 Foremost Shares owned by Claimbank Exploration Ltd., 60,313 Foremost Shares owned by Ora Nutraceuticals, Inc., 167,488 Foremost Shares held by Jason Barnard's spouse and 161,155 Foremost Shares owned by 1374646 B.C. LTD.
(6) Based on 600 Foremost Shares owned by Mr. Strafehl and 600 Foremost Shares owned by his spouse.
(7) Based on 18,540 Foremost Shares held directly by Mr. Bouwman and 24,550 Foremost Shares held by Mr. Bouwman's family members.
(8) Based on 4,000 Foremost Shares owned by Mr. Silas and 5,000 Foremost Shares owned by Universal Solutions Inc.

Management of the Issuer

Below is a brief description of each member of management of the Issuer, including their names, ages, positions and responsibilities with the Issuer, relevant educational background, principal occupation(s) or employment during the five (5) years preceding the date of this Listing Statement and experience in the Issuer's industry.

Jason Barnard (age: 58) – Mr. Barnard has been the CEO, President, and a director of Foremost since 2022. He holds a Bachelor of Arts in Economics from Carleton University and completed the Canadian Securities Course in 1990. Mr. Barnard began his career as a stockbroker at McDermid St. Laurence Securities in 1991, focusing on mining and exploration companies. He later worked at Canaccord Genuity from 1997 to 2004. Transitioning to venture capital, he has raised nearly $500 million in equity for mining and exploration companies.

Richard Silas (age: 53) – Mr. Silas has been a director of Guanajuato Silver Issuer Ltd. since October 2019 and currently holds the roles of Vice President of Corporate Development and Corporate Secretary. Additionally, he serves as a director and CFO of Northern Lion Gold Corp. Mr. Silas has extensive experience in public companies in Canada, having served as CFO, officer, corporate secretary, and director for several organizations. Notably, he was President of Gold Standard Ventures Corp. from April to August 2009, Corporate Secretary from August 2009 to May 2017, and a director from April 2009 to September 2017. He also served as President of Barksdale Resources Corp. from August 2016 to December 2017, and held various roles there, including director from June 2015 to April 2019 and Corporate Secretary from August 2016 to January 2021. Mr. Silas was director and President of Lithoquest Diamonds

Inc. (formerly Consolidated Westview Corp.) from March 2013 to November 2017. Since December 1995, he has been President of Universal Solutions Inc., a private management company.

Raymond Strafehl (age: 68) – Mr. Strafehl has over two decades of experience in the finance and resource sectors, backed by a solid academic foundation in business, accounting, and economics. He is President of Redline Minerals. (a private company) since 2010, a director of Tearlach Resources Limited since 2019, serving as President and CEO until 2022, and is also a director and audit committee member of Goldex Resources Corporation ("**GDX**") since 2015 and Nickel One Resources Inc. from 2016 to 2019. His experience includes serving as director and adviser to the $300 million merger of Valley High Ventures Ltd. and Levon Resources Ltd. in 2011. Earlier in his career, Mr. Strafehl founded VentureBC, assisting over 200 tech-driven startups. He was also a stock exchange trader, investment advisor, and registered commodity trading advisor for twenty-two (22) years.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as disclosed below, as at the date of this Listing Statement and within the last ten (10) years before the date of this Listing Statement, no director or proposed director of the Issuer (or any of their personal holding companies) was a director or executive officer of any company (including the Issuer) or acted in that capacity for a company that was:

(a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than thirty (30) consecutive days;

(b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer of the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than thirty (30) consecutive days;

(c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has 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;

(d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

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

Raymond Strafehl is the President and CEO of Redline Resources, and held such positions when the company was subject to a cease trade order issued by the BCSC on November 7, 2023, and a cease trade order issued by the Alberta Securities Commission on April 1, 2024. Both orders were a result of the company's failure to file its financial statements and MD&A within the required timeframe and were revoked on June 23, 2025.

Additionally, Mr. Strafehl is a director of GDX and held such position when the company was subject to the following cease trade orders: (i) a failure-to-file cease trade order issued by both the BCSC and Ontario Securities Commission on November 5, 2023, which was revoked on May 8, 2027; (ii) a management cease trade order issued by the BCSC on May 2, 2023, which was revoked on June 16, 2024; and (iii) a management cease trade order issued by the BCSC on May 1, 2024, which was revoked on July 19, 2024. The management cease trade orders prevented insiders of GDX (which did not include Mr. Strafehl) from trading securities of GDX until the required records were filed.

Mr. Silas is the CEO, CFO and a director of Sanibel Ventures Corp., a capital pool company that was suspended from trading by the TSXV on July 30, 2020, for failure to complete a qualifying transaction within twenty-four (24) months of its listing. Mr. Silas is also a former director (from November, 2011 to February, 2016) of Spirit Bear Capital Corp., a capital pool company that was suspended from trading by the TSXV on May 15, 2014, for failure to complete a qualifying transaction within twenty-four (24) months of its listing.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Rio Grande Compensation Committee is responsible for monitoring the Issuer's corporate goals and objectives relevant to the compensation of the Issuer's senior executive officers, evaluate the performance of such senior executive officers in light of those goals and objectives and make recommendations to the Rio Grande Board with respect to the compensation level of the senior executive officers.

The Compensation Committee Charter

The Rio Grande Compensation Committee has a charter, which was approved by the Rio Grande Board on July 29, 2024.

Composition of the Compensation Committee

The initial members of the Rio Grande Compensation Committee are Richard Silas (independent member), Jason Barnard and Raymond Strafehl.

Richard Silas is not an executive officer of the Issuer, and, therefore, is an "**independent**" member of the Rio Grande Compensation Committee. A member of the Rio Grande Compensation Committee is independent if the member has no direct or indirect material relationship with the Issuer. A material relationship means a relationship which could, in the view of the Rio Grande Board, reasonably interfere with the exercise of a member's independent judgement.

Relevant Education and Experience

Each member of the Issuer's Rio Grande Compensation Committee has adequate education and experience that is relevant to their performance as a member of the Rio Grande Compensation Committee.

See "Directors and Officers – Management of the Issuer" above for the relevant education and experience of each member of the Rio Grande Compensation Committee.

Philosophy and Objectives

The Issuer plans to adopt executive compensation philosophies and mechanics similar to those of Foremost. The compensation levels will be adjusted to other companies similar to the Issuer relative to development, asset value, exploration stage and enterprise value.

To date, Rio Grande has not carried on any active business. No compensation has been paid by the Issuer or Foremost to the Issuer's current or proposed executive officers or directors.

During the first twelve (12) months following Listing, the Issuer plans to enter into consulting agreements with it's directors and executive officers, with compensation thereunder to be paid in Rio Grande Shares or cash, as determined in the sole discretion of the Issuer's management. Cash compensation will be contingent upon the funds raised through potential financings. See "Description of the Business – Employees" for further details.

The compensation program for the Issuer's senior management will be designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; and (b) motivating the short- and long-term performance of these executives.

Equity Participation

The Issuer encourages its directors, executives, consultants and employees to become shareholders as it believes it is the best way of aligning their interests with those of its shareholders. Equity participation will be accomplished through the Rio Grande Incentive Plan.

Rio Grande Incentive Plan

The Rio Grande Incentive Plan, which became effective as of the Effective Date, was approved by (i) the Rio Grande Board on July 29, 2024, (ii) the Foremost Shareholders by ordinary resolution at the Meeting, and (iii) the CSE on January 31, 2025.

A summary of the material terms of the Rio Grande Incentive Plan is set out below. The summary is qualified in its entirety by the full text of the Rio Grande Incentive Plan, which is set out in Schedule "A" to this Listing Statement and filed on the Issuer's SEDAR+ profile at www.sedarplus.ca.

The purpose of the Rio Grande Incentive Plan is to advance the interests of the Issuer by encouraging equity participation in the Issuer through the acquisition of Shares of the Issuer. The Rio Grande Incentive Plan is administered by the Rio Grande Board and Rio Grande Awards are granted at the discretion of the Rio Grande Board to eligible participants.

Summary of the Material Terms of the Rio Grande Incentive Plan

The Rio Grande Incentive Plan will allow for a variety of equity-based awards (being the "**Rio Grande Awards**") that provide different types of incentives to be granted to certain of Rio Grande's officers, employees, consultants, contractors and service providers, including Rio Grande Options, Rio Grande RSUs, Rio Grande PSUs and Rio Grande DSUs. Each Rio Grande Award will represent the right to receive Rio Grande Shares, or in the case of Rio Grande RSUs, Rio Grande PSUs and Rio Grande DSUs, Rio Grande Shares or cash, in accordance with the terms of the Rio Grande Incentive Plan.

Under the terms of the Rio Grande Incentive Plan, the Rio Grande Board may grant Rio Grande Awards to eligible participants. Participation in the Rio Grande Incentive Plan is voluntary and, if an eligible participant agrees to participate, the grant of Rio Grande Awards will be evidenced by a grant agreement with each such participant. The interest of any participant in any Rio Grande Award is not assignable or transferable, whether voluntary, involuntary, by operation of law or otherwise, other than by will or the laws of descent and distribution.

The Rio Grande Incentive Plan will provide those appropriate adjustments, if any, will be made by the Rio Grande Board in connection with a reclassification, reorganization or other change of the Rio Grande's Shares, share split or consolidation, distribution, merger or amalgamation, in the Rio Grande Shares issuable or amounts payable to preclude a dilution or enlargement of the benefits under the Rio Grande Incentive Plan.

The maximum number of Rio Grande Shares reserved for issuance pursuant to the exercise of Rio Grande Awards in the aggregate, under the Rio Grande Incentive Plan, will be fifteen percent (15%) of the aggregate number of Rio Grande Shares issued and outstanding from time to time, which represents 3,874,102 Rio Grande Shares as of the date of this Listing Statement.

A Rio Grande Option shall be exercisable during a period established by the Rio Grande Board which shall commence on the date of the grant and shall terminate no later than ten (10) years after the date of the granting of the Rio Grande Option or such shorter period as the Rio Grande Board may determine. The minimum exercise price of a Rio Grande Option will be determined based on the closing price of the Rio Grande Shares on the CSE on the last trading day before the date such Rio Grande Option is granted. The Rio Grande Incentive Plan will provide that the exercise period shall automatically be extended if the date on which it is scheduled to terminate shall fall during a black-out period. In such cases, the extended exercise period shall terminate ten (10) Business Days after the last day of the black-out period.

The following table describes the impact of certain events upon the rights of holders of Rio Grande Awards under the Rio Grande Incentive Plan, including termination for cause, resignation, retirement, termination other than for cause, and death, subject to the terms of a participant's employment agreement, grant agreement and the change of control provisions described below:

Event Provisions	Provisions
Termination for cause	Immediate forfeiture of all vested and unvested Rio Grande Awards.
Resignation	The earlier of the original expiry date and ninety (90) days after resignation to exercise vested Rio Grande Awards or such longer period as the Rio Grande Board may determine in its sole discretion, so long as it is not more than one (1) year following the date of resignation, or in the case of the Rio Grande DSUs, the redemption deadline.
Retirement	All unvested Rio Grande Awards will vest in accordance with their vesting schedules, and all vested Rio Grande Awards held may be exercised until the earlier of the expiry date of such applicable awards or one (1) year following the retirement date, or in the case of the Rio Grande DSUs, the redemption deadline.
Termination or cessation	All unvested Rio Grande Awards may vest subject to pro ration over the applicable vesting or performance period and shall expire on the earliest of ninety (90) days after the effective date of the termination date, or the expiry date of such applicable awards, or in the case of Rio Grande DSUs, the redemption deadline.
Death	Forfeiture of all unvested Rio Grande Awards and the earlier of the original expiry date and twelve (12) months after date of death or long-term disability to exercise vested Rio Grande Awards or in the case of Rio Grande DSUs, the redemption deadline, as more particularly described in the Rio Grande Incentive Plan.
Change of Control	If a participant is terminated without "cause" or resigns for good reason during the twelve (12) month period following a change of control of Rio Grande, or after the Rio Grande has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Rio Grande Awards will immediately vest and may be exercised prior to the earlier of thirty (30) days of such date or the expiry

The terms and conditions of grants of Rio Grande Awards, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these Rio Grande Awards, will be set out in the participant's grant agreement. Impact of certain events upon the rights of holders of these types of Rio Grande Awards, including termination for cause, resignation, retirement, termination other than for cause and death or long-term disability, will be set out in the participant's grant agreement.

In connection with a change of control of Rio Grande, the Rio Grande Board will take such steps as are reasonably necessary or desirable to cause the conversion or exchange or replacement of outstanding Rio Grande Awards into, or for, rights or other securities of substantially equivalent (or greater) value in the continuing entity, as applicable. If the surviving successor or acquiring entity does not assume the outstanding Rio Grande Awards, or if the Rio Grande Board otherwise determines in its discretion, the Rio Grande shall give written notice to all participants advising that the Rio Grande Incentive Plan shall be terminated effective immediately prior to the change of control and all Rio

Grande Awards, as applicable, shall be deemed to be vested and, unless otherwise exercised, settle, forfeited or cancelled prior to the termination of the Rio Grande Incentive Plan, shall expire or, with respect to the Rio Grande RSUs and PSUs be settled, immediately prior to the termination of the Rio Grande Incentive Plan. In the event of a change of control, the Rio Grande Board has the power to: (i) make such other changes to the terms of the Rio Grande Awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the participants; (ii) otherwise modify the terms of the Rio Grande Awards to assist the participants to tender into a takeover bid or other arrangement leading to a change of control, and thereafter; and (iii) terminate, conditionally or otherwise, the Rio Grande Awards not exercised or settled, as applicable, following successful completion of such change of control. If the change of control is not completed within the time specified therein (as the same may be extended), the Rio Grande Awards which vest shall be returned by the Rio Grande to the participant and, if exercised or settled, as applicable, the common shares issued on such exercise or settlement shall be reinstated as authorized but unissued common shares and the original terms applicable to such Rio Grande Awards shall be reinstated.

The Rio Grande Board may, in its sole discretion, suspend or terminate the Rio Grande Incentive Plan at any time, or from time to time, amend, revise or discontinue the terms and conditions of the Rio Grande Incentive Plan or of any securities granted under the Rio Grande Incentive Plan and any grant agreement relating thereto, subject to any required regulatory and CSE approval, provided that such suspension, termination, amendment, or revision will not adversely alter or impair any Rio Grande Award previously granted except as permitted by the terms of the Rio Grande Incentive Plan or as required by applicable laws.

The Rio Grande Board may amend the Rio Grande Incentive Plan or any securities granted under the Rio Grande Incentive Plan at any time without the consent of a participant provided that such amendment shall: (i) not adversely alter or impair any Rio Grande Award previously granted except as permitted by the terms of the Rio Grande Incentive Plan; (ii) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the CSE; and (iii) be subject to Rio Grande Shareholder approval, where required by law, the requirements of the CSE or the Rio Grande Incentive Plan, provided however that Rio Grande Shareholder approval shall not be required for the following amendments and the Rio Grande Board may make any changes which may include but are not limited to:

- amendments of a general "housekeeping" or clerical nature that, among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in the Rio Grande Incentive Plan;

- amendments that alter, extend or accelerate the terms of vesting or settlement applicable to any Rio Grande Award;

- any amendment regarding the administration of the Rio Grande Incentive Plan; and

- any amendment necessary to comply with applicable law or the requirements of the CSE or any other regulatory body having authority over the Rio Grande, the Rio Grande Incentive Plan or the Rio Grande Shareholders (provided, however, that any stock exchange shall have the overriding right in such circumstances to require Rio Grande Shareholder of any such amendments);

provided that the alteration, amendment or variance does not, among other things:

- amend the effect of termination of a participant's employment or engagement;

- amend provisions relating to the granting of cash-settled awards, provision of financial assistance or clawbacks and any amendment to a cash-settled award, financial assistance or clawbacks provisions which are adopted;

- increase the maximum number of Rio Grande Shares issuable under the Rio Grande Incentive Plan, other than an adjustment pursuant to a change in capitalization;

- reduce the exercise price of Rio Grande Awards;

- permit the introduction or re-introduction of non-employee directors as eligible participants on a discretionary basis or any amendment that increases the limits previously imposed on non-employee director participation; or

- amend the amendment provisions of the Rio Grande Incentive Plan.

The Rio Grande Board is authorized, in its sole discretion, to determine not to proceed with the adoption of the Rio Grande Incentive Plan without further action on the part of the Rio Grande Shareholders. The adoption of the Rio Grande Incentive Plan by Rio Grande is also conditional upon the Issuer obtaining all necessary regulatory consents.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

No director, executive officer, Associate of a director or executive officer, employee, or former director, executive officer or employee of the Issuer, is, as at the date of this Listing Statement, or was at any time since the incorporation of the Issuer, indebted to the Issuer or any other entity where such indebtedness is the subject of a guarantee, support agreement letter of credit or other similar arrangement or understanding provided by the Issuer.

AUDIT COMMITTEE

The Rio Grande Audit Committee is responsible for monitoring the Issuer's accounting and financial reporting practices and procedures, the adequacy of internal accounting controls and procedures, the quality and integrity of financial statements and for directing the auditors' examination of specific areas.

Audit Committee Charter

The Rio Grande Audit Committee has a charter, which was approved by the Rio Grande Board on July 29, 2024. The full text of the Rio Grande Audit Committee is attached as Schedule "F" to this Listing Statement.

Composition of the Audit Committee

The initial members of the Rio Grande Audit Committee are Richard Silas (Chairman and independent member), Jason Barnard and Raymond Strafehl.

Each member of the Rio Grande Audit Committee is considered to be "**financially literate**" within the meaning of NI 52-110, which includes the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the Issuer's financial statements.

Richard Silas is not an executive officer of the Issuer, and, therefore, is an "**independent**" member of the Rio Grande Audit Committee. A member of the Rio Grande Audit Committee is independent if the member has no direct or indirect material relationship with the Issuer. A material relationship means a relationship which could, in the view of the Rio Grande Board, reasonably interfere with the exercise of a member's independent judgement.

Relevant Education and Experience

Each member of the Issuer's Rio Grande Audit Committee has adequate education and experience that is relevant to their performance as a member of the Rio Grande Audit Committee and, in particular, the requisite education and experience that have provided the member with:

(a) an understanding of the accounting principles used by the Issuer to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

(b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Issuer's financial statements or experience actively supervising individuals engaged in such activities; and

(c) an understanding of internal controls and procedures for financial reporting.

See "Directors and Officers – Management of the Issuer" above for the relevant education and experience of each member of the Rio Grande Audit Committee.

Audit Committee Oversight

The Rio Grande Audit Committee has not made any recommendations to the Rio Grande Board to nominate or compensate any external auditor, other than Davidson & Company LLP.

Pre-Approval Policies and Procedures

The Rio Grande Audit Committee must approve all non-audit and non-tax services to be provided to the Issuer or its subsidiary entities, unless such non-audit and non-tax services are reasonably expected to constitute not more than twenty percent (20%) of the total fees paid by the Issuer to the external auditor during the particular fiscal year. The Rio Grande Audit Committee shall have the authority to delegate approval-granting authority to pre-approve non-audit services by the external auditor to one or more of committee members.

External Auditor Service Fees

The Rio Grande Audit Committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company LLP to the Issuer to ensure auditor independence. The following table outlines the fees incurred by Davidson & Company LLP for audit and non-audit services since incorporation:

Nature of Services	**Fees Paid to Auditor since incorporation to October 31, 2024**
Audit Fees(1)	$10,000
Audit-Related Fees(2)	$5,183
Tax Fees(3)	$NIL
All Other Fees(4)	$NIL
TOTAL:	$15,183

(1) "**Audit Fees**" include fees necessary to perform the annual audit and quarterly reviews of the Issuer'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.

(4) "**All Other Fees**" include all other non-audit services.

Exemption

The Issuer is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Rio Grande Audit Committee and in respect of its reporting obligations under NI 52-110 for the period ending October 31, 2024. This exemption exempts a "**venture issuer**" from the requirement to have one hundred percent (100%) of the members of its Audit Committee independent, as would otherwise be required by NI 52-110.

CORPORATE GOVERNANCE

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

Corporate governance encourages establishing a reasonable degree of independence of the Rio Grande Board from executive management and the adoption of policies to ensure the Foremost Board recognizes the principles of good management. The Rio Grande Board is committed to sound corporate governance practices, as such practices are both in the interests of Rio Grande Shareholders and help to contribute to effective and efficient decision-making and believes the Issuer's corporate governance practices are appropriate and effective for the Issuer given its current size.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Issuer. As defined in NI 52-110, a "**material relationship**" is a relationship which could, in the view of the Rio Grande Board be reasonably expected to interfere with the exercise of a director's independent judgment.

The non-independent members of the Rio Grande Board are Jason Barnard – CEO and director and Raymond Strafehl – President and director. By virtue of holding positions as executive officers of the Issuer, Mr. Barnard and Mr. Strafehl are deemed to have a material relationship with the Issuer, and therefore, are not considered independent members of the Rio Grande Board.

Richard Silas is an independent member of the Rio Grande Board.

Directorships

Certain of the Issuer's directors are also directors of other reporting issuers (or the equivalent) in a Canadian jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other Reporting Issuer (or the equivalent)
Jason Barnard	Foremost Clean Energy Ltd.
Richard Silas	Guanajuato Silver Company Ltd. Northern Lion Gold Corp. Sanibel Ventures Corp. Carcetti Capital Corp.
Raymond Strafehl	NIL

Notes:

(1) The information in the table above as to other directorships is not within the knowledge of management of the Issuer and has been furnished by the respective directors.

Orientation and Continuing Education

The Rio Grande Board does not have a formal orientation or education program for its members. The Rio Grande Board considers this to be appropriate, given the Issuer's size and current limited operations.

New directors will be briefed on strategic plans, corporate objectives, business risks and mitigation strategies and existing company policies and have the opportunity to become familiar by meeting with the other directors and with the executive officers and technical advisors. Orientation activities are tailored to the needs and experience of each director and the overall needs of the Rio Grande Board. The Rio Grande Board and the proposed nominees are comprised of individuals with varying backgrounds, who have, both collectively and individually, experience in running and managing public companies. Rio Grande Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Members of the Rio Grande Board have full access to the Issuer's records.

Position Descriptions

The Rio Grande Board has not adopted written position descriptions for the CEO, the Chair of the Rio Grande Board or the Chair of the Rio Grande Audit Committee delineating the roles and responsibilities inherent to the position being fulfilled. Generally, the Chair of the Rio Grande Audit Committee is charged with fulfilling the mandate as contained in the Rio Grande Audit Committee Charter and is given the specific written authority to execute the business of the Audit Committee as outlined and approved by the Rio Grande Board. The Chair of the Rio Grande Audit Committee is charged with the responsibility of reviewing and, if necessary, changing and adapting the Rio Grande Audit Committee Charter to respond to developing issues and presenting the changed charter to the Rio Grande Board for approval. The Chair of the Rio Grande Audit Committee organizes the meetings of the Rio Grande Audit Committee, develops and circulates agendas, conducts the meetings, records minutes, and follows up on outstanding Rio Grande Audit Committee business. The Chair of the Rio Grande Audit Committee reports to the Rio Grande Board on each meeting of the Rio Grande Audit Committee and makes recommendations for specific actions and decisions. The CEO's primary role is to manage the Issuer in an effective, efficient and forward-looking way and to fulfil the priorities, goals and objectives determined by the Rio Grande Board in the context of the Issuer's strategic plans, budgets and responsibilities specifically detailed with a view to increasing shareholder value.

Ethical Business Conduct

The Rio Grande Board anticipates that the fiduciary duties placed on individual directors by the Issuer'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 Rio Grande Board in which the director has an interest have been sufficient to ensure that the Rio Grande Board operates independently of management and in the best interests of the Issuer.

On July 29, 2024, the Rio Grande Board adopted a Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics applies to the Issuer's directors, CEO, CFO and all other employees of the Issuer. The Rio Grande Board is responsible for monitoring compliance with the Code of Business Conduct and Ethics.

Nomination of Directors

On July 29, 2024, the Rio Grande Board adopted a CG&N Committee Charter, which became effective as of the Effective Date, establishing a Rio Grande CG&N Committee operating under the Rio Grande CG&N Committee Charter. The Rio Grande CG&N Committee is anticipated to be composed of Jason Barnard, Richard Silas and Raymond Strafehl. The CG&N Committee is responsible for, among other things: (i) identifying qualified individuals to become members of the Rio Grande Board, consistent with criteria approved by the Rio Grande Board, (ii) determining the composition of the Rio Grande Board and its committees, (iii) selecting the director nominees for the next annual meeting of Rio Grande Shareholders, (iv) monitoring a process to assess Rio Grande Board, committee and management effectiveness, (v) aiding and monitoring management succession planning, and (vi) developing,

recommending to the Rio Grande Board, implementing and monitoring policies and processes related to the Issuer's corporate governance guidelines.

The Rio Grande CG&N Committee is tasked with identifying candidates for election to the Rio Grande Board through various methods. These include soliciting suggestions from members of the Rio Grande Board, executives, individuals personally known to members of the Rio Grande Board, and conducting additional research. Occasionally, the Rio Grande CG&N Committee may engage third-party search firms to assist in identifying suitable candidates.

In making director recommendations, the Rio Grande CG&N Committee shall consider some or all of the following factors: (i) the candidate's judgment, skill, experience with other organizations of comparable purpose, complexity and size, and subject to similar legal restrictions and oversight; (ii) the interplay of the candidate's experience with the experience of other board members; (iii) the extent to which the candidate would be a desirable addition to the board and any committee thereof; (iv) whether or not the person has any relationships that might impair their independence; and (v) the candidate's ability to contribute to the effective management of the Issuer, taking into account the needs of the Issuer and such factors as the individual's experience, perspective, skills and knowledge of the industry in which the Issuer operates.

Director Compensation

See "Statement of Executive Compensation" for a discussion on the compensation policies and procedures for the directors of the Issuer.

Diversity and Representation the Rio Grande Board and Senior Management

The Issuer has not adopted a formal written policy regarding the diversity of the Rio Grande Board or senior management. The Issuer does not believe a formal policy would increase the representation of designated groups beyond how the Issuer currently nominates and appoints individuals to the Rio Grande Board and senior management. The Issuer considers all qualified individuals for each position that may arise.

While the Issuer believes that nominations to the Rio Grande Board and appointments to senior management should be based on merit, the Issuer recognizes that diversity supports balanced debate and discussion which, in turn, enhances decision-making and the level of representation of members of Designated Groups (as defined under the Employment Equity Act) is one factor taken into consideration during the search process for directors and members of the senior management.

In assessing potential directors and members of the senior management, the Issuer focuses on the skills, expertise, experience and independence which the Issuer requires to be effective. Due to the small size of the Rio Grande Board and the management team, and the stage of development of the Issuer's business, the Rio Grande Board believes that the qualifications and experience of proposed new directors and members of senior management should remain the primary consideration in the selection process. The Issuer will include diversity (including the level of representation of members of Designated Groups) as a factor in its future decision-making when identifying and nominating candidates for election or re-election to the Rio Grande Board and for senior management positions.

Director Term Limits and other Mechanisms of Board Renewal

The Issuer has not adopted term restrictions for directors or other mechanism of Rio Grande Board renewal that would limit the time an individual could serve on the Rio Grande Board. Imposing a term limit would require the Issuer to remove an individual that has acquired an extensive knowledge and understanding of the operations of the Issuer. Accordingly, the Issuer believes that removing an individual solely on length of service would not benefit the shareholders of the Issuer. Each member of the Rio Grande Board shall be put forth, for election or re-election, to Rio Grande Shareholders annually.

Assessments

The Issuer does not conduct formal assessments of the Rio Grande Board or its committees as it is at an early stage of development and believes that it can assess Rio Grande Board and committee performance informally through discussions at Rio Grande Board meetings, with input from management. The Issuer will consider adopting formal assessment procedures in the coming year.

Other Board Committees

The Rio Grande Board has no committees other than (i) the Rio Grande Audit Committee, (ii) the Rio Grande Compensation Committee, and (iii) the Rio Grande CG&N Committee.

PLAN OF DISTRIBUTION

No securities, other than those in connection with the Arrangement, were distributed in conjunction with the Issuer's Listing on the CSE. See "Consolidated Capitalization" and "Options to Purchase Securities" for further details on the securities of Rio Grande that were issued pursuant to the Plan of Arrangement.

Listing of Shares

The Issuer has applied to list its Rio Grande Shares for trading on the CSE. Listing of the Rio Grande Shares will be subject to the Issuer fulfilling all of the Listing requirements of the CSE. There can be no guarantee that the Rio Grande Shares will ever be listed on the CSE or any stock exchange.

RISK FACTORS

An investment in securities of a natural resource company involves a significant degree of risk. The degree of risk increases substantially where the issuer's properties are in the exploration stage as opposed to the development stage. As such, an investment in the issuer is highly speculative and involves a high degree of risk and should only be made by investors who can afford to lose their entire investment.

General

The Issuer is in the business of exploring and, if warranted, developing mineral properties, which is a highly speculative endeavour. The securities of the Issuer should be considered a highly speculative investment and investors should carefully consider all of the information disclosed herein prior to making an investment in the Issuer's securities. There are trends and factors that may be beyond the Issuer's control which affect its operations and business. It is not possible for management to predict economic fluctuations and the impact of such fluctuations on its performance. While risk management is part of the Issuer's transactional, operational and strategic decisions, as well as the Issuer's overall management approach, risk management does not guarantee that events or circumstances will not occur which could negatively affect the Issuer's financial condition and performance. No representation is or can be made as to the future performance of the Issuer and there can be no assurance that the Issuer will achieve its objectives.

The risks and uncertainties described below are those the Issuer currently believes to be material, but not necessarily the only ones that could be faced by the Issuer. If any of the following risks, or any other risks and uncertainties that the Issuer has not yet identified or that the Issuer currently considers not to be material, actually occur or become material risks, the Issuer's business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected. The risks discussed below also include forward-looking statements and the Issuer's actual results may differ substantially from those discussed in these forward-looking statements. See "Cautionary Statement Regarding Forward Looking Statements" above for further details.

Risks Related to Mineral Exploration

Exploration and Development Risks

There is no assurance given by the Issuer that the exploration and development programs on the Winston Property will result in the discovery, development or production of a commercially viable deposit or ore body. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Issuer's mineral exploration activities will result in any discoveries of bodies of commercial ore. The economics of developing mineral properties are affected by many factors including capital and operating costs, variations of the grades and tonnages of ore mined, fluctuating metal prices, costs of mining and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Substantial expenditures are required to establish resources or reserves through drilling and other work, to develop metallurgical processes to extract metal from ore, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for exploration and/or development can be obtained on a timely basis. The marketability of any metals or minerals acquired or discovered may be affected by numerous factors which are beyond the Issuer's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for precious and base metals, the proximity and capacity of required processing facilities, mineral markets and required processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

Title Matters

The Issuer provides no assurance that Sierra owns legal title to the Winston Property. The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to any of its mineral claims may come under dispute. While the Issuer has diligently investigated title considerations to its mineral properties, in certain circumstances, the Issuer has only relied upon representations of property partners and government agencies. There is no guarantee of title to the Winston Property. The Winston Property may be subject to prior unregistered agreements or transfers, governmental claims for fees and title may be affected by unidentified and undetected defects and by different interpretations of the law.

Operating Hazards and Other Uncertainties

The Issuer's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risk, including but not limited to:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- labour disputes and shortages;
- supply and shipping problems and delays;
- shortage of equipment and contractor availability;
- unusual or unexpected geological or operating conditions;
- fire;
- changes in the regulatory environment; and
- natural phenomena such as inclement weather conditions, floods and earthquakes.

These or other occurrences could result in damage to, or destruction of, mineral properties, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Issuer could also incur liabilities as a result of pollution and other casualties all of which could be very costly and could have a Material Adverse Effect on the Issuer's financial position and results of operations.

Speculative Nature of Mineral Exploration

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Issuer may be affected by numerous factors which are beyond the control of the Issuer and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Issuer not receiving an adequate return of investment capital. There is no assurance that the Issuer's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Issuer's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Permits and Licenses Risks

The operations of the Issuer will require licenses and permits from various governmental authorities in the United States. The Issuer believes it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct and intends to comply in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that the Issuer will be able to obtain and maintain, at all times, all licenses and permits required to undertake its proposed exploration or to place its properties into commercial production and to operate mining facilities if its exploration programs are successful. Amendments to current laws and regulations governing the operations and activities of the Issuer and the more stringent implementation thereof could have a substantial adverse impact on the business, financial condition and the results of operations of the Issuer. Obtaining necessary permits, leases and licenses can be a complex, time-consuming process and the Issuer cannot be certain that it will be able to obtain necessary permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits, leases and licenses and complying with these permits and applicable laws and regulations could stop, delay or restrict the Issuer from proceeding with the development of an exploration project or the development and operation of a mine. Any failure to comply with applicable laws and regulations or permits could result in interruption or closure of exploration, development or mining operations, or fines, penalties or other liabilities. The Issuer could also lose its licenses or permits under the terms of its existing agreements.

Climate Change Risks

Governments are moving to introduce climate change legislation and treaties at the international, national, provincial/state and local levels. Regulations relating to greenhouse gas emission levels (such as carbon taxes) and energy efficiency are becoming more stringent. If the current regulatory trend continues, and the increased transitional risks evolve as society and industry work to reduce their reliance on carbon, the Issuer's operating costs could increase at its operations. In addition, the physical risks of climate change may also have an adverse effect on the Issuer's operations. These physical risks include changes in rainfall rates, rising sea levels, reduced water availability, higher temperatures, increased snowpack and extreme weather events. Such events could materially disrupt the Issuer's operations if they affect any of the Issuer's property sites, impact local infrastructure or threaten the health and safety of the Issuer's employees and contractors, and there can be no assurances that the Issuer will be able to predict, respond to, measure, monitor or manage the physical risks posed as a result of climate change factors. Climate-related risks could also result in shifts in demand for certain commodities, including precious metals. The Issuer's operations are exposed to climate-related risks as a result of geographical location. The Issuer's operations may be adversely affected by climate change factors.

The occurrence of any climate change violation or enforcement action may have an adverse impact on the Issuer's operations, the Issuer's reputation and could adversely affect the Issuer's results of operations. As well, environmental hazards caused by third parties may exist on a property in which the owners or operators of the mining projects are

not aware at present, and which could impair the commercial success, levels of production and continued feasibility and project development and mining operations on these properties.

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on supply chain disruptions may adversely affect the Issuer's business, financial condition and results of operations. The extent and duration of the current Russia-Ukraine conflict and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified herein, including those relating to commodity price volatility and global financial conditions. The situation is rapidly changing and unforeseeable impacts, including on the Issuer's shareholders and counterparties on which the Issuer rely and transact, may materialize and may have an adverse effect on the Issuer's business, results of operation and financial condition.

The most recent conflict in Israel may have additional adverse effects on the Issuer's business due to possible war, sanctions and changes to commodity prices and financial markets.

Estimates of Mineral Deposits

The Issuer provides no assurance that any estimates of mineral deposits or resources will materialize on any of its properties. No assurance can be given that any identified mineralization will be developed into a coherent mineralization deposit, or that such deposit will even qualify as a commercially viable and mineable ore body that can be legally and economically exploited. Estimates regarding mineralized deposits can also be affected by many factors such as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grades and tonnages of ore ultimately mined may differ from that indicated by drilling results and other exploration and development work. There can be no assurance that test work and results conducted and recovered in small-scale laboratory tests will be duplicated in large-scale tests under on-site conditions. Material changes in mineralized tonnages, grades, dilution and stripping ratios or recovery rates may affect the economic viability of projects. The existence of mineralization or mineralized deposits should not be interpreted as assurances of the future delineation of ore reserves or the profitability of any future operations.

Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose resource development can be vocal critics of the mining industry regardless of merit. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Issuer seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the jurisdictions in which it owns properties, NGOs or local community organizations could direct adverse publicity and/or disrupt the Issuer's operations in respect of one or more of its properties due to political factors, activities of unrelated third parties on lands in which it has an interest or its operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the Issuer's reputation and financial condition or its relationships with the communities in which it operates, which could have a Material Adverse Effect on its business, financial condition, results of operations, cash flows or prospects.

Environmental and Other Regulatory Requirements

The Issuer provides no assurance that it has met all environmental or regulatory requirements. The current or future operations of the Issuer, including exploration and development activities and commencement of production on its properties, require permits from various foreign, federal, state and local governmental authorities and such operations

are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required in order for the Issuer to commence exploration, development or production on its various properties will be obtained. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, are necessary prior to operation of the other properties in which the Issuer has interests and there can be no assurance that the Issuer will be able to obtain or maintain all necessary permits that may be required to commence exploration, construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration, development and mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. New laws or regulations or amendments to current laws, regulations and permit governing operations and activities of exploration and mining companies, or more stringent implementation of current laws, regulations or permits, could have a Material Adverse Effect on the Issuer and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Reclamation

Land reclamation requirements for the Issuer's properties may be burdensome. There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of any potential waste rock and/or tailings and/or revisions to government regulations. Therefore, additional funds, or reclamation bonds or other forms of financial assurance may be required over the tenure of the Issuer's properties to cover potential risks. These additional costs may have Material Adverse Effect on the financial condition and results of the Issuer.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Geopolitical Risks

The Issuer may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Issuer cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Issuer and may adversely affect its business.

Litigation Affecting Mineral Properties

Potential litigation may arise on a mineral property on which the Issuer has an interest (for example, litigation with the original property owners or neighbouring property owners). The results of litigation cannot be predicted with certainty and defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. If the Issuer is unable to resolve these disputes favourably or if the cost of the resolution is substantial, such events may have a Material Adverse Effect on the ability of the Issuer to carry out its business plan.

Enforcement of Judgments Against Foreign Persons or Companies

Mineoro is incorporated under the laws of a foreign jurisdiction. Mineoro has appointed the following agent for service or process:

Name of Person or Company	**Name and Address of Agent**
Mineoro	Michael N. Feinstein 105 Angelina Cove Georgetown, Texas 78633 U.S.A.

Future Investors are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

Uninsured Risks

The Issuer provides no assurance that it is adequately insured against all risks. The Issuer maintains insurance in such amounts as it considers to be reasonable, however, such insurance may not cover all the potential risks associated with its activities, including any future mining operations. The Issuer may not be able to obtain or maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration or production may not be available to the Issuer on acceptable terms. The Issuer might also become subject to liability for pollution or other hazards which it is does not insure against or in future may not insure against because of premium costs or other reasons. Losses from these events may cause the Issuer to incur significant costs which could have a Material Adverse Effect on the Issuer's business, financial condition, results of operations or prospects.

Competition

The Issuer competes with larger, better capitalized competitors in the mining industry and the Issuer provides no assurance that it can compete for mineral properties, future financings, technical expertise, the recruitment and retention of qualified employees and the purchase or lease of equipment and third-party servicing companies.

Fluctuating Mineral Prices

The Issuer's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Issuer's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Issuer may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Issuer's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Issuer's mineral properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Issuer's mineral properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual, or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect the Issuer's operation.

Property Interests

If the Issuer loses or abandons its interest in the Winston Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the CSE. There is also no guarantee that the CSE will approve the acquisition of any additional properties by the Issuer, whether by way of option or otherwise, should the Issuer wish to acquire any additional properties. Unless the Issuer acquires additional property interests, any adverse developments affecting the Winston Property could have a Material Adverse Effect upon the Issuer and would materially and adversely affect any profitability, financial performance and results of operations of the Issuer.

Risks Related to the Issuer

Limited Operating History

The Issuer is subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered during these early stages of operations. The Issuer expects to generate earnings in the near future. The success of the Issuer will depend entirely on the expertise, ability, judgment, discretion, integrity and good faith of its management.

Dependence on Key Individuals

The Issuer is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on it. The Issuer does not maintain key-person insurance on the life of any of its personnel. In addition, while certain of the Issuer's officers and directors have experience in the exploration of mineral producing properties, the Issuer will remain highly dependent upon contractors and third parties in the performance of its exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Issuer or be available upon commercially acceptable terms.

Conflicts of Interest

The Issuer provides no assurance that its directors and officers will not have conflicts of interest from time to time. The Issuer's directors and officers may serve as directors or officers of other mineral exploration and development companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the Issuer's directors and management may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The interests of these companies may differ from time to time. In the event that such a conflict of interest arises at a meeting of the Issuer's directors, a director who has such a conflict will abstain from voting for or against any resolution involving any such conflict. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of

the Province of British Columbia, the directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer. In determining whether the Issuer will participate in any particular exploration or mining project at any given time, the directors will primarily consider the upside potential for the project to be accretive to shareholders, the degree of risk to which the Issuer may be exposed and its financial position at that time.

In connection with the above, the Issuer acknowledges that Raymond Strafehl is a director of Crown Minerals Corp., a private company which holds title to claims which share a border with the Winston Property. Such association may give rise to conflicts of interest from time to time.

Liability for Actions of Employees, Contractors and Consultants

The Issuer could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Issuer.

The Issuer is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless or negligent conduct or disclosure of unauthorized activities to the Issuer that violates: (i) government regulations; (ii) manufacturing standards; (iii) fraud and abuse laws and regulations; or (iv) laws that require the true, complete, and accurate reporting of financial information or data. It is not always possible for the Issuer to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Issuer to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Issuer from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Issuer, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, the curtailment of the Issuer's operations or asset seizures, any of which could have a Material Adverse Effect on the Issuer's business, financial condition and results of operations.

Breach of Confidentiality

While discussing potential business relationships or other transactions with third parties, the Issuer may disclose confidential information relating to the business, operations, or affairs of the Issuer. Although confidentiality agreements are to be signed by third parties prior to the disclosure of any confidential information, a breach of such confidentiality agreement could put the Issuer at competitive risk and may cause significant damage to its business. The harm to the Issuer's business from a breach of confidentiality cannot presently be quantified but may be material and may not be compensable in damages. There can be no assurance that, in the event of a breach of confidentiality, the Issuer will be able to obtain equitable remedies, such as injunctive relief from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

Reporting Issuer Status

Being a reporting issuer, the Issuer is subject to reporting requirements under applicable securities law, the Listing requirements of the CSE and other applicable securities rules and regulations. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Issuer is required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Issuer's business and results of operations. The Issuer may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

First Nations Land Claims

The Winston Property or other future properties owned or optioned by the Issuer may now or in the future be the subject of Indigenous land claims. The future impact of such claims on the access, title or the right and ability to perform work on the Winston Property or other properties remains unclear but can limit exploration and increase the costs of exploration.

Financial Risks

No Operating Revenue

The Issuer is in the early stages of its business and has no source of operating revenue and will rely on equity financings to provide sufficient capital resources to undertake its business objectives.

Substantial Capital Expenditures Required

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Additional Financing

The continued development of the Issuer will require additional financing. There is no guarantee that the Issuer will be able to achieve its current business strategy. The Issuer intends to fund its business objectives by way of additional offerings of equity or debt financing as well as through anticipated positive cash flow from operations in the future. The failure to raise or procure such additional funds or the failure to achieve positive cash flow could result in the delay or indefinite postponement of current business objectives. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on terms acceptable to the Issuer. If additional funds are raised by offering equity securities, existing shareholders could suffer significant dilution. The Issuer will require additional financing to fund its operations until positive cash flow is achieved.

Going Concern Risk

The Rio Grande Financial Statements, the Sierra Financial Statements, and the Rio Grande Pro Forma Financial Statements, attached as Schedules "G", "H" and "I" to this Listing Statement respectively, have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Issuer's future operations are dependent upon the identification and successful completion of equity or debt financings and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Issuer will be successful in completing equity or debt financings or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classifications of assets and liabilities that would be necessary should the Issuer be unable to continue is a going concern.

Increased Costs of Being a Publicly Traded Issuer

As the Issuer is anticipated to have publicly-traded securities, significant legal, accounting and filing fees will be incurred that are not presently being incurred. Securities legislation and the rules and policies of the CSE require publicly listed companies to, among other things, adopt corporate governance policies and related practices and to continuously prepare and disclose material information, all of which will significantly increase legal, financial and securities regulatory compliance costs.

The Issuer's Insurance Policies May Not Be Sufficient to Cover All Claims

The Issuer's business is subject to a number of risks and hazards generally, including accidents, labour disputes, and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death,

delays in operations, monetary losses and possible legal liability. Although the Issuer intends to continue to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations. The Issuer may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

The Issuer may also become subject to liability for pollution or other hazards which may not be insured against or which the Issuer may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Issuer to incur significant costs that could have a Material Adverse Effect upon its financial performance and results of operations.

Claims and Legal Proceedings

The Issuer or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Issuer may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Issuer to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a Material Adverse Effect on the Issuer's business, operating results or financial condition.

Internal Control Systems

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Historical Negative Cash Flow and No Assurance of Profitability

Sierra, the direct owner of the Winston Property, had negative cash flow from operating activities during the financial year ended March 31, 2024, and there are no assurances that the Issuer will not experience negative cash flows in the future. Sierra has experienced net losses in the past and the Issuer may incur similar losses in the future until and unless it can derive sufficient cash flows from its investments in mineral projects. Future negative cash flows could have an adverse effect on the market price of the Rio Grande Shares.

The Issuer has no history of earnings and due to the nature of its business there can be no assurance that the Issuer will ever be profitable. The Issuer has not paid dividends on its Rio Grande Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Issuer is from the sale of its Rio Grande Shares or from the sale or optioning of a portion of its interest in its resource properties. Even if the results of exploration are encouraging, the Issuer may not have sufficient funds to conduct the further exploration that may be necessary to determine whether a commercial deposit exists. While the Issuer may generate additional working capital through further equity offerings or through the sale or syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Issuer at risk.

Risks Related to the Issuer's Securities

No Established Market

Listing is subject to the Issuer fulfilling all the Listing requirements of the CSE. There is currently no market through which the Issuer's securities may be sold and purchasers may not be able to resell any of their securities. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation.

Price May Not Represent the Issuer's Performance or Intrinsic Fair Value

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the Issuer, including the market in which it is traded, the strength of the economy generally, the availability of the attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Rio Grande Shares on the CSE in the future cannot be predicted.

Price Volatility of Publicly Traded Securities

The Rio Grande Shares do not currently trade on any exchange or stock market. Securities of junior companies have experienced substantial volatility in the past.

Commodity Prices

The Issuer has no control over future commodity prices. The mining industry is competitive and commodity prices fluctuate constantly so that there is no assurance, even if commercial quantities of a mineral resource are discovered, that a profitable market will exist for the sale of same. Factors beyond the control of the Issuer may affect the marketability of any substances discovered. The prices of precious and base metals fluctuate on a daily basis, have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the Issuer's control, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the U.S. dollar relative to other currencies), interest rates, central bank transactions, world supply for precious and base metals, international investments, monetary systems, and global or regional consumption patterns (such as the development of gold coin programs), speculative activities and increased production due to improved mining and production methods. The supply of and demand for precious and base metals are affected by various factors, including political events, economic conditions and production costs in major producing regions, and governmental policies with respect to precious metal holdings by a nation or its citizens. The exact effect of these factors cannot be accurately predicted, and the combination of these factors may result in the Issuer not receiving adequate returns on invested capital or the investments retaining their respective values. There is no assurance that the prices of gold, silver and other precious and base metals will be such that the Issuer's properties can be mined at a profit. The Issuer is particularly exposed to the risk of movement in the price of copper, nickel and cobalt. Declining market prices for silver and/or gold could have a material effect on the Issuer's perceived value and profitability potential.

Dilution

Future sales or issuances of equity securities could decrease the value of the Rio Grande Shares, dilute shareholders' voting power and reduce future potential earnings per Rio Grande Share. The Issuer may sell additional equity securities in subsequent offerings (including through the sale of securities convertible into Rio Grande Shares) and may issue additional equity securities to finance the Issuer's operations, development, exploration, acquisitions or other projects. The Issuer cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Issuer's earnings per Rio Grande Share.

Cost Estimates May Not be Accurate

The Issuer prepares budgets and estimates of cash costs and capital costs for the Issuer's operations and the Issuer's main costs relate to material costs, workforce and contractor costs, and energy costs. As a result of the substantial expenditures involved in the exploration and development of mineral projects and the fluctuation of costs over time, projects may be prone to material cost overruns. The Issuer's actual costs may vary from estimates for a variety of reasons, including short-term operating factors; revisions to exploration and development plans; risks and hazards associated with exploration, development and mining; natural phenomena, such as inclement weather conditions, water availability and unexpected labour issues, labour shortages, strikes or community blockades and quality of

existing infrastructure being less than expected. Many of these factors are beyond the Issuer's control and the inaccuracy of any estimates may result in the Issuer requiring additional capital and time to execute on its development and exploration plans.

Substantial Number of Authorized but Unissued Shares

The Issuer has an unlimited number of Rio Grande Shares which may be issued by the Rio Grande Board without further action or approval of the Rio Grande Shareholders. While the Rio Grande Board is required to fulfil its fiduciary obligations in connection with the issuance of such Rio Grande Shares, the Rio Grande Shares may be issued in transactions with which not all Rio Grande Shareholders agree, and the issuance of such Rio Grande Shares will cause dilution to the ownership interests of Rio Grande Shareholders.

Potential Volatility of Market Price of Common Shares and Related Litigation Risks

Securities of publicly listed companies have, from time to time, experienced significant price and volume fluctuations unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the market price of the Rio Grande Share. In addition, the market price of the Rio Grande Shares are likely to be highly volatile. Factors such as gold prices, the average volume of Rio Grande Share traded, announcements by competitors, changes in stock market analysts' recommendations regarding the Issuer, and general market conditions and attitudes affecting other exploration and mining companies may have a significant effect on the market price of the Rio Grande Shares. It is likely that the Issuer's results or development and exploration activities may fluctuate significantly or may fail to meet the expectations of stock market analysts and investors and, in such event, the market price of the Rio Grande Shares could be materially adversely affected. In the past, securities class action litigation has often been initiated following periods of volatility in the market price of a company's securities. Such litigation, if brought against the Issuer, could result in substantial costs and a diversion of management's attention and resources, which could have a Material Adverse Effect on the Issuer's business, financial position and results of operations.

Future Sales of Shares by Existing Shareholders

Sales of a large number of Rio Grande Shares in the public markets, or the potential for such sales, could decrease the trading price of the Rio Grande Shares and could impair the Issuer's ability to raise capital through future sales of Rio Grande Shares.

Dividends

The Issuer has not paid dividends in the past and does not anticipate paying dividends in the near future. The Issuer expects to retain its current capital and future earnings to finance further growth.

Tax Issues

Income tax consequences in relation to the Rio Grande Shares will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers prior to investing in Rio Grande Shares.

Changes in Tax Laws Impacting the Issuer

There can be no assurance that new tax laws, regulations, policies or interpretations will not be enacted or brought into being in the jurisdictions where the Issuer has interests that could have a Material Adverse Effect on the Issuer. Any such change or implementation of new tax laws or regulations could adversely affect the Issuer's ability to conduct its business. No assurance can be given that new taxation rules or accounting policies will not be enacted or that existing rules will not be applied in a manner which could result in the profits of the Issuer being subject to additional taxation or which could otherwise have a Material Adverse Effect on the profitability of the Issuer, the Issuer's results of operations, financial condition and the trading price of the Issuer's securities. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make royalties or other investments and dispositions by the Issuer less attractive to

counterparties. Such changes could adversely affect the ability of the Issuer to acquire new assets or make future investments and dispositions.

As of the date of this Listing Statement, the Issuer is not aware of any factors which would cause a risk that securityholders of the Issuer may become liable to make an additional contribution beyond the price of their respective securities.

As of the date of this Listing Statement, the Issuer is not aware of any material risk factors material to the Issuer that a reasonable investor would consider relevant to an investment in the securities being listed and that are not otherwise described under this section.

Additional Risk Factors relating to the Issuer are disclosed in the Rio Grande Financial Statements and related MD&A, the Sierra Financial Statements and related MD&As, and the Rio Grande Pro Forma Financial Statements, attached as Schedules "G", "H" and "I" to this Listing Statement respectively.

PROMOTERS

The CEO and sole director of the Issuer, Jason Barnard, may be considered to be the "**promoter**" of the Issuer, as that term is defined in the *Securities Act* (British Columbia), having taken the initiative in substantially reorganizing the business of the Issuer since his appointment in July of 2024. See "*Directors and Officers*" and "*Statement of Executive Compensation*" for disclosure regarding shareholdings, compensation, penalties, bankruptcies and sanctions.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings outstanding, threatened or pending as of the date of this Listing Statement by or against the Issuer or Sierra which would be material to a purchaser of securities of the Issuer.

Regulatory Actions

There have not been any penalties or sanctions imposed against the Issuer or Sierra by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Issuer or Sierra, and neither the Issuer nor Sierra have entered into any settlement agreements before a court relating to provincial, state or territorial securities legislation or with a securities regulatory authority, as of the date of this Listing Statement or since its incorporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed below and elsewhere in this Listing Statement, no director, executive officer or principal shareholder of the Issuer, or Associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction prior to the date hereof that has materially affected or which is reasonably expected to materially affect Foremost.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditor

The auditor of the Issuer is Davidson & Company LLP, Chartered Professional Accountants, of 1200-609 Granville Street, Vancouver, BC, V7Y 1HR.

Transfer Agent and Registrar

The registrar and Transfer Agent of the Rio Grande Shares is Odyssey Trust Company, of 350-409 Granville Street, Vancouver, BC, V6C 1T2.

EXPERTS

Names of Experts

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company named in this Listing Statement as having prepared or certified a report, valuation, statement or opinion in this Listing Statement:

Davidson & Company LLP, auditor of the Issuer, who prepared the independent auditor's report in connection with (i) the Rio Grande Financial Statements for the period from incorporation on July 29, 2024 to July 31, 2024 and (ii) the Sierra Financial Statement for the years ended March 31, 2024, 2023 and 2022, has informed the Issuer that it is independent of the Issuer within the meaning of the code of professional conduct of the Chartered Professional Accountants of British Columbia.

Jocelyn Pelletier, Msc, SEG-F, P.Geo and Michael N. Feinstein, CPG, PhD, both a "qualified person" under NI 43-101, prepared the Winston Property Report.

Ms. Pelletier is an independent consulting geologist who has no interest in the Issuer, the Issuer's securities or the Winston Property. While not independent pursuant to Section 1.5 of NI 43-101, Mr. Feinstein is a contracted advisor and not an employee of Foremost or Rio Grande. His fee for the Winston Property Report was paid in accordance with standard industry fees for work of this nature and was not dependent in whole or in part on any prior or future engagement or understanding resulting from the conclusions of the Winston Property Report.

Interest of Experts

As at the date of this Listing Statement, none of the persons set out under the heading "Experts – Names of Experts" above have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Issuer or of its Associates or affiliates when such person prepared the report, valuation, statement or opinion aforementioned or thereafter.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Issuer within two (2) years prior to the date of this Listing Statement which are currently in effect and considered to be currently material:

1. Arrangement Agreement dated July 29, 2024, as amended and restated on November 4, 2024, between the Issuer an Foremost. See "Description of the Business – The Arrangement".

2. RHET Waiver dated September 30, 2024, issued by Robert Howe Educational Trust, by its Trustee ESB Financial in favour of Sierra. See "Mineral Properties – Ivanhoe/ Emporia Claims".

3. Rio Grande Promissory Note dated November 4, 2024, issued by the Issuer in favour of Jason Barnard and Christina Barnard. See "Description of the Business – The Arrangement".

4. Foremost Promissory Note dated November 4, 2024, issued by the Issuer in favour of Foremost. See "Description of the Business – The Arrangement".

OTHER MATERIAL FACTS

There are no material facts about the securities of the Issuer that are not disclosed under any other items and are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities of the Issuer.

FINANCIAL STATEMENTS

The Rio Grande Financial Statements and related MD&A, the Sierra Financial Statements and related MD&As, and Rio Grande Pro Forma Financial Statements are attached as Schedules "G", "H" and "I" respectively to this Listing Statement.

CERTIFICATE OF ISSUER

The undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Listing Application and of any material fact not otherwise required to be disclosed under an item of this Listing Application.

DATED January 31, 2025

/s/ "*Jason Barnard*"	*/s/* "*Curtis Bouwman*"
Jason Barnard Chief Executive Officer	Curtis Bowman Chief Financial Officer
/s/ "*Raymond Strafehl*"	*/s/* "*Richard Silas*"
Raymond Strafehl Director	Richard Silas Director

CERTIFICATE OF PROMOTER

The undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Listing Application and of any material fact not otherwise required to be disclosed under an item of this Listing Application.

DATED January 31, 2025

/s/ "*Jason Barnard*"
Jason Barnard

SCHEDULE "A"
THE RIO GRANDE INCENTIVE PLAN

(See attached)

RIO GRANDE RESOURCES LTD.

OMNIBUS LONG-TERM INCENTIVE PLAN

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RIO GRANDE RESOURCES LTD.
OMNIBUS LONG-TERM INCENTIVE PLAN

Rio Grande Resources Ltd. (the "**Corporation**") hereby establishes an Omnibus Long-Term Incentive Plan for certain qualified directors, officers, employees, consultants and management company employees providing ongoing services to the Corporation and its Affiliates (as defined herein) that can have a significant impact on the Corporation's long-term results.

ARTICLE 1 - DEFINITIONS

Section 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:

"**Affiliates**" has the meaning given to this term in the *Securities Act* (British Columbia), as such legislation may be amended, supplemented or replaced from time to time;

"**Award Agreement**" means an Option Agreement, RSU Agreement, PSU Agreement, DSU Agreement or an Employment Agreement, as the context requires;

"**Awards**" means Options, RSUs, PSUs and DSUs granted to a Participant pursuant to the terms of the Plan;

"**Black-Out Period**" means the period of time required by applicable law or as imposed by the Corporation as a result existence of undisclosed Material Information (as such term is defined in the policies of the CSE, as amended, supplemented or replaced from time to time) when, pursuant to any policies or determinations of the Corporation, securities of the Corporation may not be traded by insiders or other specified persons;

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

"**Broker**" has the meaning ascribed thereto in Section 7.4(2) hereof;

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

"**Cash Equivalent**" means in the case of Share Units, the amount of money equal to the Market Value multiplied by the number of vested Share Units in the Participant's Account, net of any applicable taxes in accordance with Section 7.4, on the Share Unit Settlement Date;

"**Change of Control**" means unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events: (a) any transaction (other than a transaction described in clause (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 (A) upon the exercise or settlement of options or other securities granted by the Corporation under any of the Corporation's equity incentive plans; or (B) as a result of the conversion of the multiple voting shares in the capital of the Corporation into Shares; upon the consummation of 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; (b) the sale, lease, exchange, license or other disposition of all or substantially all of the Corporation's assets to a person other than a person that was an Affiliate of the Corporation at the time of such sale, lease, exchange, license or other disposition, other than a sale, lease, exchange, license or other disposition to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are beneficially owned by shareholders of the Corporation in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such sale, lease, exchange, license or other disposition; (c) 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 in one or more transactions or series of transactions 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 (d) individuals who, on the effective date, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board; 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; provided, however, that for purposes of any Award that constitutes “deferred compensation” (within the meaning of Section 409A of the Code), the payment of which would be required upon, or accelerated upon, a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Participant unless the transaction qualifies as “a change in control event” within the meaning of Section 409A of the Code;

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

"**Code of Ethics**" means any code of ethics adopted by the Corporation, as modified from time to time;

"**Corporation**" means Rio Grande Resources Ltd., a corporation existing under the *Business Corporations Act* (British Columbia), as amended from time to time;

"**CSE**" means the Canadian Securities Exchange;

"**DSUs**" have the meaning ascribed thereto in Section 4.8 hereof, which is a bookkeeping entry equivalent in value to a Share credited to a Participant’s account, and may only be awarded to Non-Employee Directors;

"**DSU Agreement**" means a written notice from the Corporation to a Participant evidencing the grant of DSUs and the terms and conditions thereof, substantially in the form of Appendix “D”, or such other form as the Board may approve from time to time;

"**Eligible Participants**" has the meaning ascribed thereto in Section 2.4 hereof;

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

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

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

"**Expiry Date**" has the meaning ascribed thereto in Section 3.4 hereof;

"**Market Value**" means at any date when the market value of Shares and for all Awards of the Corporation is to be determined, the greater of the closing market price of the Shares on the Trading Day prior to the date of grant or the date of grant on the principal stock exchange on which the Shares are listed but in any event being not less than $0.05, or if the Shares of the Corporation are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith;

"**Non-Employee Directors**" means members of the Board who, at the time of execution of an Award Agreement, if applicable, and at all times thereafter while they continue to serve as a member of the Board, are not officers, senior executives or other employees of the Corporation or a Subsidiary, consultants or service providers providing ongoing services to the Corporation or its Affiliates;

"**Option**" means an option granted to the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Exercise Price, but subject to the provisions hereof;

"**Option Agreement**" means a written notice from the Corporation to a Participant evidencing the grant of Options and the terms and conditions thereof, substantially in the form set out in Appendix "A", or such other form as the Board may approve from time to time;

"**Participant's Account**" means an account maintained to reflect each Participant's participation in RSUs and/or PSUs under the Plan;

"**Participants**" means Eligible Participants that are granted Awards under the Plan;

"**Performance Criteria**" means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or the financial performance of the Corporation and/or of its Affiliates, and that may be used to determine the vesting of the Awards, when applicable;

"**Performance Period**" means the period determined by the Board pursuant to Section 4.4 hereof;

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

"**Plan**" means this Omnibus Long-Term Incentive Plan, as amended and restated from time to time;

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

"**PSU Agreement**" means a written notice from the Corporation to a Participant evidencing the grant of PSUs and the terms and conditions thereof, substantially in the form of Appendix “C”, or such other form as the Board may approve from time to time;

"**Restriction Period**" means the period determined by the Board pursuant to Section 4.3 hereof;

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

"**RSU Agreement**" means a written notice from the Corporation to a Participant evidencing the grant of RSUs and the terms and conditions thereof, substantially in the form of Appendix “B”, or such other form as the Board may approve from time to time;

"**Share Compensation Arrangement**" means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more Non-Employee Directors, officers, employees or insiders of the Corporation or a Subsidiary. For greater certainty, a "Share Compensation Arrangement" does not include a security-based compensation arrangement used as an inducement to person(s) or company(ies) not previously employed by and not previously an insider of the Corporation;

"**Share Unit**" means a RSU or PSU awarded thereon, as the context requires;

"**Share Unit Settlement Date**" has the meaning determined in Section 4.6(1)(a);

"**Share Unit Settlement Notice**" means a notice by a Participant to the Corporation electing the desired form of settlement of vested RSUs or PSUs in the form set out in Appendix “G” (or Appendix “H” for U.S. Participants), or such other form as the Board may approve from time to time;

"**Share Unit Vesting Determination Date**" has the meaning described thereto in Section 4.5 hereof;

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

"**Stock Exchange**" means the CSE or such other principal stock exchange (if not the CSE) upon which the Shares may be listed, as applicable from time to time;

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

"**Successor Corporation**" has the meaning ascribed thereto in Section 6.1(3) hereof;

"**Surrender**" has the meaning ascribed thereto in Section 3.6(3);

"**Surrender Notice**" has the meaning ascribed thereto in Section 3.6(3);

"**Tax Act**" means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

"**Termination Date**" means the date on which a Participant ceases to be an Eligible Participant;

"**Trading Day**" means any day on which the Stock Exchange is opened for trading;

"**U.S. Participant**" means any Participant who is a United States citizen or United States resident alien as defined for purposes of Section 7701(b)(1)(A) of the Code or for whom an Award is otherwise subject to taxation under the Code; and

"**VWAP**" means the volume weighted average trading price of the Shares on the CSE calculated by dividing the total value by the total volume of such securities traded for the five (5) Trading Days immediately preceding the exercise of the subject Option.

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

Section 2.1 Purpose of the Plan.

The purpose of this Plan is to advance the interests of the Corporation by: (i) providing Eligible Participants with additional incentives; (ii) encouraging stock ownership by such Eligible Participants; (iii) increasing the proprietary interest of Eligible Participants in the success of the Corporation; (iv) promoting growth and profitability of the Corporation; (v) encouraging Eligible Participants to take into account long- term corporate performance; (vi) rewarding Eligible Participants for sustained contributions to the Corporation and/or significant performance achievements of the Corporation; and (vii) enhancing the Corporation's ability to attract, retain and motivate Eligible Participants.

Section 2.2 Implementation and Administration of the Plan.

(1) Subject to Section 2.3, this Plan will be administered by the Board.

(2) Subject to the terms and conditions set forth in this Plan, the Board is authorized to provide for the granting, exercise and method of exercise of Awards, all at such times and on such terms (which may vary between Awards granted from time to time) as it determines. In addition, the Board has the authority to (i) construe and interpret this Plan and all certificates, agreements or other documents provided or entered into under this Plan; (ii) prescribe, amend and rescind rules and regulations relating to this Plan; and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board will be binding on all Participants and on their legal, personal representatives and beneficiaries.

(3) No member of the Board will be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan, any Award Agreement or other document or any Awards granted pursuant to this Plan.

(4) The day-to-day administration of the Plan may be delegated to such committee of the Board and/or such officers and employees of the Corporation as the Board determines from time to time.

(5) Subject to the provisions of this Plan, the Board has the authority to determine the limitations, restrictions and conditions, if any, applicable to the exercise of an Award.

Section 2.3 Delegation to Committee.

Despite Section 2.2 or any other provision contained in this Plan, the Board has the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member of the Board. In such circumstances, all references to the Board in this Plan include reference to such committee and/or member of the Board, as applicable.

Section 2.4 Eligible Participants.

(1) The Persons who shall be eligible to receive Awards ("**Eligible Participants**") shall be the bona fide Non-Employee Directors, officers, employees, consultants, contractors and service providers of the Corporation or a Subsidiary, providing ongoing services to the Corporation and its Affiliates. The Corporation shall be responsible for ensuring and confirming that such person is a bona fide Eligible Participant.

(2) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship, employment or appointment with the Corporation.

(3) 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 of employment or appointment by the Corporation.

Section 2.5 Shares Subject to the Plan.

(1) Subject to adjustment pursuant to provisions of Article 6 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan shall not exceed fifteen percent (15%) of the total issued and outstanding Shares from time to time or such other number as may be approved by the Stock Exchange and the shareholders of the Corporation from time to time, determined on the date of a grant of an Award, provided that at all times when the Corporation is listed on the CSE, the requisite shareholder approval required by policies of the CSE then in force must be obtained.

(2) Shares in respect of which an Award is granted under the Plan, but not exercised prior to the termination of such Award or not vested or settled prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Shares issued pursuant to the exercise or the vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Shares.

ARTICLE 3 - OPTIONS

Section 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 Exercise Price, subject to the provisions hereof.

Section 3.2 Option Awards.

(1) The Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) determine 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, (iii) determine the price per Share to be payable upon the exercise of each such Option (the "**Exercise Price**"), (iv) determine the relevant vesting provisions (including Performance Criteria, if applicable) and (v) determine the Expiry Date, the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the Stock Exchange.

(2) The Board shall have the authority to determine the vesting terms applicable to grants of Options, and such vesting terms will be described in the Option Agreement.

Section 3.3 Exercise Price.

The Exercise Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted but shall not be less than the Market Value of such Shares at the time of the grant.

Section 3.4 Expiry Date; Blackout Period.

Subject to Section 6.2, each Option must be exercised no later than ten (10) years after the date the Option is granted or such shorter period as set out in the Participant's Option Agreement, at which time such Option will expire (the "**Expiry Date**"). Notwithstanding any other provision of this Plan, each Option that would expire during a Black-Out Period shall expire on the date that is ten (10) Business Days immediately following the expiration of the Black-Out Period.

Section 3.5 Exercise of Options.

(1) Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.

(2) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board may determine in its sole discretion.

(3) No fractional Shares will be issued upon the exercise of Options granted under this 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 6.1, 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.

Section 3.6 Method of Exercise and Payment of Purchase Price.

(1) Subject to the provisions of the Plan and the alternative exercise procedures set out herein, an Option granted under the Plan may be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering an Exercise Notice to the Corporation in the form and manner determined by the Board from time to time, together with cash, a bank draft or certified cheque in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Options and any applicable tax withholdings.

(2) In lieu of exercising any vested Option in the manner described in this Section 3.6(1) or Section 3.6(2), and pursuant to the terms of this Article 3, a Participant may, by surrendering an Option ("**Surrender**") with a properly endorsed notice of Surrender to the Corporate Secretary of the Corporation, substantially in the form of Schedule "B" to the Option Agreement (a "**Surrender Notice**"), elect to receive that number of Shares equal to the quotient obtained by dividing:

(A) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options; by

(B) the VWAP of the underlying Shares, and

such Surrender shall be subject to Board approval at all times.

(3) Upon the exercise of an Option pursuant to Section 3.6(1) or Section 3.6(3), the Corporation shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to deliver to the Participant such number of Shares as the Participant shall have then paid for and as are specified in such Exercise Notice.

ARTICLE 4 - SHARE UNITS

Section 4.1 Nature of Share Units.

A Share Unit is an Award entitling the recipient to acquire Shares, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives.

Section 4.2 Share Unit Awards.

(1) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs and/or PSUs under the Plan, (ii) fix the number of RSUs and/or PSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs and/or PSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions (including, in the case of PSUs, the applicable Performance Period and Performance Criteria, if any) and Restriction Period of such RSUs and/or PSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.

(2) Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement and/or PSU Agreement, the Board shall determine whether each RSU and/or PSU awarded to a Participant shall entitle the Participant: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one Share; or (iii) to elect to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares. For greater certainty, RSUs shall only be granted to a Participant in consideration for future services to be provided by the Participant to the Corporation and if such RSU grants are made at the discretion of the Board on a quarterly basis, each such RSU grant shall be made in advance of the quarter to which it relates and shall vest at the Share Unit Vesting Determination Date inclusive of such relevant quarter.

(3) Share Units shall be settled by the Participant at any time beginning on the first Business Day following their Share Unit Vesting Determination Date but no later than the Share Unit Settlement Date.

(4) The Board shall have the authority to determine the vesting terms applicable to grants of RSUs, , and such vesting terms will be described in the RSU Agreements.

(5) If applicable, each Non-Employee Director may elect to receive all or a portion his or her annual retainer fee in the form of a grant of RSUs in each calendar year. The number of RSUs shall be calculated as the amount of the Non-Employee Director's annual retainer fee elected to be paid by way of RSUs divided by the Market Value. At the discretion of the Board, fractional RSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

Section 4.3 Restriction Period Applicable to Share Units.

The applicable restriction period in respect of a particular Share Unit shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three (3) years after the calendar year in which the services in respect of which the Award is granted are

rendered ("**Restriction Period**"). For example, the Restriction Period for a grant made in October 2024 shall end no later than December 31, 2028. Subject to the Board's determination, any vested Share Units with respect to a Restriction Period will be paid to Participants in accordance with Article 4, no later than the final day of the Restriction Period. Unless otherwise determined by the Board, all unvested Share Units shall be cancelled on the Share Unit Vesting Determination Date (as such term is defined in Section 4.5) and, in any event, no later than the last day of the Restriction Period.

Section 4.4 Performance Criteria and Performance Period Applicable to PSU Awards.

(1) For each award of PSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the PSUs held by such Participant (the "**Performance Period**"), provided that such Performance Period may not expire after the end of the Restriction Period, being no longer than three (3) years after the calendar year in which the services in respect of which the Award was granted are rendered. For example, a Performance Period determined by the Board to be for a period of three (3) financial years will start on the first day of the financial year in which the award is granted and will end on the last day of the third financial year after the year in which the grant was made. In such a case, for a grant made on J anuary 4, 2024, the Performance Period will start on January 1, 2024 and will end on December 31, 2027.

(2) For each award of PSUs, the Board shall establish any Performance Criteria and other vesting conditions in order for a Participant to be entitled to receive Shares in exchange for his or her PSUs.

Section 4.5 Share Unit Vesting Determination Date.

(1) The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU and/or PSU have been met (the "**Share Unit Vesting Determination Date**"), and as a result, establishes the number of RSUs and/or PSUs that become vested, if any. For greater certainty, the Share Unit Vesting Determination Date in respect of Share Units must fall after the end of the Performance Period, if applicable, but no later than the day immediately prior to the last day of the Restriction Period.

(2) No RSU or PSU issued pursuant to this Plan, may vest before the date that is one year following the date it is granted or issued. However, the vesting required by Section 4.5(1) may be accelerated for a Participant who dies or who ceases to be an Eligible Participant under the Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction.

Section 4.6 Settlement of Share Unit Awards.

(1) Subject to the terms of any Employment Agreement or other agreement between the Participant and the Corporation, or the Board expressly providing to the contrary, and except as otherwise provided in a RSU Agreement and/or PSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of a Share Unit are satisfied:

(a) all of the vested Share Units covered by a particular grant shall, subject to Section 4.6(4), be settled on the first Business Day following their Share Unit Vesting Determination Date (the "**Share Unit Settlement Date**"); and

(b) a Participant is entitled to deliver to the Corporation, on or before the Share Unit Settlement Date, a Share Unit Settlement Notice in respect of any or all vested Share Units held by such Participant.

(2) Subject to Section 4.6(4), settlement of Share Units shall take place promptly following the Share Unit Settlement Date and take the form set out in the Share Unit Settlement Notice through:

(a) in the case of settlement of Share Units for their Cash Equivalent, delivery of a bank draft, certified cheque or other acceptable form of payment to the Participant representing the Cash Equivalent;

(b) in the case of settlement of Share Units for Shares, delivery of Shares to the Participant; or

(c) in the case of settlement of the Share Units for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

(3) If a Share Unit Settlement Notice is not received by the Corporation on or before the Share Unit Settlement Date, settlement shall take the form of Shares issued from treasury as set out in Section 4.7(2).

(4) Notwithstanding any other provision of this Plan, in the event that a Share Unit Settlement Date falls during a Black-Out Period and the Participant has not delivered a Share Unit Settlement Notice, then such Share Unit Settlement Date shall be automatically extended to the tenth (10th) Business Day following the date that such Black-Out Period is terminated unless such date would occur after the final day of the Restriction Period.

Section 4.7 Determination of Amounts.

(1) For purposes of determining the Cash Equivalent of Share Units to be made pursuant to Section 4.6, such calculation will be made on the Share Unit Settlement Date and shall equal the Market Value on the Share Unit Settlement Date multiplied by the number of vested Share Units in the Participant's Account which the Participant desires to settle in cash pursuant to the Share Unit Settlement Notice.

(2) For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of Share Units pursuant to Section 4.6, such calculation will be made on the Share Unit Settlement Date and be the whole number of Shares equal to the whole number of vested Share Units then recorded in the Participant's Account which the Participant desires to settle pursuant to the Share Unit Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Corporation and the entitlement of the Participant under this Plan in respect of such Share Units settled for Shares shall be satisfied in full by such issuance of Shares.

Section 4.8 Deferred Share Units.

(1) A deferred share unit is a unit granted to Non-Employee Directors of the Corporation representing the right to receive a Share or the Cash Equivalent, subject to restrictions and conditions as the Board may determine at the time of grant (a "**DSU**"). Conditions may be based on continuing service as a Non-Employee Director (or other service relationship), vesting terms and/or achievement of pre-established Performance Criteria, as applicable.

(2) Subject to the Corporation's director compensation policies determined by the Board from time to time, each Non-Employee Director may receive all or a portion of his or her annual retainer fee, if applicable, in the form of a grant of DSUs in each calendar year. The number of DSUs shall be calculated as the amount of the Non-Employee Director's annual retainer fee to be paid by way of DSUs divided by the Market Value on the date of grant. At the discretion of the Board, fractional DSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number. As applicable, any election made by a Non-Employee Director who is an Eligible Person to receive an additional portion of his or her annual retainer fee in the form of DSUs must be irrevocably made, completed, signed and delivered to the Corporation by the end of the calendar year preceding the calendar year to which such election is to apply. Subject to the Corporation's

Non-Employee Director compensation policies and any minimum amount of the Non-Employee Director's annual retainer fee that may be required to be received in the form of DSUs, if no such election is made in respect of a particular calendar year, an Eligible Person will receive all or the remainder, as applicable, of the Non-Employee Director's annual retainer fee in cash.

(3) Each DSU will be evidenced by a DSU Agreement that sets forth the restrictions, limitations and conditions for each DSU and may include, without limitation, the vesting and terms of the DSUs and the provisions applicable in the event service terminates, and shall contain such terms that may be considered necessary in order for the DSUs to comply with any applicable tax provisions or other applicable laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any Stock Exchange having authority over the Corporation.

(4) Any DSUs that are awarded to a person who is a resident of Canada or employed in Canada (each for purposes of the Tax Act) shall be structured so as to meet requirements of paragraph 6801(d) of the Income Tax Regulations adopted under the Tax Act (or any successor to such provisions).

(5) Subject to vesting and other conditions and provisions set forth herein and in the DSU Agreement, the Board shall determine whether each DSUs awarded shall entitle the Participant: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one Share; (iii) to receive a combination of cash and Shares, as the Board may determine in its sole discretion on redemption; or (iv) to entitle the Participant to elect to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares.

(6) Unless otherwise specified in a DSU Agreement, a non-U.S. Participant shall be entitled to redeem his or her DSUs during the period commencing on the Business Day immediately following the Termination Date and ending on the earlier of (i) the date that is not later than the 90th date following the Termination Date, or such shorter redemption period set out in the relevant DSU Agreement that is not earlier than the Termination Date, and (ii) December 31st of that calendar year, and which period (the "**DSU Redemption Deadline**"), by providing a written notice of settlement to the Corporation setting out the number of DSUs to be settled and the particulars regarding the registration of the Shares issuable upon settlement, if applicable (the "**DSU Redemption Notice**"). In the event of the death of a Non-Employee Director who is not a U.S. Participant, the DSU Redemption Notice shall be filed by the administrator or liquidator of the estate.

(7) If a DSU Redemption Notice is not received by the Corporation on or before the DSU Redemption Deadline, the Participant shall be deemed to have delivered a DSU Redemption Notice on the DSU Redemption Deadline and, if not otherwise set out in the DSU Agreement, the Board shall determine the number of DSUs to be settled by way of Shares, the Cash Equivalent or a combination of Shares and the Cash Equivalent and delivered to the Participant or administrator or liquidator of the estate of the Participant, as applicable.

(8) The settlement of DSUs held by a Participant who is a U.S. Participant shall be made in accordance with the terms of the Addendum for U.S. Participants, the relevant DSU Agreement and any applicable deferral election. Such settlement shall be intended to comply with or be exempt from Section 409A.

ARTICLE 5 - GENERAL CONDITIONS

Section 5.1 General Conditions applicable to Awards.

Each Award, as applicable, shall be subject to the following conditions:

(1) **Employment** - 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 in any capacity. For greater

certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any awards in the future nor shall it entitle the Participant to receive future grants.

(2) **Rights as a Shareholder** - Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such person's name on the share register for the Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued or entry of such person's name on the share register for the Shares.

(3) **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.

(4) **Non-Transferability** – Except as set forth herein, Awards are not transferable and not assignable. Awards may be exercised only upon the Participant's death, by the legal representative of the Participant's estate, 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.

Section 5.2 Termination of Employment.

(1) Each Share Unit, Option and DSU shall be subject to the following conditions:

(a) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for "cause", all unexercised vested or unvested Share Units, Options and DSUs granted to such Participant shall terminate for nil consideration on the effective date of the termination as specified in the notice of termination. 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 Code of Ethics and any reason determined by the Corporation to be cause for termination.

(b) **Retirement.** In the case of a Participant's retirement, any unvested Share Units, DSUs and/or Options held by the Participant as at the Termination Date will continue to vest in accordance with their vesting schedules, and all vested Share Units, DSUs and Options held by the Participant at the Termination Date may be exercised until, in respect of the Share Units and Options, the earlier of the expiry date of such Share Units and Options, or one (1) year following the Termination Date and in the case of the DSUs, the DSU Redemption Deadline, provided that if the Participant is determined to have breached any post-employment restrictive covenants in favour of the Corporation, then any Share Units, DSUs and/or Options held by the Participant, whether vested or unvested, will immediately expire and the Participant shall pay to the Corporation any "in-the-money" amounts realized upon exercise of Share Units, DSUs and/or Options following the Termination Date. For greater certainty, any Share Units, DSUs or Options (vested or unvested) must expire within a reasonable period, not exceeding, in the case of the Share Units and Options, twelve (12) months from the date of the Participant's retirement and in the case of the DSUs, the DSU Redemption Deadline.

(c) **Resignation**. In the case of a Participant ceasing to be an Eligible Participant due to such Participant's resignation, subject to any later expiration dates determined by the Board

(which shall not exceed twelve (12) months from the date of the Participant's resignation or, in the case of the DSUs, the DSU Redemption Deadline), all Share Units, DSUs and Options shall expire on the earlier of ninety (90) days after the effective date of such resignation, the expiry date of such Share Unit or Option or the DSU Redemption Date, as applicable, to the extent such Share Unit, DSU or Option was vested by the Participant on the effective date of such resignation and all unexercised unvested Share Units and/or Options and/or unvested DSUs granted to such Participant shall terminate on the effective date of such resignation.

(d) **Termination or Cessation.** In the case of a Participant ceasing to be an Eligible Participant for any reason (other than for "cause", retirement, resignation or death) the number of Share Units, DSUs and/or Options that may vest is subject to pro ration over the applicable vesting or performance period and shall expire on the earlier of ninety (90) days after the effective date of the Termination Date, the expiry date of such Share Units and Options or in the case of DSUs, the DSU Redemption Deadline. For greater certainty, the pro ration calculation referred to above shall be net of previously vested Share Units, DSUs and/or Options.

(e) **Death.** If a Participant dies while in his or her capacity as an Eligible Participant, all unvested Share Units, DSUs and Options will immediately vest and all Share Units and Options will expire one hundred eighty (180) days after the death of such Participant and all unsettled DSUs shall be settled in accordance with Section 4.8(6) and Section 4.8(7), as applicable.

(f) **Change of Control.** If a Participant is terminated without "cause" or resigns for good reason during the 12 month period following a Change of Control, or after the Corporation has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Share Units, Options and/or DSUs will immediately vest and may be exercised prior to the earlier of thirty (30) days of such date or the expiry date of such Options or Share Units and any unsettled DSUs will be settled in accordance with Section 4.8(6) prior to the earlier of thirty (30) days of such date or the DSU Redemption Deadline.

(2) For the purposes of this Plan, a Participant's employment with the Corporation or an Affiliate is considered to have terminated effective on the last day of the Participant's actual and active employment with the Corporation or Affiliate, whether such day is selected by agreement with the individual, unilaterally by the Corporation or Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant's last day of actual and active employment will be considered as extending the Participant's period of employment for the purposes of determining his entitlement under this Plan.

(3) The Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any awards which would have settled or vested or accrued to the Participant after the date of cessation of employment or if working notice of termination had been given.

Section 5.3 Unfunded 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. Notwithstanding the foregoing, any determinations made shall be such that

the DSUs issued pursuant to this Plan continuously meet the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.

ARTICLE 6 - ADJUSTMENTS AND AMENDMENTS

Section 6.1 Adjustment to Shares Subject to Outstanding Awards.

(1) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(2) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such consideration if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(3) If at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Section 6.1(1) or Section 6.1(2) hereof or, subject to the provisions of Section 6.2(3) hereof, the Corporation shall consolidate, merge or amalgamate with or into another corporation (the corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the "**Successor Corporation**"), the Participant shall be entitled to receive upon the subsequent exercise or vesting of Award, in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate class or other securities of the Corporation or the Successor Corporation (as the case may be) or other consideration from the Corporation or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of Section 6.2(3) hereof, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, such Participant had been the registered holder of the number of Shares to which such Participant was immediately theretofore entitled upon such exercise or vesting of such Award.

(4) If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall make a distribution to all holders of Shares or other securities in the capital of the Corporation, or 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 or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit), or should the Corporation effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.

(5) Any adjustment, other than in connection with a security consolidation or security split, to any Awards granted or issued under the Plan must be subject to the prior acceptance of the CSE (if required under the policies of the CSE), including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

Section 6.2 Amendment or Discontinuance of the Plan.

(1) The Board may amend the Plan or any Award at any time without the consent of the Participants provided that such amendment shall:

(a) not adversely alter or impair any Award previously granted except as permitted by the provisions of Article 6 hereof;

(b) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the Stock Exchange; and

(c) be subject to shareholder approval, where required by law, the requirements of the Stock Exchange or the provisions of the Plan, provided that shareholder approval shall not be required for the following amendments and the Board may make any such amendments:

(i) amendments of a general "housekeeping" or clerical nature that, among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in the Plan;

(ii) changes that alter, extend or accelerate the terms of vesting or settlement applicable to any Award;

(iii) any amendment regarding the administration of this Plan;

(iv) any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body having authority over the Corporation, this Plan or the shareholders of the Corporation (provided, however, that any Stock Exchange shall have the overriding right in such circumstances to require shareholder of any such amendments); and

(v) any other amendment that does not require the shareholder approval under Section 6.2(2).

(2) Notwithstanding Section 6.2(1)(c), the Board shall be required to obtain shareholder approval to make the following amendments:

(a) any amendment to the category of persons eligible to participate under this Plan;

(b) any change to the maximum number or percentage, as the case may be, of Shares issuable from treasury under the Plan, except such increase by operation of Section 2.5 and in the event of an adjustment pursuant to Article 6;

(c) any amendment that would permit the introduction or reintroduction of Non-Employee Directors as Eligible Participants on a discretionary basis or any amendment that increases the limits previously imposed on Non-Employee Director participation;

(d) any amendment regarding the effect of termination of a Participant's employment or engagement;

(e) any amendment to add or amend provisions relating to the granting of cash-settled awards, provision of financial assistance or clawbacks and any amendment to a cash-settled award, financial assistance or clawbacks provisions which are adopted;

(f) any amendment to the amendment provisions of the Plan;

(g) any amendment to the method for determining the Exercise Price of any Options;

(h) any amendment to the expiry and termination provisions applicable to any Awards; and

(i) any amendment to the method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to a Participant.

(3) The Board may, subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the Board.

(4) Notwithstanding any other provision of this Plan, at all times when the Corporation is listed on the CSE, the Corporation shall be required to obtain prior CSE acceptance of any amendment to this Plan if required under the policies of the CSE.

Section 6.3 Change of Control.

(1) Notwithstanding any other provision of this Plan, in the event of a Change of Control, the surviving, successor or acquiring entity shall assume any Awards or shall substitute similar options or share units for the outstanding Awards, as applicable. If the surviving, successor or acquiring entity does not assume the outstanding Awards or substitute similar options or share units for the outstanding Awards, as applicable, or if the Board otherwise determines in its discretion, the Corporation shall give written notice to all Participants advising that the Plan shall be terminated effective immediately prior to the Change of Control and all Options, RSUs, DSUs and a specified number of PSUs shall be deemed to be vested and, unless otherwise exercised, settled, forfeited or cancelled prior to the termination of the Plan, shall expire or, with respect to RSUs and PSUs be settled, immediately prior to the termination of the Plan. The number of PSUs which are deemed to be vested shall be determined by the Board, in its sole discretion, having regard to the level of achievement of the Performance Criteria prior to the Change of Control.

(2) In the event of a Change of Control, the Board has the power to: (i) make such other changes to the terms of the Awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the Participants; (ii) otherwise modify the terms of the Awards to assist the Participants to tender into a takeover bid or other arrangement leading to a Change of Control, and thereafter; and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of such Change of Control. If the Change of Control is not completed within the time specified therein (as the same may be extended), the Awards which vest pursuant to this Section 6.3 shall be returned by the Corporation to the Participant and, if exercised or settled, as applicable, the Shares issued on such exercise or settlement shall be reinstated as authorized but unissued Shares and the original terms applicable to such Awards shall be reinstated.

ARTICLE 7 - MISCELLANEOUS

Section 7.1 Currency.

Unless otherwise specifically provided, all references to dollars in this Plan are references to Canadian dollars.

Section 7.2 Compliance and Award Restrictions.

(1) The Corporation's obligation to issue and deliver Shares under any Award is subject to: (i) the completion of such registration or other qualification of such Shares or obtaining approval of such regulatory authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Shares to listing on any Stock Exchange on which such Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Corporation determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Corporation shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any Stock Exchange on which such Shares are then listed.

(2) The Participant agrees to fully cooperate with the Corporation in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance by the Corporation with such laws, rule and requirements, including all tax withholding and remittance obligations.

(3) No Awards will be granted where such grant is restricted pursuant to the terms of any trading policies or other restrictions imposed by the Corporation.

(4) The Corporation is not obliged by any provision of this Plan or the grant of any Award under this Plan to issue or sell Shares if, in the opinion of the Board, such action would constitute a violation by the Corporation or a Participant of any laws, rules and regulations or any condition of such approvals.

(5) If Shares cannot be issued to a Participant upon the exercise or settlement of an Award due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares will terminate and, if applicable, any funds paid to the Corporation in connection with the exercise of any Options will be returned to the applicable Participant as soon as practicable.

Section 7.3 Use of an Administrative Agent and Trustee.

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 act as trustee 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.

Section 7.4 Tax Withholding.

(1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 7.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.

(2) The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the "**Broker**"), under Section 7.4(1) or under any other provision of the Plan will be made on the Stock Exchange. The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that (i) the number of Shares sold will be, at a minimum, sufficient to fund the withholding obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such Shares, the Corporation or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Corporation nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sales or any delay in transferring any Shares to a Participant or otherwise.

(3) The Participant further acknowledges that the sale price of the Shares will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale.

(4) Notwithstanding the first paragraph of this Section 7.4, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.

Section 7.5 Term, Termination and Suspension of the Plan

The Board may suspend or terminate the Plan at any time, provided that any such suspension or termination of the Plan will be in compliance with applicable securities law or the requirements of the Stock Exchange or any other regulatory body having authority over the Corporation. The Plan shall be submitted for shareholder approval every three (3) years in accordance with policies of the CSE and applicable securities law requirements. Suspension or termination of the Plan will not materially impair rights and obligations under any Awards granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

Section 7.6 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, 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.

Section 7.7 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.

Section 7.8 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.

Section 7.9 Effective Date of the Plan.

The Plan was initially approved by the Board on July 29, 2024, subject to approval of shareholders and the CSE.

The Plan was first approved by shareholders on December 20, 2024.

ADDENDUM FOR U.S. PARTICIPANTS

RIO GRANDE RESOURCES LTD.
OMNIBUS LONG-TERM INCENTIVE PLAN

The provisions of this Addendum apply to Awards held by a U.S. Participant. All capitalized terms used in this Addendum but not defined in Section 1 below have the meanings attributed to them in the Plan. The Section references set forth below match the Section references in the Plan. This Addendum shall have no other effect on any other terms and provisions of the Plan except as set forth below.

1. Definitions

"**cause**" has the meaning attributed under Section 5.2(1)(a) of the Plan, provided however that the Participant has provided the Corporation (or applicable Subsidiary) with written notice of the acts or omissions constituting grounds for "cause" within 90 days of such act or omission and the Corporation (or applicable Subsidiary) shall have failed to rectify, as determined by the Board acting reasonably, any such acts or omissions within 30 days of the Corporation's (or applicable Subsidiary's) receipt of such notice.

"**Separation from Service**" means, with respect to a U.S. Participant, any event that may qualify as a separation from service under Treasury Regulation Section 1.409A-1(h). A U.S. Participant shall be deemed to have separated from service if he or she dies, retires, or otherwise has a termination of employment as defined under Treasury Regulation Section 1.409A-1(h).

"Specified Employee" has the meaning set forth in Treasury Regulation Section 1.409A-1(i).

2. Expiry Date of Options

Notwithstanding anything to the contrary in Section 3.4 of the Plan or otherwise, in no event, including as a result of any Black- Out Period or any termination of employment, shall the expiration of any Option issued to a U.S. Participant be extended beyond the original Expiry Date if such Option has an Exercise Price that is less than the Market Value on the date of the proposed extension.

3. Surrender of Options

With respect to U.S. Participants, all references to “VWAP” in Section 3.6(3) are replaced with “Market Price.”

4. Non-Employee Directors

A Non-Employee Director who is also a U.S. Participant and wishes to have all or any part of his or her annual retainer fees paid in the form of RSUs or DSUs shall irrevocably elect such payment form by December 31 of the year prior to the calendar year during which the annual retainer fees are to be earned. Any election made under this Section 4 shall be irrevocable during the calendar year to which it applies, and shall apply to annual retainers earned in future calendar years unless and until the U.S. Participant makes a later election in accordance with the terms of this Section 4 of the Addendum. With respect to the calendar year in which a U.S. Participant becomes a Non-Employee Director, so long as such individual has never previously been eligible to participate in any deferred compensation plan sponsored by the Corporation, such individual may make the election described in this Section 4 of the Addendum within the first 30 days of becoming eligible to participate in the Plan, but solely with respect to the portion of the annual retainer not earned before the date such election is made.

Notwithstanding anything to the contrary in Article 4 of the Plan and except as otherwise set forth herein, any RSUs issued to a U.S. Participant that is a Non-Employee Director in lieu of retainer fees shall be settled on the earlier of (i) the U.S. Participant's Separation from Service, or (ii) a Change of Control

provided that such change of control event constitutes a change of control within the meaning of Section 409A.

Notwithstanding anything to the contrary in Article 4 of the Plan, the redemption of DSUs will be deemed to be made on the earlier of (i) the U.S. Participant's Separation from Service within the meaning of Section 409A, or (ii) within 90 days of the U.S. Participant's death.

5. Settlement of Share Unit Awards.

(a) Notwithstanding anything to the contrary in Article 4 of the Plan and except as otherwise set forth herein, all of the vested Share Units subject to any RSU or PSU shall be settled on the earlier of (i) the date set forth in the U.S. Participant's Share Unit Settlement Notice which shall be no later than the fifth anniversary of the applicable Share Unit Vesting Determination Date, (ii) the U.S. Participant's Separation from Service, or (iii) a Change of Control provided that such change of control event constitutes a change of control within the meaning of Section 409A.

(b) Notwithstanding Section 4.6(1)(b) of the Plan, any U.S. Participant must deliver to the Corporation a Share Unit Settlement Notice specifying the Share Unit Settlement Date and form of settlement for his or her RSUs or PSUs on or prior to December 31 of the calendar year prior to the calendar year of the grant; provided that, the Share Unit Settlement Date may be specified at any time prior to the grant date, if the award requires the U.S. Participant's continued service for not less than 12 months after the grant date in order to vest in such Award. Any such election of Share Unit Settlement Date shall be irrevocable as of the last date in which it is permitted to be made in accordance with the forgoing sentence. Notwithstanding the foregoing, if any U.S. Participant fails to timely submit a Share Unit Settlement Notice in accordance with the foregoing, then such U.S. Participant's Share Unit Settlement Date shall be deemed to be the fifth anniversary of the Share Unit Vesting Determination Date, in addition, such settlement shall be in the form of Shares, Cash Equivalent, or a combination of both as determined by the Corporation in its sole discretion.

(c) For the avoidance of doubt, Section 4.6(4) of the Plan shall not apply to any Award issued to a U.S. Participant.

6. Termination of Employment

(a) Notwithstanding Section 5.2(1)(b) of the Plan, any unvested Share Units held by a Participant that retires shall be deemed vested as of the Termination Date and shall be settled at such time as set forth in Section 4 to this Addendum.

(b) For the avoidance of doubt, in the event that a U.S. Participant dies, his or her vested Options shall expire on the earlier of the original expiry date or one hundred and eighty days after the death of such Participant.

7. Specified Employee

Each grant of Share Units to a U.S. Participant is intended to be exempt from or comply with Code Section 409A. To the extent any Award is subject to Section 409A, then:

(a) all payments to be made upon a U.S. Participant's Termination Date shall only be made upon such individual's Separation from Service; and

(b) if on the date of the U.S. Participant's Separation from Service the Corporation's shares (or shares of any other Corporation that is required to be aggregated with the Corporation in

accordance with the requirements of Code Section 409A) is publicly traded on an established securities market or otherwise and the U.S. Participant is a Specified Employee, then the benefits payable to the Participant under the Plan that are payable due to the U.S. Participant's Separation from Service shall be postponed until the earlier of the originally scheduled date and six months following the U.S. Participant's Separation from Service. The postponed amount shall be paid to the U.S. Participant in a lump sum within 30 days after the earlier of the originally scheduled date and the date that is six months following the U.S. Participant's Separation from Service. If the U.S. Participant dies during such six-month period and prior to the payment of the postponed amounts hereunder, the amounts delayed on account of Code Section 409A shall be paid to the U.S. Participant's estate within 60 days following the U.S. Participant's death.

8. Adjustments.

Notwithstanding anything to the contrary in Article 6 of the Plan, any adjustment to an Option held by any U.S. Participant shall be made in compliance with the Code which for the avoidance of doubt may include an adjustment to the number of Shares subject thereto, in addition to an adjustment to the Exercise Price thereof.

9. General

Notwithstanding any provision of the Plan to the contrary, all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. If any provision of the Plan contravenes Code Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Code Section 409A, the Board may, in its sole discretion and without the U.S. Participant's consent, modify such provision to: (i) comply with, or avoid being subject to, Code Section 409A, or to avoid incurring taxes, interest and penalties under Code Section 409A; and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant of the applicable provision without materially increasing the cost to the Corporation or contravening Code Section 409A. However, the Corporation shall have no obligation to modify the Plan or any Share Unit and does not guarantee that Share Units will not be subject to taxes, interest and penalties under Code Section 409A. Each U.S. Participant 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. Participant in connection with the Plan or any other plan maintained by the Corporation (including any taxes and penalties under Section 409A), and neither the Corporation nor any Subsidiary of the Corporation shall have any obligation to indemnify or otherwise hold such U.S. Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

APPENDIX “A”

FORM OF OPTION AGREEMENT

RIO GRANDE RESOURCES LTD.
OPTION AGREEMENT

This Option Agreement is entered into between Rio Grande Resources Ltd. (the "**Corporation**") and the Optionee named below pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**") a copy of which is attached hereto, and confirms the following:

1. Grant Date: [●]

2. Optionee: [●]

3. Optionee's Eligible Person Capacity Under the Plan: [●]

4. Number of Options: [●]

5. Exercise Price ($) per Share: [●]

6. Expiry Date of Option Period: [●]

7. Each Option that has vested entitles the Optionee to purchase one Share at any time up to 4:30 p.m. Vancouver time on the expiry date of the option period. The Options vest as follows:

    (a) [●]

8. The Option is non-assignable and non-transferable otherwise than, by will or by the law governing the devolution of property, to the Optionee's executor, administrator or other personal representative in the event of death of the Optionee.

9. This Option Agreement is subject to the terms and conditions set out in the Plan, as amended or replaced from time to time. In the case of any inconsistency between this Option Agreement and the Plan, the Plan shall govern.

10. Unless otherwise indicated, all defined terms shall have the respective meanings attributed thereto in the Plan.

11. By signing this agreement, the Optionee acknowledges that he, she, or its authorized representative has read and understands the Plan and agrees that the Options are granted under and governed by the terms and conditions of the Plan, as may be amended or replaced from time to time.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ____ day of __, 20____.

____
Signature by Optionee

____
Print Name

RIO GRANDE RESOURCES LTD.

Per: ____________________
Authorized Signatory

SCHEDULE "A"

ELECTION TO EXERCISE STOCK OPTIONS

TO: RIO GRANDE RESOURCES LTD. (the "Corporation")

The undersigned Optionee hereby elects to exercise Options granted by the Corporation to the undersigned pursuant to an Award Agreement dated ___________________, 20____ under the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"), for the number Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Shares to be Acquired: ___________________________

Exercise Price ($) per Share: $___________________________

Aggregate Exercise Price: $___________________________

Amount enclosed that is payable on account of any

source deductions relating to this Option exercise

(contact the Corporation for details of such amount): $___________________________

□ or check here if alternative arrangements have been made with the Corporation;

and hereby tenders a certified cheque, bank draft or other form of payment confirmed as acceptable by the Corporation for such aggregate purchase price, and, if applicable, all source deductions, and directs such Shares to be registered as follows:

____

(name) (address)

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this ___ day of ____________, 20____.

____

Signature of Participant

____

Name of Participant (Please Print)

SCHEDULE "B"

SURRENDER NOTICE

TO: RIO GRANDE RESOURCES LTD. (the "Corporation")

The undersigned Optionee hereby elects to surrender _________ Options granted by the Corporation to the undersigned pursuant to an Award Agreement dated ________________, 20____ under the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**") in exchange for Shares as calculated in accordance with Section 3.6(3) of the Plan. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Please issue a certificate or certificates representing the Shares registered as follows:

____

(name) (address)

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to surrender my Options is irrevocable.

DATED this ___ day of ____________, 20____.

____

Signature of Participant

____

Name of Participant (Please Print)

APPENDIX "B"

FORM OF RSU AGREEMENT

RIO GRANDE RESOURCES LTD.
RESTRICTED SHARE UNIT AGREEMENT

This restricted share unit agreement ("**RSU Agreement**") is granted by Rio Grande Resources Ltd. (the "**Corporation**") in favour of the Participant named below (the "**Recipient**") of the restricted share units ("**RSUs**") pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this RSU Agreement shall have the meanings set forth in the Plan.

The terms of the RSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient**. The Recipient is [●] and the address of the Recipient is currently [●].

2. **Grant of RSUs**. The Recipient is hereby granted [●] RSUs.

3. **Restriction Period**. In accordance with Section 4.3 of the Plan, the restriction period in respect of the RSUs granted hereunder, as determined by the Board, shall commence on [●] and terminate on [●].

4. **Vesting**. The RSUs will vest as follows: [●].

5. **Transfer of RSUs**. The RSUs granted hereunder are non-transferable or assignable except in accordance with the Plan.

6. **Inconsistency**. This RSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this RSU Agreement and the Plan, the terms of the Plan shall govern.

7. **Severability**. Wherever possible, each provision of this RSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this RSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this RSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

8. **Successors and Assigns**. This RSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.

9. **Time of the Essence**. Time shall be of the essence of this Agreement and of every part hereof.

10. **Governing Law**. This RSU Agreement and the RSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

11. **Counterparts**. This RSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this RSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this RSU Agreement.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this RSU Agreement as of the ____ day of _____, 20____.

____
Signature by Recipient

____
Print Name

RIO GRANDE RESOURCES LTD.

Per:

____
Authorized Signatory

APPENDIX "C"

FORM OF PSU AGREEMENT

RIO GRANDE RESOURCES LTD.
PERFORMANCE SHARE UNIT AGREEMENT

This performance share unit agreement ("**PSU Agreement**") is granted by Rio Grande Resources Ltd. (the "**Corporation**") in favour of the Participant named below (the "**Recipient**") of the performance share units ("**PSUs**") pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this PSU Agreement shall have the meanings set forth in the Plan.

The terms of the PSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient**. The Recipient is [●] and the address of the Recipient is currently [●].

2. **Grant of PSUs**. The Recipient is hereby granted [●] PSUs.

3. **Restriction Period**. In accordance with Section 4.3 of the Plan, the restriction period in respect of the PSUs granted hereunder, as determined by the Board, shall commence on [●] and terminate on [●].

4. **Performance Criteria**. [●].

5. **Performance Period**. [●].

6. **Vesting**. The PSUs will vest as follows: [●].

7. **Transfer of PSUs**. The PSUs granted hereunder are not transferable or assignable except in accordance with the Plan.

8. **Inconsistency**. This PSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this PSU Agreement and the Plan, the terms of the Plan shall govern.

9. **Severability**. Wherever possible, each provision of this PSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this PSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this PSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

10. **Entire Agreement**. This PSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

11. **Successors and Assigns**. This PSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.

12. **Time of the Essence**. Time shall be of the essence of this Agreement and of every part hereof.

13. **Governing Law**. This PSU Agreement and the PSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

14. **Counterparts**. This PSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this RSU Agreement as of the ____ day of _____, 20____.

____
Signature by Recipient

____
Print Name

RIO GRANDE RESOURCES LTD.

Per:

____
Authorized Signatory

APPENDIX "D"

FORM OF DSU AGREEMENT

RIO GRANDE RESOURCES LTD.
DEFERRED SHARE UNIT AGREEMENT

This deferred share unit agreement ("**DSU Agreement**") is granted by Rio Grande Resources Ltd. (the "**Corporation**") in favour of the Participant named below (the "**Recipient**") of the deferred share units ("**DSUs**") pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this DSU Agreement shall have the meanings set forth in the Plan.

The terms of the DSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient**. The Recipient is [●] and the address of the Recipient is currently [●].

2. **Grant of DSUs**. The Recipient is hereby granted [●] DSUs.

3. **Vesting**. The DSUs will vest as follows: [●].

4. **Transfer of** DSUs. The DSUs granted hereunder are non-transferable or assignable except in accordance with the Plan.

5. **Inconsistency**. This DSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this DSU Agreement and the Plan, the terms of the Plan shall govern.

6. **Severability**. Wherever possible, each provision of this DSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this DSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this DSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

7. **Successors and Assigns**. This DSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.

8. **Time of the Essence**. Time shall be of the essence of this Agreement and of every part hereof.

9. **Governing Law**. This DSU Agreement and the DSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

10. **Counterparts**. This DSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this DSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this DSU Agreement.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this DSU Agreement as of the ____ day of _____, 20____.

____
Signature by Recipient

____
Print Name

RIO GRANDE RESOURCES LTD.

Per:

____
Authorized Signatory

APPENDIX “E”

FORM OF U.S. PARTICIPANT NON-EMPLOYEE DIRECTOR RSU ELECTION FORM

RIO GRANDE RESOURCES LTD.

I, [●], wish to elect to receive [●]% of my annual retainer (including any annual retainers or fees for service on committees of the Board) in RSUs for the calendar year [●] and any future calendar years unless and until I make a new election in accordance with the Plan and the Addendum. I understand the RSUs will be settled upon the earlier of (i) my Separation from Service or (ii) a Change in Control, and otherwise in accordance with the Plan and the special provisions of the Addendum to the Plan applicable to U.S. Participants.

I understand that this election shall be irrevocable as of the last date in which I am permitted to make such election in accordance with Section 4 of the Addendum to the Plan and I shall only be permitted to revoke or modify this election up to such date. I understand that this election shall apply to any other grants of RSUs that I may be granted in the future (if any) in respect of any retainer fees payable in future calendar years (and will become irrevocable as of December 31 of the prior calendar year) until I make a later election, which election shall be made no later than the date set forth in Section 4 of the Addendum to the Plan.

All capitalized terms not defined in this Election Form have the meaning set out in the Plan.

I understand and agree that the granting and settlement of RSUs are subject to the terms and conditions of the Plan which are incorporated into and form a part of this Election Form.

____
Signature of Participant

____
Name of Participant (Please Print)

APPENDIX "F"

FORM OF U.S. PARTICIPANT NON-EMPLOYEE DIRECTOR DSU ELECTION FORM

RIO GRANDE RESOURCES LTD.

I, [●], wish to elect to receive [●]% of my annual retainer (including any annual retainers or fees for service on committees of the Board) in DSUs for the calendar year [●] and any future calendar years unless and until I make a new election in accordance with the Plan and the Addendum. I understand the DSUs will be deemed to be redeemed upon the earlier of (i) my Separation from Service or (ii) 90 days following my death, and otherwise in accordance with the Plan and the special provisions of the Addendum to the Plan applicable to U.S. Participants.

I understand that this election shall be irrevocable as of the last date in which I am permitted to make such election in accordance with Section 4 of the Addendum to the Plan and I shall only be permitted to revoke or modify this election up to such date. I understand that this election shall apply to any other grants of DSUs that I may be granted in the future (if any) in respect of any retainer fees payable in future calendar years (and will become irrevocable as of December 31 of the prior calendar year) until I make a later election, which election shall be made no later than the date set forth in Section 4 of the Addendum to the Plan.

All capitalized terms not defined in this Election Form have the meaning set out in the Plan.

I understand and agree that the granting and settlement of DSUs are subject to the terms and conditions of the Plan which are incorporated into and form a part of this Election Form.

____
Signature of Participant

____
Name of Participant (Please Print)

APPENDIX "G"

FORM OF SHARE UNIT SETTLEMENT NOTICE (NON-US PARTICIPANTS)

In respect of the [RSUs][PSUs] that Vested on [●] that were granted to you by Rio Grande Resources Ltd. (the "**Corporation**") pursuant to the Corporation Omnibus Long-Term Incentive Plan (the "**Plan**"), the undersigned hereby elects to settle the [RSUs][PSUs] (including for any fractional [RSUs][PSUs]) as follows [Participant to select one]:

( ) (i) the Cash Equivalent, calculated in accordance with Section 4.7(1) of the Plan;

( ) (ii) the Shares, calculated in accordance with Section 4.7(2) of the Plan; or

( ) (iii) the Cash Equivalent for [●] [RSUs][PSUs] and Shares

for [●] [RSUs][PSUs].

[In the event the undersigned elects the cash equivalent, include:] [I acknowledge that the Company will deduct from payment applicable withholding taxes in accordance with the Plan.]

[In the event the Company elects Shares, include:]

[I (check one):

( ) (i) enclose cash, a certified cheque, bank draft or money order to the Corporation in the amount of $[●] as full payment for the applicable withholding taxes;

( ) (ii) undertake to arrange, in a manner satisfactory to the Board, for such number of Shares to be sold as is necessary to raise an amount equal to the applicable withholding taxes and to cause the proceeds from the sale of such Shares to be delivered to the Corporation; or

( ) (iii) if permitted by the Corporation, elect to settle for cash such number of [RSUs][PSUs] as is necessary to raise funds sufficient to cover such withholding taxes with such amount being withheld by the Corporation.]

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

Date: _________________________

Name of Participant: ________________________

Signature of Participant: _________________________

APPENDIX "H"

FORM OF SHARE UNIT SETTLEMENT NOTICE (US PARTICIPANTS)

In respect of the [RSUs][PSUs] that were granted to the undersigned by Rio Grande Resources Ltd. (the "**Corporation**") pursuant to the Corporation Omnibus Long-Term Incentive Plan (the "**Plan**"), the undersigned hereby elects to settle the [RSUs][PSUs] (including for any fractional [RSUs][PSUs]) as follows:

The [RSUs][PSUs] will be settled on the date specified below, which can be later than the fifth anniversary of the applicable Share Unit Vesting Determination Date, or the undersigned's Separation from Service or a Change in Control, if earlier:

[Participant to insert date that is between the Share Unit Vesting Determination Date and the fifth anniversary of the Share Unit Vesting Determination Date]

Settlement Date: [●]

The [RSUs][PSUs] will be settled in the following form [Participant to select one]:

( ) (i) the Cash Equivalent, calculated in accordance with Section 4.7(1) of the Plan;

( ) (ii) the Shares, calculated in accordance with Section 4.7(2) of the Plan; or

( ) (iii) the Cash Equivalent for [●] [RSUs][PSUs] and Shares

for [●] [RSUs][PSUs].

I understand that if I elect the Cash Equivalent, the Company will deduct from payment applicable withholding taxes in accordance with the Plan.

I understand that if I elect Shares, I will need to provide one of the following upon settlement:

(i) enclose cash, a certified cheque, bank draft or money order to the Corporation in the amount of $[●] as full payment for the applicable withholding taxes;

(ii) undertake to arrange, in a manner satisfactory to the Board, for such number of Shares to be sold as is necessary to raise an amount equal to the applicable withholding taxes and to cause the proceeds from the sale of such Shares to be delivered to the Corporation; or

(iii) if permitted by the Corporation, elect to settle for cash such number of [RSUs][PSUs] as is necessary to raise funds sufficient to cover such withholding taxes with such amount being withheld by the Corporation.

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

Date: _________________________

Name of Participant: ________________________

Signature of Participant: _________________________

SCHEDULE "B"
PLAN OF ARRANGEMENT

(See attached)

PLAN OF ARRANGEMENT

UNDER SECTION 288 OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions.

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms will have the meanings set forth below:

(a) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions on the terms and conditions set out herein;

(b) "**Arrangement Agreement**" means the arrangement agreement dated July 29, 2024, as amended and restated on November 4, 2024, between Foremost and Rio Grande, as may be supplemented or amended from time to time;

(c) "**Arrangement Provisions**" means Section 288 of the BCBCA;

(d) "**Arrangement Resolution**" means the special resolution of the Foremost Shareholders to approve the Arrangement, as required by the Interim Order, in substantially the form as set out in Schedule "B" attached to the Information Circular;

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

(f) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in the City of Vancouver, British Columbia;

(g) "**Court**" means the Supreme Court of British Columbia;

(h) "**CSE**" means the Canadian Securities Exchange;

(i) "**Depositary**" means Odyssey Trust Company, or such other depositary as Foremost may determine;

(j) "**Dissent Procedures**" means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 of this Plan of Arrangement;

(k) "**Dissent Rights**" means the rights of dissent granted in favour of a registered Foremost Shareholder in accordance with Article 5 of this Plan of Arrangement;

(l) "**Dissenting Share**" has the meaning given in Section 3.1(a) of this Plan of Arrangement;

(m) "**Dissenting Shareholder**" means a registered Foremost Shareholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights in respect of the Arrangement Resolution in strict compliance with the Dissent Procedures and whose Dissent Rights remain valid immediately prior to the Effective Time, but only in respect of the Foremost Shares in respect of which Dissent Rights are validly exercised by such registered Foremost Shareholder;

(n) "**DRS**" means the direct registration system;

(o) "**DRS Advice**" means a DRS advice which details the shares held in a book position;

(p) "**Effective Date**" means the 2nd Business Day after the date on which the Parties have confirmed in writing (such confirmation not to be unreasonably withheld or delayed) that all conditions to the completion of the Plan of Arrangement have been satisfied or waived in accordance with Section 5.1 of the Arrangement Agreement and all documents and instruments required under the Arrangement Agreement, the Plan of Arrangement and the Final Order have been delivered;

(q) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date or such other time on the Effective Date as agreed to in writing by Foremost and Rio Grande;

(r) "**Encumbrance**" means any lien, charge, claim, adverse interest, security interest, third party right or encumbrance of any kind or nature;

(s) "**Final Order**" means the final order of the Court pursuant to Section 291 of the BCBCA approving the Plan of Arrangement, as such order may be amended by the Court (with the consent of the Parties, acting reasonably) at any time prior to the Effective Time or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (with the consent of the Parties, acting reasonably) on appeal;

(t) "**Foremost**" means Foremost Clean Energy Ltd., a corporation existing under the BCBCA;

(u) "**Foremost Board**" means the board of directors of Foremost;

(v) "**Foremost Class A Common Shares**" has the meaning set out in Section 3.1(c)(i) of this Plan of Arrangement;

(w) "**Foremost Incentive Plan**" means the 2023 Stock Incentive Plan of Foremost adopted on December 12, 2023;

(x) "**Foremost Meeting**" means the special meeting of the Foremost Shareholders and any adjournments thereof to be held to, among other things, consider and, if deemed advisable, pass the Arrangement Resolution and such further or other business as may properly come before the Foremost Meeting;

(y) "**Foremost Optionee**" means a holder of Foremost Options and/or Foremost Replacement Options, as the context requires;

(z) "**Foremost Options**" means the options of Foremost, each entitling the holder to acquire one Foremost Share at the applicable exercise price;

(aa) "**Foremost Replacement Option**" means an option to acquire a New Foremost Share to be issued by Foremost to a holder of a Foremost Option pursuant to Section 3.1(f) of this Plan of Arrangement;

(bb) "**Foremost Replacement RSUs**" means a restricted share unit to be granted by Foremost to a holder of a Foremost RSU pursuant to Section 3.1(f) of this Plan of Arrangement;

(cc) "**Foremost RSUs**" means the restricted share units of Foremost granted pursuant to the Foremost Incentive Plan, each entitling the holder on the redemption thereof to acquire such number of Foremost Shares specified in the applicable award agreement;

(dd) "**Foremost Shareholder**" means a holder of Foremost Shares, Foremost Class A Common Shares or New Foremost Shares, as the context requires;

(ee) “**Foremost Shares**” means the issued and outstanding common shares in the capital of Foremost as the same are constituted immediately before the Effective Time;

(ff) “**Foremost Warrant Certificates**” means the warrant certificates representing the Foremost Warrants;

(gg) “**Foremost Warrant Indentures**” means the warrant indentures governing the Foremost Warrants;

(hh) “**Foremost Warrantholder**” means holders of the Foremost Warrants;

(ii) “**Foremost Warrants**” means the share purchase warrants of Foremost exercisable to acquire Foremost Shares that are outstanding immediately prior to the Effective Time;

(jj) “**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee;

(kk) “**Information Circular**” means the management information circular of Foremost, including all appendices attached thereto, to be sent to the Foremost Shareholders in connection with the Foremost Meeting, together with any amendments or supplements thereto;

(ll) “**Interim Order**” means the interim order of the Court, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

(mm) “**In-the-Money Amount**”, in respect of an option, at any particular time, means the amount, if any, by which the fair market value at that time of the securities subject to the option exceeds the exercise price of the option. For purposes of calculating the In-the-Money Amount under Section 3.1(f)(iii) hereof, (A) the fair market value of a Foremost Share will be calculated as the Market Price of such Foremost Share determined as of the close of trading on the trading day immediately prior to the Effective Time, (B) the fair market value of a New Foremost Share will be calculated as the amount obtained when the Market Price of a Foremost Share determined as of the close of trading on the trading day immediately prior to the Effective Time, is multiplied by 0.9136, and (C) the fair market value of a Rio Grande Common Share will be calculated as the amount obtained when the Market Price of a Foremost Share determined as of the close of trading on the trading day immediately prior to the Effective Time, is multiplied by 0.0864 and then divided by two ;

(nn) “**Letter of Transmittal**” means the letter of transmittal in respect of the Arrangement to be sent to Foremost Shareholders together with the Information Circular;

(oo) “**Market Price**" has the meaning set out in the 2023 Stock Incentive Plan of Foremost;

(pp) “**New Foremost Shares**” has the meaning set out in Section 3.1(c)(ii) of this Plan of Arrangement;

(qq) “**Parties**” means Foremost and Rio Grande;

(rr) “**Plan of Arrangement**” means this plan of arrangement as the same may be amended or supplemented from time to time;

(ss) “**Section 3(a)(10) Exemption**” means the exemption from the registration requirements of the U.S. Securities Act set forth in section 3(a)(10) of the U.S. Securities Act;

(tt) "**Share Distribution Record Date**" means the close of business on the Business Day immediately preceding the Effective Date or such other date determined by Foremost for the purpose of determining the Foremost Shareholders entitled to receive New Foremost Shares and Rio Grande Common Shares pursuant to this Plan of Arrangement or such other date as the Foremost Board may select;

(uu) "**Rio Grande**" means Rio Grande Resources Ltd.;

(vv) "**Rio Grande Common Shares**" means common shares in the capital of Rio Grande;

(ww) "**Rio Grande Equity Incentive Plan**" means the equity incentive plan of Rio Grande to be adopted prior to the Effective Date and as attached as Appendix "A" to this Plan of Arrangement;

(xx) "**Rio Grande Options**" means options to acquire Rio Grande Common Shares to be issued in accordance with the Rio Grande Equity Incentive Plan and upon such terms as may be determined by the Rio Grande board of directors from time to time;

(yy) "**Rio Grande RSUs**" means the restricted share units of Rio Grande granted pursuant to the Rio Grande Incentive Plan, each entitling the holder on the redemption thereof to acquire such number of Rio Grande Common Shares specified in the applicable award agreement;

(zz) "**Sierra**" means Sierra Gold & Silver Ltd.;

(aaa) "**Sierra Shares**" means the 10,000 common shares in the capital of Sierra;

(bbb) "**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.) c.1, and the regulations promulgated thereunder, each as amended and as may be amended from time to time;

(ccc) "**Transfer Agent**" means Odyssey Trust Company, the registrar and transfer agent of Foremost and Rio Grande; and

(ddd) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated from time to time thereunder.

1.2 Interpretation Not Affected by Headings.

The division of this Plan of Arrangement into articles, sections and subsections and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section or subsection and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number and Gender.

Unless the context otherwise requires, words importing the singular number only will include the plural and vice versa, words importing the use of either gender will include both genders and neuter and words importing persons will include firms and corporations.

1.4 Meaning.

Words and phrases used herein and defined in the BCBCA will have the same meaning herein as in the BCBCA, unless the context otherwise requires.

1.5 Date for any Action.

If any date on which any action is required to be taken under this Plan of Arrangement is not a Business Day, such action will be required to be taken on the next succeeding Business Day.

1.6 Currency.

All amounts of money which are referred to in this Plan of Arrangement are expressed in lawful money of Canada.

1.7 Accounting Matters.

Unless otherwise stated, all accounting terms used in this Plan of Arrangement will have the meanings attributable thereto under IFRS, as applicable and all determinations of an accounting nature that are required to be made will be made in a manner consistent with IFRS.

1.8 Reference to Legislation.

References in this Plan of Arrangement to any statute or sections thereof will include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.9 Reference to Agreements and Instruments.

References in this Plan of Arrangement to any other agreement, instrument or other document will include such agreement, instrument or other document as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

1.10 Governing Law; Submission to Jurisdiction.

This Plan of Arrangement will be governed by and be construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without regard to the principles of conflict of laws thereof. All disputes relating in any way to this Plan of Arrangement will be resolved by the courts of British Columbia. The parties expressly waive any objection based on personal jurisdiction, venue or forum *non conveniens*.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement.

This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

2.2 Effect of Plan of Arrangement

The Plan of Arrangement will, effective at the Effective Time, become effective and be binding on (i) Foremost, (ii) Rio Grande, (iii) Sierra, (iv) Foremost Shareholders, (v) Foremost Optionholders and (vi) Foremost Warrantholders without any further act or formality required on the part of any person except as expressly provided herein. If there is any inconsistency or conflict between the provisions of this Plan of Arrangement and the provisions of the Arrangement Agreement, the provisions of this Plan of Arrangement shall govern.

ARTICLE 3
THE ARRANGEMENT

3.1 The Arrangement.

Commencing at the Effective Time, the following will occur and be deemed to occur in the following chronological order (unless explicitly stated otherwise) without further act or formality, notwithstanding anything contained in the provisions attaching to any of the parties hereto, but subject to the provisions of Article 7 below:

(a) each Foremost Share outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights (each, a "**Dissenting Share**") will be directly transferred and assigned by such Dissenting Shareholder to Foremost, without any further act or formality and free and clear of any Encumbrance, and:

(i) such Foremost Share will be cancelled and cease to be outstanding;

(ii) such Dissenting Shareholder's name shall be removed from the register of holders of Foremost Shares maintained by or on behalf of Foremost as it relates to the Dissenting Shares so transferred; and

(iii) such Dissenting Shareholder will cease to have any rights as a Foremost Shareholder other than the right to be paid the fair value for his, her or its Foremost Shares by Foremost in accordance with Article 5 of this Plan of Arrangement;

(b) Foremost will (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outstanding and owing from Sierra to Foremost as at the Effective Date; and (ii) assign and transfer to Rio Grande all of the issued and outstanding Sierra Shares, in consideration for Rio Grande issuing to Foremost such number of Rio Grande Common Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the Effective Time by two (2). In respect of such transfer, Foremost and Rio Grande will jointly elect, in prescribed form and within the time allowed by subsection 85(6) of the Tax Act to have the provisions of subsection 85(1) of the Tax Act apply to the transfer of the Sierra Shares. The amount added to the stated capital in respect of the Rio Grande Common Shares issued as consideration on the transfer of the Sierra Shares will equal the amount Foremost and Rio Grande agree to in their election form, and:

(i) Foremost shall cease to be a holder of the Sierra Shares transferred to Rio Grande transferred pursuant to this Section 3.1(b) and shall be removed in respect of such Sierra Shares from the register of holders of Sierra Shares maintained by or on behalf of Sierra

(ii) the Sierra Shares transferred to Rio Grande pursuant to this Section 3.1(b) will be registered in the name of Rio Grande;

(iii) the Rio Grande Common Shares transferred to Foremost pursuant to this Section 3.1(b) will be registered in the name of Foremost.

(c) the authorized share capital and articles of Foremost will be amended by:

(i) renaming and redesignating all of the issued and unissued Foremost Shares as "Class A common shares without par value" (the "**Foremost Class A Common Shares**") and amending the special rights and restrictions attached to the Foremost Class A Common Shares to provide the holders thereof with two votes

for each Foremost Class A Common Share held at all meetings of shareholders of Foremost (except meetings at which only holders of a specified class of shares are entitled to vote), and, concurrently therewith, outside of and not as part of this Plan of Arrangement, the Foremost Class A Common Shares will be represented for listing purposes on the CSE by the continued listing of the Foremost Shares; and

(ii) creating a new class of shares consisting of an unlimited number of “common shares without par value” (the “**New Foremost Shares**”) which shares shall be unlimited in number and have special rights and restrictions identical to those of the Foremost Shares immediately prior to giving effect to Section 3.1(c)(i) hereof;

(d) Foremost’s Notice of Articles shall be amended to reflect the alternations in Section 3.1(c);

(e) the Rio Grande Equity Incentive Plan will come into force and effect with the terms and conditions set out in Appendix “A” to this Plan of Arrangement;

(f) notwithstanding the Foremost Incentive Plan, each Foremost Option to acquire one (1) Foremost Share outstanding immediately prior to this Section 3.1(f) shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost Optionee thereof to Foremost (free and clear of any Encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

(i) 0.9136 of each Foremost Option held by a Foremost Optionee immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) New Foremost Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this Section 3.1(f) divided by the total fair market value of a New Foremost Share and the fair market value of two (2) Rio Grande Common Shares determined immediately prior to this Section 3.1(f); and

(ii) 0.0864 of each Foremost Option held by a Foremost Optionee immediately prior to the Effective Time shall be transferred and exchanged for two Rio Grande Options, with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Common Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Common Share determined immediately prior to this Section 3.1(f) divided by the total of the fair market value of a New Foremost Share and the fair market value of two (2) Rio Grande Common Shares at the Effective Time;

provided that, for greater certainty:

(iii) the exercise prices for such Foremost Replacement Option and Rio Grande Option shall be adjusted to the extent required to ensure that (A) the aggregate In-the-Money Amount of the Foremost Replacement Option and Rio Grande Option immediately after the exchange does not exceed the In-the-Money-Amount of the Foremost Option so exchanged immediately before the exchange of such Foremost Option and (B) solely in the case of Foremost Optionees who are U.S. taxpayers, the ratio of the exercise price to the Fair Market Value of the Foremost Share or Rio Grande Common Share, as applicable, is not more

favorable to the Foremost Optionee than the ratio of the exercise price to the Fair Market Value of a Foremost Share immediately prior to the Effective Time, accordingly and with effect at the time of this Section 3.1(f). For greater certainty, it is intended that subsection 7(1.4) of the Tax Act and, solely with respect to U.S. taxpayers, Section 409A or 424 of the United States Internal Revenue Code of 1986, as amended, and corresponding United States Treasury Regulations. are satisfied and apply to the exchange of the Foremost Options. The parties are authorized to make any amendments or adjustments to the Plan of Arrangement they consider necessary to satisfy subsection 7(1.4) of the Tax Act and Sections 409A and 424 of the United States Internal Revenue Code;

(iv) the holder of a Foremost Replacement Option or Rio Grande Option will receive no consideration other than the Foremost Replacement Option and Rio Grande Option in respect of the transfer of the applicable portion of a Foremost Option pursuant to this Section 3.1(f);

(v) no Foremost Replacement Option or Rio Grande Option will be exercisable until after the date that is after five (5) trading days following the date the New Foremost Shares and the Rio Grande Common Shares, respectively, appear on the CSE's publicly disseminated trading list;

(vi) the Options so transferred to Foremost pursuant to this Section 3.1(f) shall be cancelled.

(g) notwithstanding the Foremost Incentive Plan, each Foremost RSU to acquire one (1) Foremost Share outstanding immediately prior to this Section 3.1(g) shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost RSU holder thereof to Foremost (free and clear of any Encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

(i) 0.9136 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

(ii) 0.0864 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for two (2) Rio Grande RSUs to acquire such number of Rio Grande Common Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU;

provided that, for greater certainty:

(iii) the holder of a Foremost Replacement RSU or Rio Grande RSU will receive no consideration other than the Foremost Replacement RSU and Rio Grande RSU in respect of the transfer of the applicable portion of a Foremost Option pursuant to this Section 3.1(g);

(iv) the Foremost RSUs so transferred to Foremost pursuant to this Section 3.1(g) shall be cancelled.

(h) Foremost shall undertake a reorganization of capital within the meaning of section 86 of the Tax Act as follows, with the steps occurring in the following order:

(i) each issued and outstanding Foremost Class A Common Share outstanding immediately following the giving of effect to Section 3.1(c)(i) shall be surrendered and transferred by the holder thereof to Foremost (free and clear of any Encumbrances) in exchange for and as the sole consideration therefor:

(A) one (1) New Foremost Share; and

(B) two (2) Rio Grande Common Shares held by Foremost (subject to any withholding of Rio Grande Common Shares required to be made pursuant to Section 3.7),

and:

(C) the holders of Foremost Class A Common Shares will be removed from the register of holders of Foremost Class A Common Shares and will be added to the register of holders of New Foremost Shares as the holders of the number of New Foremost Shares that they have received on the exchange set forth pursuant to Section 3.1(h)(i)(A);

(D) the Rio Grande Common Shares transferred to the former holders of Foremost Class A Common Shares pursuant to Section 3.1(h)(i)(B) will be registered in the name of such former holders;

(E) Foremost shall cease to be a holder of the Rio Grande Common Shares transferred to the former holders of Foremost Class A Common Shares pursuant to Section 3.1(h)(i)(B) and shall be removed in respect of such Rio Grande Common Shares from the register of holders of Rio Grande Common Shares maintained by or on behalf of Rio Grande; and

(F) concurrently with the exchange in Section 3.1(h)(i), the stated capital account maintained in respect of the Foremost Class A Common Shares shall be reduced to nil and there shall be added to the stated capital account of the New Foremost Shares issued pursuant to Section 3.1(h)(i) the amount by which (A) the amount of the reduction of the stated capital account of the Foremost Class A Common Shares pursuant to this Section 3.1(h)(i)(F) exceeds (B) the fair market value, determined immediately before the time of the transactions described in Section 3.1(g)(i), of the Rio Grande Common Shares distributed pursuant to Section 3.1(h)(i) to the former holders of Foremost Class A Common Shares.

For greater certainty, the exchange of Foremost Class A Common Shares for New Foremost Shares and Rio Grande Common Shares pursuant to Section 3.1(h)(i) is intended to be governed by Section 86 of the Tax Act; and

(ii) the Foremost Class A Common Shares, none of which will be issued or outstanding once the exchange in Section 3.1(h)(i)(A) above is completed, will be cancelled and the appropriate entries made in the register of holders of Foremost Class A Common Shares and the authorized share structure and articles of Foremost will be amended by eliminating the Foremost Class A Common Shares;

(i) Foremost's Notice of Articles shall be amended to reflect the alternations in Section 3.1(h)(ii);

(j) Concurrently with Section 3.1(f) and Section 3.1(g) of this Plan of Arrangement, each Foremost Warrant outstanding immediately prior to this Section 3.1(j) shall be deemed to be simultaneously amended to entitle the Foremost Warrantholder to receive, upon due exercise of the Foremost Warrant, for the original exercise price:

(i) one (1) New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to this Section 3.1(j); and

(ii) two (2) Rio Grande Common Shares for each Foremost Share that was issuable upon due exercise of a Foremost Warrant immediately prior to this Section 3.1(j).

(k) the directors of Rio Grande will be those persons listed in Appendix “B” to this Plan of Arrangement;

(l) the directors of Rio Grande will have the authority to appoint one or more additional directors of Rio Grande, who will hold office for a term expiring not later than the close of the next annual meeting of shareholders of Rio Grande, but the total number of directors so appointed may not exceed one third of the number of Persons who become directors of Rio Grande as contemplated hereby;

(m) the by-laws of Rio Grande will be the by-laws set out in Appendix "C" to this Plan of Arrangement, and such by-laws are hereby deemed to have been confirmed by the shareholders of Rio Grande;

(n) Davidson & Company LLP will be the initial auditors of Rio Grande, to hold office until the close of the first annual meeting of shareholders of Rio Grande, or until Davidson & Company LLP resigns as contemplated or are removed from office, and the directors of Rio Grande will be authorized to fix their remuneration; and

(o) the registered office of Rio Grande shall be located at 666 Burrard Street, Suite 1700, Vancouver, British Columbia V6C 2X8.

3.2 No Fractional Shares or Options.

Notwithstanding any other provision of this Plan of Arrangement, no fractional Rio Grande Common Shares will be distributed to the Foremost Shareholders and no fractional Rio Grande Common Shares will be distributed by Rio Grande upon the exercise of Rio Grande Warrants or Rio Grande Options following the Effective Time. As a result, all fractional amounts arising under this Plan of Arrangement will be rounded down to the next whole number without any compensation therefor. Any securities not distributed as a result of rounding down will be cancelled by Foremost or Rio Grande, as the case may be.

3.3 Share Distribution Record Date.

In Section 3.1(h)(i) above, the reference to a holder of a Foremost Class A Common Share will mean a person who is a holder of a Foremost Share on the Share Distribution Record Date, subject to the provisions of Article 5 below. Any Foremost Shares traded after the Share Distribution Record Date will represent New Foremost Shares as of the Effective Date and shall not carry any rights to receive Rio Grande Common Shares.

3.4 Deemed Fully Paid and Non-Assessable Shares.

All New Foremost Shares issued pursuant hereto will be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.

3.5 Deemed Time for Redemption.

In addition to the chronological order in which the transactions and events set out in Section 3.1 above shall occur and shall be deemed to occur, the time on the Effective Date for the exchange of Foremost Shares for New Foremost Shares and Rio Grande Common Shares set out in Section 3.1(h)(i) shall occur and shall be deemed to occur immediately after the time of listing of the New Foremost Shares and Rio Grande Common Shares on the CES on the Effective Date.

3.6 Supplementary Actions.

Notwithstanding that the transactions and events set out in Section 3.1 above, unless explicitly stated otherwise, will occur and will be deemed to occur in the chronological order therein set out without any act or formality, each of Foremost and Rio Grande will be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in Section 3.1 above, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, any necessary additions to or deletions from share registers, and agreements for stock options.

3.7 Withholding.

Each of Foremost, Rio Grande and the Depositary will be entitled to deduct and withhold from any cash payment or any issue, transfer or distribution of New Foremost Shares, Rio Grande Common Shares, Foremost Replacement Options, Rio Grande Options or Foremost Replacement Warrants made pursuant to this Plan of Arrangement and in respect of any distribution subject to Section 6.3 of this Plan of Arrangement, such amounts as may be required to be deducted and withheld pursuant to the Tax Act or any other applicable law, and any amount so deducted and withheld will be deemed for all purposes of this Plan of Arrangement to be paid, issued, transferred or distributed to the person entitled thereto under the Plan of Arrangement. Without limiting the generality of the foregoing, any New Foremost Shares, or Rio Grande Common Shares so withheld may be sold on behalf of the person entitled to receive them for the purpose of generating cash proceeds, net of brokerage fees and other reasonable expenses, sufficient to satisfy all remittance obligations relating to the required deduction and withholding, and any cash remaining after such remittance will be paid to the person forthwith.

3.8 No Liens.

Any exchange or transfer of securities pursuant to this Plan of Arrangement will be free and clear of any liens, restrictions, charges, pledges, leases, hypothecations, security interests, encumbrances, adverse claims or other claims of third parties of any kind.

3.9 U.S. Securities Law Matters.

The Court will be advised that the Arrangement will be carried out with the intention that all securities issued and exchanged in a transaction exempt from registration under the U.S. Securities Act on completion of the Arrangement will be issued and exchanged in reliance on the Section 3(a)(10) Exemption.

3.10 Tax Elections

Following the Effective Time, if requested by Foremost and Rio Grande shall make a joint election with pursuant to Section 85 of the Tax Act and any applicable provincial laws with respect to the transfer referred to in 3.1(b), on such terms as Foremost and Rio Grande may agree.

ARTICLE 4
CERTIFICATES

4.1 Foremost Class A Common Shares.

Recognizing that the Foremost Shares shall be renamed and redesignated as Foremost Class A Common Shares pursuant to Section 3.1(c) and that the Foremost Class A Common Shares shall be exchanged for New Foremost Shares pursuant to Section 3.1(h)(i), Foremost shall not issue replacement share certificates representing the Foremost Class A Common Shares.

4.2 Rio Grande Common Share Certificates.

As soon as practicable following the Effective Date, Rio Grande will deliver or cause to be delivered to the Depositary one or more certificates and/or DRS Advice representing the aggregate number of Rio Grande Common Shares required to be distributed to registered holders of Foremost Shares as at immediately prior to the Effective Time in accordance with the provisions of Section 3.1(h)(i) above, which certificates and/or DRS Advice will be held by the Depositary as agent and nominee for such holders for distribution thereto in accordance with the provisions of Section 6.1 below.

4.3 New Foremost Share Certificates.

As soon as practicable following the Effective Date, Foremost will deliver or cause to be delivered to the Depositary one or more certificates and/or DRS Advice representing the aggregate number of New Foremost Shares required to be issued to registered holders of Foremost Shares as at immediately prior to the Effective Time in accordance with the provisions of Section 3.1 above, which certificates and/or DRS Advice will be held by the Depositary as agent and nominee for such holders for distribution thereto in accordance with the provisions of Section 6.1 below.

4.4 Stock Option Agreements.

The stock option agreements, if any, for the Foremost Options will be deemed to be amended to reflect the terms of the Foremost Replacement Options.

ARTICLE 5
RIGHTS OF DISSENT

5.1 Dissent Right.

Registered holders of Foremost Shares may exercise Dissent Rights with respect to their Foremost Shares in connection with the Arrangement pursuant to the Interim Order, as they may be amended by the Interim Order, the Final Order or any other order of the Court, the Arrangement Agreement or this Article 5, and provided that such Dissenting Shareholder delivers a written notice of dissent to Foremost by 2:00 p.m. (Vancouver time) on the day that is at least two (2) Business Days before the day of the Foremost Meeting or any adjournment or postponement thereof.

5.2 Dealing with Dissenting Shares.

Foremost Shareholders who duly exercise Dissent Rights with respect to their Dissenting Shares and who:

(a) are ultimately entitled to be paid the fair value for their Dissenting Shares by Foremost shall be deemed to have transferred their Dissenting Shares to Foremost for cancellation as of the Effective Time pursuant to Section 3.1(a) above; or

(b) for any reason are ultimately not entitled to be paid for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting

Foremost Shareholder and will receive New Foremost Shares and Rio Grande Common Shares on the same basis as every other non-dissenting Foremost Shareholder;

but in no case shall Foremost or any other person be required to recognize such persons as holding Foremost Shares on or after the Effective Date and in no circumstances shall Foremost or any other person be required to recognize a person exercising Dissent Rights unless such person is a registered holder of those Foremost Shares in respect of which such rights are sought to be exercised.

5.3 Reservation of Rio Grande Common Shares.

If a Foremost Shareholder exercises Dissent Rights, Foremost will, on the Effective Date, set aside and not distribute that portion of the Rio Grande Common Shares that is attributable to the Foremost Shares for which Dissent Rights have been exercised. If the dissenting Foremost Shareholder is ultimately not entitled to be paid for their Dissenting Shares, Foremost will distribute to such Foremost Shareholder his, her or its pro rata portion of the Rio Grande Common Shares. If a Foremost Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then Foremost will retain the portion of the Rio Grande Common Shares attributable to such Foremost Shareholder and such shares will be dealt with as determined by the Foremost Board in its discretion.

ARTICLE 6
DELIVERY OF SECURITIES

6.1 Delivery of Shares.

(a) Upon surrender to the Depositary for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Foremost Shares, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depositary will deliver to such holder following the Effective Time, a certificate or DRS Advice representing the New Foremost Shares and a certificate or DRS Advice representing the Rio Grande Common Shares that such holder is entitled to receive in accordance with Section 3.1 above.

(b) After the Effective Time and until surrendered for cancellation as contemplated by Section 6.1(a) above, each certificate or DRS Advice that immediately prior to the Effective Time represented one or more Foremost Shares will be deemed at all times to represent only the right to receive in exchange therefor a certificate or DRS Advice representing the New Foremost Shares and a certificate or DRS Advice representing the Rio Grande Common Shares that such holder is entitled to receive in accordance with Section 3.1 above.

6.2 Lost Certificates.

If any certificate that immediately prior to the Effective Time represented one or more outstanding Foremost Shares that were exchanged for New Foremost Shares and Rio Grande Common Shares in accordance with Section 3.1 above, will have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary will deliver in exchange for such lost, stolen or destroyed certificate, the New Foremost Shares and Rio Grande Common Shares that such holder is entitled to receive in accordance with Section 3.1 above. When authorizing such delivery of New Foremost Shares and Rio Grande Common Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such securities are to be delivered will, as a condition precedent to the delivery of such New Foremost Shares and Rio Grande Common Shares give a bond satisfactory to Foremost, Rio Grande and the Depositary in such amount as Foremost, Rio Grande and the Depositary may direct, or otherwise indemnify Foremost, Rio Grande and the Depositary in a manner satisfactory to Foremost, Rio Grande

and the Depositary, against any claim that may be made against Foremost, Rio Grande or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

6.3 Distributions with Respect to Unsurrendered Certificates.

No dividend or other distribution declared or made after the Effective Time with respect to New Foremost Shares or Rio Grande Common Shares with a record date after the Effective Time will be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Foremost Shares unless and until the holder of such certificate will have complied with the provisions of either of Section 6.1 or 6.2 above. Subject to applicable law and to Section 3.7 above, at the time of such compliance, there will, in addition to the delivery of the New Foremost Shares and Rio Grande Common Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of any dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such New Foremost Shares and/or Rio Grande Common Shares, as applicable.

6.4 Limitation and Proscription.

To the extent that a former Foremost Shareholder will not have complied with the provisions of either of Section 6.1 or 6.2 above, as applicable, on or before the date that is six (6) years after the Effective Date, then the New Foremost Shares and Rio Grande Common Shares that such former Foremost Shareholder was entitled to receive will be automatically cancelled without any repayment of capital in respect thereof and the New Foremost Shares and Rio Grande Common Shares to which such Foremost Shareholder was entitled, will be delivered to Rio Grande (in the case of the Rio Grande Common Shares) or Foremost (in the case of the New Foremost Shares) by the Depositary and certificates representing such New Foremost Shares and Rio Grande Common Shares will be cancelled by Foremost and Rio Grande, as applicable, and the interest of the former Foremost Shareholder in such New Foremost Shares and Rio Grande Common Shares or to which it was entitled will be terminated as of such date.

6.5 Foremost Warrants.

Foremost and Rio Grande acknowledge and agree that:

(a) from and after the Effective Date, each Foremost Warrant shall entitle the holder to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:

(i) one New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and

(ii) two (2) Rio Grande Common Shares for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time,

and Rio Grande hereby covenants that it shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Common Shares as may be required to satisfy the foregoing;

(b) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Common Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Common Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Common Shares at the Effective Time; and

(c) the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

ARTICLE 7
AMENDMENTS & WITHDRAWAL

7.1 Amendments.

Foremost and Rio Grande reserve the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Time provided that any such amendment, modification or supplement must be:

(a) contained in a written document;

(b) filed with the Court and, if made following the Foremost Meeting, approved by the Court; and

(c) communicated to Foremost Shareholders if and as required by the Court.

7.2 Amendments Made Prior to or at the Foremost Meeting.

Any amendment, modification or supplement to this Plan of Arrangement, if agreed upon by Foremost and Rio Grande, may be proposed by Foremost and Rio Grande at any time prior to or at the Foremost Meeting with or without any prior notice or communication, and if so proposed and accepted by the Foremost Shareholders voting at the Foremost Meeting (other than as may be required under the Interim Order or other order of the Court), will become part of this Plan of Arrangement for all purposes.

7.3 Amendments Made After the Foremost Meeting.

Any amendment, modification or supplement to this Plan of Arrangement, if agreed upon by Foremost and Rio Grande, may be proposed by Foremost and Rio Grande after the Foremost Meeting but prior to the Effective Time and any such amendment, modification or supplement which is approved by the Court following the Foremost Meeting will be effective and will become part of the Plan of Arrangement for all purposes. Notwithstanding the foregoing, any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order unilaterally by Foremost, provided that it concerns a matter which, in the reasonable opinion of Foremost and Rio Grande, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any holder of Foremost Shares, Rio Grande Common Shares or Foremost Warrants.

7.4 Withdrawal.

Notwithstanding any prior approvals by the Court or by Foremost Shareholders, the Foremost Board may decide not to proceed with the Arrangement and to revoke the Arrangement Resolution at any time prior to the Effective Time, without further approval of, or notice to, the Court or the Foremost Shareholders. Upon termination of this Plan of Arrangement, no Party will have any liability or further obligation to any other Party or person hereunder other than as set out in the Arrangement Agreement.

7.5 Paramountcy.

From and after the Effective Time: (a) this Plan of Arrangement will take precedence and priority over all Foremost Shares, Foremost Warrants and Foremost Options outstanding prior to the Effective Time, (b) the rights and obligations of the Foremost Shareholders, Foremost Optionees, Foremost Warrantholders, Foremost, Rio Grande, the Depositary, the Transfer Agent and any other registrar or transfer agent or other depositary therefor in relation thereto, will be solely as provided for in this Plan of

Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Foremost Shares will be deemed to have been settled, compromised, released and determined without liability except as set out in this Plan of Arrangement.

ARTICLE 8
AMENDMENTS & WITHDRAWAL

8.1 Further Assurances.

Notwithstanding that the transactions and events set out herein will occur and will be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties to the Arrangement Agreement will make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein.

APPENDIX A
TO THE PLAN OF ARRANGEMENT AGREEMENT

RIO GRANDE RESOURCES LTD.

OMNIBUS LONG-TERM INCENTIVE PLAN

December 20, 2024

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RIO GRANDE RESOURCES LTD.
OMNIBUS LONG-TERM INCENTIVE PLAN

Rio Grande Resources Ltd. (the "**Corporation**") hereby establishes an Omnibus Long-Term Incentive Plan for certain qualified directors, officers, employees, consultants and management company employees providing ongoing services to the Corporation and its Affiliates (as defined herein) that can have a significant impact on the Corporation's long-term results.

ARTICLE 1 - DEFINITIONS

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:

"**Affiliates**" has the meaning given to this term in the *Securities Act* (British Columbia), as such legislation may be amended, supplemented or replaced from time to time;

"**Award Agreement**" means an Option Agreement, RSU Agreement, PSU Agreement, DSU Agreement or an Employment Agreement, as the context requires;

"**Awards**" means Options, RSUs, PSUs and DSUs granted to a Participant pursuant to the terms of the Plan;

"**Black-Out Period**" means the period of time required by applicable law or as imposed by the Corporation as a result existence of undisclosed Material Information (as such term is defined in the policies of the CSE, as amended, supplemented or replaced from time to time) when, pursuant to any policies or determinations of the Corporation, securities of the Corporation may not be traded by insiders or other specified persons;

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

"**Broker**" has the meaning ascribed thereto in Section 7.4(2) hereof;

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

"**Cash Equivalent**" means in the case of Share Units, the amount of money equal to the Market Value multiplied by the number of vested Share Units in the Participant's Account, net of any applicable taxes in accordance with Section 7.4, on the Share Unit Settlement Date;

"**Change of Control**" means unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events: (a) any transaction (other than a transaction described in clause (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 (A) upon the exercise or settlement of options or other securities granted by the Corporation

under any of the Corporation's equity incentive plans; or (B) as a result of the conversion of the multiple voting shares in the capital of the Corporation into Shares; upon the consummation of 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; (b) the sale, lease, exchange, license or other disposition of all or substantially all of the Corporation's assets to a person other than a person that was an Affiliate of the Corporation at the time of such sale, lease, exchange, license or other disposition, other than a sale, lease, exchange, license or other disposition to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are beneficially owned by shareholders of the Corporation in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such sale, lease, exchange, license or other disposition; (c) 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 in one or more transactions or series of transactions 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 (d) individuals who, on the effective date, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board; 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; provided, however, that for purposes of any Award that constitutes “deferred compensation” (within the meaning of Section 409A of the Code), the payment of which would be required upon, or accelerated upon, a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Participant unless the transaction qualifies as “a change in control event” within the meaning of Section 409A of the Code;

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

"**Code of Ethics**" means any code of ethics adopted by the Corporation, as modified from time to time;

"**Corporation**" means Rio Grande Resources Ltd., a corporation existing under the *Business Corporations Act* (British Columbia), as amended from time to time;

"**CSE**" means the Canadian Securities Exchange;

"**DSUs**" have the meaning ascribed thereto in Section 4.8 hereof, which is a bookkeeping entry equivalent in value to a Share credited to a Participant’s account, and may only be awarded to Non-Employee Directors;

"**DSU Agreement**" means a written notice from the Corporation to a Participant evidencing the grant of DSUs and the terms and conditions thereof, substantially in the form of Appendix "D", or such other form as the Board may approve from time to time;

"**Eligible Participants**" has the meaning ascribed thereto in Section 2.4 hereof;

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

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

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

"**Expiry Date**" has the meaning ascribed thereto in Section 3.4 hereof;

"**Market Value**" means at any date when the market value of Shares and for all Awards of the Corporation is to be determined, the greater of the closing market price of the Shares on the Trading Day prior to the date of grant or the date of grant on the principal stock exchange on which the Shares are listed but in any event being not less than $0.05, or if the Shares of the Corporation are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith;

"**Non-Employee Directors**" means members of the Board who, at the time of execution of an Award Agreement, if applicable, and at all times thereafter while they continue to serve as a member of the Board, are not officers, senior executives or other employees of the Corporation or a Subsidiary, consultants or service providers providing ongoing services to the Corporation or its Affiliates;

"**Option**" means an option granted to the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Exercise Price, but subject to the provisions hereof;

"**Option Agreement**" means a written notice from the Corporation to a Participant evidencing the grant of Options and the terms and conditions thereof, substantially in the form set out in Appendix "A", or such other form as the Board may approve from time to time;

"**Participant's Account**" means an account maintained to reflect each Participant's participation in RSUs and/or PSUs under the Plan;

"**Participants**" means Eligible Participants that are granted Awards under the Plan;

"**Performance Criteria**" means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or the financial performance of the Corporation and/or of its Affiliates, and that may be used to determine the vesting of the Awards, when applicable;

"**Performance Period**" means the period determined by the Board pursuant to Section 4.4 hereof;

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

"**Plan**" means this Omnibus Long-Term Incentive Plan, as amended and restated from time to time;

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

"**PSU Agreement**" means a written notice from the Corporation to a Participant evidencing the grant of PSUs and the terms and conditions thereof, substantially in the form of Appendix "C", or such other form as the Board may approve from time to time;

"**Restriction Period**" means the period determined by the Board pursuant to Section 4.3 hereof;

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

"**RSU Agreement**" means a written notice from the Corporation to a Participant evidencing the grant of RSUs and the terms and conditions thereof, substantially in the form of Appendix "B", or such other form as the Board may approve from time to time;

"**Share Compensation Arrangement**" means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more Non-Employee Directors, officers, employees or insiders of the Corporation or a Subsidiary. For greater certainty, a "Share Compensation Arrangement" does not include a security-based compensation arrangement used as an inducement to person(s) or company(ies) not previously employed by and not previously an insider of the Corporation;

"**Share Unit**" means a RSU or PSU awarded thereon, as the context requires;

"**Share Unit Settlement Date**" has the meaning determined in Section 4.6(1)(a);

"**Share Unit Settlement Notice**" means a notice by a Participant to the Corporation electing the desired form of settlement of vested RSUs or PSUs in the form set out in Appendix "F", or such other form as the Board may approve from time to time;

"**Share Unit Vesting Determination Date**" has the meaning described thereto in Section 4.5 hereof;

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

"**Stock Exchange**" means the CSE or such other principal stock exchange (if not the CSE) upon which the Shares may be listed, as applicable from time to time;

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

"**Successor Corporation**" has the meaning ascribed thereto in Section 6.1(3) hereof;

"**Surrender**" has the meaning ascribed thereto in Section 3.6(3);

"**Surrender Notice**" has the meaning ascribed thereto in Section 3.6(3);

"**Tax Act**" means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

"**Termination Date**" means the date on which a Participant ceases to be an Eligible Participant;

"**Trading Day**" means any day on which the Stock Exchange is opened for trading;

"**U.S. Participant**" means any Participant who is a United States citizen or United States resident alien as defined for purposes of Section 7701(b)(1)(A) of the Code or for whom an Award is otherwise subject to taxation under the Code; and

"**VWAP**" means the volume weighted average trading price of the Shares on the CSE calculated by dividing the total value by the total volume of such securities traded for the five (5) Trading Days immediately preceding the exercise of the subject Option.

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

2.1 Purpose of the Plan.

The purpose of this Plan is to advance the interests of the Corporation by: (i) providing Eligible Participants with additional incentives; (ii) encouraging stock ownership by such Eligible Participants; (iii) increasing the proprietary interest of Eligible Participants in the success of the Corporation; (iv) promoting growth and profitability of the Corporation; (v) encouraging Eligible Participants to take into account long- term corporate performance; (vi) rewarding Eligible Participants for sustained contributions to the Corporation and/or significant performance achievements of the Corporation; and (vii) enhancing the Corporation's ability to attract, retain and motivate Eligible Participants.

2.2 Implementation and Administration of the Plan.

(1) Subject to Section 2.3, this Plan will be administered by the Board.

(2) Subject to the terms and conditions set forth in this Plan, the Board is authorized to provide for the granting, exercise and method of exercise of Awards, all at such times and on such terms (which may vary between Awards granted from time to time) as it determines. In addition, the Board has the authority to (i) construe and interpret this Plan and all certificates, agreements or other documents provided or entered into under this Plan; (ii) prescribe, amend and rescind rules and regulations relating to this Plan; and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board will be binding on all Participants and on their legal, personal representatives and beneficiaries.

(3) No member of the Board will be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan, any Award Agreement or other document or any Awards granted pursuant to this Plan.

(4) The day-to-day administration of the Plan may be delegated to such committee of the Board and/or such officers and employees of the Corporation as the Board determines from time to time.

(5) Subject to the provisions of this Plan, the Board has the authority to determine the limitations, restrictions and conditions, if any, applicable to the exercise of an Award.

2.3 Delegation to Committee.

Despite Section 2.2 or any other provision contained in this Plan, the Board has the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member of the Board. In such circumstances, all references to the Board in this Plan include reference to such committee and/or member of the Board, as applicable.

2.4 Eligible Participants.

(1) The Persons who shall be eligible to receive Awards ("**Eligible Participants**") shall be the bona fide Non-Employee Directors, officers, employees, consultants, contractors and service providers of the Corporation or a Subsidiary, providing ongoing services to the Corporation and its Affiliates. The Corporation shall be responsible for ensuring and confirming that such person is a bona fide Eligible Participant.

(2) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship, employment or appointment with the Corporation.

(3) 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 of employment or appointment by the Corporation.

2.5 Shares Subject to the Plan.

(1) Subject to adjustment pursuant to provisions of Article 6 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan shall not exceed fifteen percent (15%) of the total issued and outstanding Shares from time to time or such other number as may be approved by the Stock Exchange and the shareholders of the Corporation from time to time, determined on the date of a grant of an Award, provided that at all times when the Corporation is listed on the CSE, the requisite shareholder approval required by policies of the CSE then in force must be obtained.

(2) Shares in respect of which an Award is granted under the Plan, but not exercised prior to the termination of such Award or not vested or settled prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Shares issued pursuant to the exercise or the vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Shares.

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 Exercise Price, subject to the provisions hereof.

3.2 Option Awards.

(1) The Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) determine 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, (iii) determine the price per Share to be payable upon the exercise of each

such Option (the "**Exercise Price**"), (iv) determine the relevant vesting provisions (including Performance Criteria, if applicable) and (v) determine the Expiry Date, the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the Stock Exchange.

(2) The Board shall have the authority to determine the vesting terms applicable to grants of Options, and such vesting terms will be described in the Option Agreement.

3.3 Exercise Price.

The Exercise Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted but shall not be less than the Market Value of such Shares at the time of the grant.

3.4 Expiry Date; Blackout Period.

Subject to Section 6.2, each Option must be exercised no later than ten (10) years after the date the Option is granted or such shorter period as set out in the Participant's Option Agreement, at which time such Option will expire (the "**Expiry Date**"). Notwithstanding any other provision of this Plan, each Option that would expire during a Black-Out Period shall expire on the date that is ten (10) Business Days immediately following the expiration of the Black-Out Period.

3.5 Exercise of Options.

(1) Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.

(2) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board may determine in its sole discretion.

(3) No fractional Shares will be issued upon the exercise of Options granted under this 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 6.1, 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.

3.6 Method of Exercise and Payment of Purchase Price.

(1) Subject to the provisions of the Plan and the alternative exercise procedures set out herein, an Option granted under the Plan may be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering an Exercise Notice to the Corporation in the form and manner determined by the Board from time to time, together with cash, a bank draft or certified cheque in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Options and any applicable tax withholdings.

(2) In lieu of exercising any vested Option in the manner described in this Section 3.6(1) or Section 3.6(2), and pursuant to the terms of this Article 3, a Participant may, by surrendering an Option ("**Surrender**") with a properly endorsed notice of Surrender to the Corporate Secretary of the Corporation, substantially in the form of Schedule "B" to the Option Agreement

(a "**Surrender Notice**"), elect to receive that number of Shares equal to the quotient obtained by dividing:

(G) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options; by

(H) the VWAP of the underlying Shares, and

such Surrender shall be subject to Board approval at all times.

(3) Upon the exercise of an Option pursuant to Section 3.6(1) or Section 3.6(3), the Corporation shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to deliver to the Participant such number of Shares as the Participant shall have then paid for and as are specified in such Exercise Notice.

ARTICLE 4 - SHARE UNITS

4.1 Nature of Share Units.

A Share Unit is an Award entitling the recipient to acquire Shares, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives.

4.2 Share Unit Awards.

(1) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs and/or PSUs under the Plan, (ii) fix the number of RSUs and/or PSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs and/or PSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions (including, in the case of PSUs, the applicable Performance Period and Performance Criteria, if any) and Restriction Period of such RSUs and/or PSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.

(2) Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement and/or PSU Agreement, the Board shall determine whether each RSU and/or PSU awarded to a Participant shall entitle the Participant: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one Share; or (iii) to elect to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares. For greater certainty, RSUs shall only be granted to a Participant in consideration for future services to be provided by the Participant to the Corporation and if such RSU grants are made at the discretion of the Board on a quarterly basis, each such RSU grant shall be made in advance of the quarter to which it relates and shall vest at the Share Unit Vesting Determination Date inclusive of such relevant quarter.

(3) Share Units shall be settled by the Participant at any time beginning on the first Business Day following their Share Unit Vesting Determination Date but no later than the Share Unit Settlement Date.

(4) The Board shall have the authority to determine the vesting terms applicable to grants of RSUs, and such vesting terms will be described in the RSU Agreements.

(5) If applicable, each Non-Employee Director may elect to receive all or a portion his or her annual retainer fee in the form of a grant of RSUs in each fiscal year. The number of RSUs shall be calculated as the amount of the Non-Employee Director's annual retainer fee elected to be paid by way of RSUs divided by the Market Value. At the discretion of the Board, fractional RSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

4.3 Restriction Period Applicable to Share Units.

The applicable restriction period in respect of a particular Share Unit shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three (3) years after the calendar year in which the services in respect of which the Award is granted are rendered ("**Restriction Period**"). For example, the Restriction Period for a grant made in October 2024 shall end no later than December 31, 2028. Subject to the Board's determination, any vested Share Units with respect to a Restriction Period will be paid to Participants in accordance with Article 4, no later than the final day of the Restriction Period. Unless otherwise determined by the Board, all unvested Share Units shall be cancelled on the Share Unit Vesting Determination Date (as such term is defined in Section 4.5) and, in any event, no later than the last day of the Restriction Period.

4.4 Performance Criteria and Performance Period Applicable to PSU Awards.

(1) For each award of PSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the PSUs held by such Participant (the "**Performance Period**"), provided that such Performance Period may not expire after the end of the Restriction Period, being no longer than three (3) years after the calendar year in which the services in respect of which the Award was granted are rendered. For example, a Performance Period determined by the Board to be for a period of three (3) financial years will start on the first day of the financial year in which the award is granted and will end on the last day of the third] financial year after the year in which the grant was made. In such a case, for a grant made on J anuary 4, 2024, the Performance Period will start on January 1, 2024 and will end on December 31, 2027.

(2) For each award of PSUs, the Board shall establish any Performance Criteria and other vesting conditions in order for a Participant to be entitled to receive Shares in exchange for his or her PSUs.

4.5 Share Unit Vesting Determination Date.

(1) The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU and/or PSU have been met (the "**Share Unit Vesting Determination Date**"), and as a result, establishes the number of RSUs and/or PSUs that become vested, if any. For greater certainty, the Share Unit Vesting Determination Date in respect of Share Units must fall after the end of the Performance Period, if applicable, but no later than the day immediately prior to the last day of the Restriction Period.

(2) No RSU or PSU issued pursuant to this Plan, may vest before the date that is one year following the date it is granted or issued. However, the vesting required by Section 4.5(1) may be accelerated for a Participant who dies or who ceases to be an Eligible Participant under the Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction.

4.6 Settlement of Share Unit Awards.

(1) Subject to the terms of any Employment Agreement or other agreement between the Participant and the Corporation, or the Board expressly providing to the contrary, and except as otherwise provided in a RSU Agreement and/or PSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of a Share Unit are satisfied:

(a) all of the vested Share Units covered by a particular grant shall, subject to Section 4.6(4), be settled on the first Business Day following their Share Unit Vesting Determination Date (the "**Share Unit Settlement Date**"); and

(b) a Participant is entitled to deliver to the Corporation, on or before the Share Unit Settlement Date, a Share Unit Settlement Notice in respect of any or all vested Share Units held by such Participant.

(2) Subject to Section 4.6(4), settlement of Share Units shall take place promptly following the Share Unit Settlement Date and take the form set out in the Share Unit Settlement Notice through:

(a) in the case of settlement of Share Units for their Cash Equivalent, delivery of a bank draft, certified cheque or other acceptable form of payment to the Participant representing the Cash Equivalent;

(b) in the case of settlement of Share Units for Shares, delivery of Shares to the Participant; or

(c) in the case of settlement of the Share Units for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

(3) If a Share Unit Settlement Notice is not received by the Corporation on or before the Share Unit Settlement Date, settlement shall take the form of Shares issued from treasury as set out in Section 4.7(2).

(4) Notwithstanding any other provision of this Plan, in the event that a Share Unit Settlement Date falls during a Black-Out Period and the Participant has not delivered a Share Unit Settlement Notice, then such Share Unit Settlement Date shall be automatically extended to the tenth (10th) Business Day following the date that such Black-Out Period is terminated unless such date would occur after the final day of the Restriction Period.

4.7 Determination of Amounts.

(1) For purposes of determining the Cash Equivalent of Share Units to be made pursuant to Section 4.6, such calculation will be made on the Share Unit Settlement Date and shall equal the Market Value on the Share Unit Settlement Date multiplied by the number of vested Share Units in the Participant's Account which the Participant desires to settle in cash pursuant to the Share Unit Settlement Notice.

(2) For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of Share Units pursuant to Section 4.6, such calculation will be made on the Share Unit Settlement Date and be the whole number of Shares equal to the whole number of vested Share Units then recorded in the Participant's Account which the Participant desires to settle pursuant to the Share Unit Settlement Notice. Shares issued from

treasury will be issued in consideration for the past services of the Participant to the Corporation and the entitlement of the Participant under this Plan in respect of such Share Units settled for Shares shall be satisfied in full by such issuance of Shares.

4.8 Deferred Share Units.

(1) A deferred share unit is a unit granted to Non-Employee Directors of the Corporation representing the right to receive a Share or the Cash Equivalent, subject to restrictions and conditions as the Board may determine at the time of grant (a "**DSU**"). Conditions may be based on continuing service as a Non-Employee Director (or other service relationship), vesting terms and/or achievement of pre-established Performance Criteria, as applicable.

(2) Subject to the Corporation's director compensation policies determined by the Board from time to time, each Non-Employee Director may receive all or a portion of his or her annual retainer fee, if applicable, in the form of a grant of DSUs in each calendar year. The number of DSUs shall be calculated as the amount of the Non-Employee Director's annual retainer fee to be paid by way of DSUs divided by the Market Value on the date of grant. At the discretion of the Board, fractional DSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number. As applicable, any election made by a Non-Employee Director who is an Eligible Person to receive an additional portion of his or her annual retainer fee in the form of DSUs must be irrevocably made, completed, signed and delivered to the Corporation by the end of the fiscal year preceding the fiscal year to which such election is to apply. Subject to the Corporation's Non-Employee Director compensation policies and any minimum amount of the Non-Employee Director's annual retainer fee that may be required to be received in the form of DSUs, if no such election is made in respect of a particular fiscal year, an Eligible Person will receive all or the remainder, as applicable, of the Non-Employee Director's annual retainer fee in cash.

(3) Each DSU will be evidenced by a DSU Agreement that sets forth the restrictions, limitations and conditions for each DSU and may include, without limitation, the vesting and terms of the DSUs and the provisions applicable in the event service terminates, and shall contain such terms that may be considered necessary in order for the DSUs to comply with any applicable tax provisions or other applicable laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any Stock Exchange having authority over the Corporation.

(4) Any DSUs that are awarded to a person who is a resident of Canada or employed in Canada (each for purposes of the Tax Act) shall be structured so as to meet requirements of paragraph 6801(d) of the Income Tax Regulations adopted under the Tax Act (or any successor to such provisions).

(5) Subject to vesting and other conditions and provisions set forth herein and in the DSU Agreement, the Board shall determine whether each DSUs awarded shall entitle the Participant: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one Share; (iii) to receive a combination of cash and Shares, as the Board may determine in its sole discretion on redemption; or (iv) to entitle the Participant to elect to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares.

(6) Unless otherwise specified in a DSU Agreement, a non-U.S. Participant shall be entitled to redeem his or her DSUs during the period commencing on the Business Day immediately following the Termination Date and ending on the earlier of (i) the date that is not later than the 90th date following the Termination Date, or such shorter redemption period set out in the

relevant DSU Agreement that is not earlier than the Termination Date, and (ii) December 31st of that calendar year, and which period (the "**DSU Redemption Deadline**"), by providing a written notice of settlement to the Corporation setting out the number of DSUs to be settled and the particulars regarding the registration of the Shares issuable upon settlement, if applicable (the "**DSU Redemption Notice**"). In the event of the death of a Non-Employee Director who is not a U.S. Participant, the DSU Redemption Notice shall be filed by the administrator or liquidator of the estate.

(7) If a DSU Redemption Notice is not received by the Corporation on or before the DSU Redemption Deadline, the Participant shall be deemed to have delivered a DSU Redemption Notice on the DSU Redemption Deadline and, if not otherwise set out in the DSU Agreement, the Board shall determine the number of DSUs to be settled by way of Shares, the Cash Equivalent or a combination of Shares and the Cash Equivalent and delivered to the Participant or administrator or liquidator of the estate of the Participant, as applicable.

(8) The settlement of DSUs held by a Participant who is a U.S. Participant shall be made in accordance with the terms of the Addendum for U.S. Participants, the relevant DSU Agreement and any applicable deferral election. Such settlement shall be intended to comply with or be exempt from Section 409A.

ARTICLE 5 - GENERAL CONDITIONS

5.1 General Conditions applicable to Awards.

Each Award, as applicable, shall be subject to the following conditions:

(1) **Employment** - 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 in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any awards in the future nor shall it entitle the Participant to receive future grants.

(2) **Rights as a Shareholder** - Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such person's name on the share register for the Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued or entry of such person's name on the share register for the Shares.

(3) **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.

(4) **Non-Transferability** - Except as set forth herein, Awards are not transferable and not assignable. Awards may be exercised only upon the Participant's death, by the legal representative of the Participant's estate, 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.

5.2 Termination of Employment.

(1) Each Share Unit and Option shall be subject to the following conditions:

(a) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for "cause", all unexercised vested or unvested Share Units, Options and DSUs granted to such Participant shall terminate for nil consideration on the effective date of the termination as specified in the notice of termination. 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 Code of Ethics and any reason determined by the Corporation to be cause for termination.

(b) **Retirement.** In the case of a Participant's retirement, any unvested Share Units, DSUs and/or Options held by the Participant as at the Termination Date will continue to vest in accordance with their vesting schedules, and all vested Share Units, DSUs and Options held by the Participant at the Termination Date may be exercised until the earlier of the expiry date of such Share Units and Options, or in the case of DSUs, the DSU Redemption Deadline or one (1) year following the Termination Date, provided that if the Participant is determined to have breached any post-employment restrictive covenants in favour of the Corporation, then any Share Units, DSUs and/or Options held by the Participant, whether vested or unvested, will immediately expire and the Participant shall pay to the Corporation any "in-the-money" amounts realized upon exercise of Share Units, DSUs and/or Options following the Termination Date. For greater certainty, any Share Units, DSUs or Options (vested or unvested) must expire within a reasonable period, not exceeding twelve (12) months from the date of the Participant's retirement.

(c) **Resignation**. In the case of a Participant ceasing to be an Eligible Participant due to such Participant's resignation, subject to any later expiration dates determined by the Board (which shall not exceed twelve (12) months from the date of the Participant's resignation), all Share Units, DSUs and Options shall expire on the earlier of ninety (90) days after the effective date of such resignation, or the expiry date of such Share Unit or Option, to the extent such Share Unit, DSUs or Option was vested and exercisable by the Participant on the effective date of such resignation and all unexercised unvested Share Units and/or Options and/or unvested DSUs granted to such Participant shall terminate on the effective date of such resignation.

(d) **Termination or Cessation.** In the case of a Participant ceasing to be an Eligible Participant for any reason (other than for "cause", resignation or death) the number of Share Units, DSUs and/or Options that may vest is subject to pro ration over the applicable vesting or performance period and shall expire on the earlier of ninety (90) days after the effective date of the Termination Date, or the expiry date of such Share Units and Options or in the case of DSUs, the DSU Redemption Deadline. For greater certainty, the pro ration calculation referred to above shall be net of previously vested Share Units, DSUs and/or Options.

(e) **Death.** If a Participant dies while in his or her capacity as an Eligible Participant, all unvested Share Units, DSUs and Options will immediately vest and all Share Units and Options will expire one hundred eighty (180) days after the death of such Participant and all unsettled DSUs shall be settled in accordance with Section 4.8(6) and Section 4.8(7), as applicable.

(f) **Change of Control.** If a Participant is terminated without "cause" or resigns for good reason during the 12 month period following a Change of Control, or after the Corporation has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Share Units and/or Options will immediately vest and may be exercised prior to the earlier of thirty (30) days of such date or the expiry date of such Options or Share Units and any unsettled DSUs will be settled in accordance with Section 4.8(6) prior to the earlier of thirty (30) days of such date or the DSU Redemption Deadline.

(2) For the purposes of this Plan, a Participant's employment with the Corporation or an Affiliate is considered to have terminated effective on the last day of the Participant's actual and active employment with the Corporation or Affiliate, whether such day is selected by agreement with the individual, unilaterally by the Corporation or Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant's last day of actual and active employment will be considered as extending the Participant's period of employment for the purposes of determining his entitlement under this Plan.

(3) The Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any awards which would have settled or vested or accrued to the Participant after the date of cessation of employment or if working notice of termination had been given.

5.3 Unfunded 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. Notwithstanding the foregoing, any determinations made shall be such that the DSUs issued pursuant to this Plan continuously meet the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.

ARTICLE 6 - ADJUSTMENTS AND AMENDMENTS

6.1 Adjustment to Shares Subject to Outstanding Awards.

(1) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(2) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for

the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such consideration if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(3) If at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Section 6.1(1) or Section 6.1(2) hereof or, subject to the provisions of Section 6.2(3) hereof, the Corporation shall consolidate, merge or amalgamate with or into another corporation (the corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the "**Successor Corporation**"), the Participant shall be entitled to receive upon the subsequent exercise or vesting of Award, in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate class or other securities of the Corporation or the Successor Corporation (as the case may be) or other consideration from the Corporation or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of Section 6.2(3) hereof, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, such Participant had been the registered holder of the number of Shares to which such Participant was immediately theretofore entitled upon such exercise or vesting of such Award.

(4) If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall make a distribution to all holders of Shares or other securities in the capital of the Corporation, or 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 or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit), or should the Corporation effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.

(5) Any adjustment, other than in connection with a security consolidation or security split, to any Awards granted or issued under the Plan must be subject to the prior acceptance of the CSE (if required under the policies of the CSE), including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

6.2 Amendment or Discontinuance of the Plan.

(1) The Board may amend the Plan or any Award at any time without the consent of the Participants provided that such amendment shall:

(a) not adversely alter or impair any Award previously granted except as permitted by the provisions of Article 6 hereof;

(b) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the Stock Exchange; and

(c) be subject to shareholder approval, where required by law, the requirements of the Stock Exchange or the provisions of the Plan, provided that shareholder approval shall not be required for the following amendments and the Board may make any such amendments:

(i) amendments of a general "housekeeping" or clerical nature that, among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in the Plan;

(ii) changes that alter, extend or accelerate the terms of vesting or settlement applicable to any Award;

(iii) any amendment regarding the administration of this Plan;

(iv) any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body having authority over the Corporation, this Plan or the shareholders of the Corporation (provided, however, that any Stock Exchange shall have the overriding right in such circumstances to require shareholder of any such amendments); and

(v) any other amendment that does not require the shareholder approval under Section 6.2(2).

(2) Notwithstanding Section 6.2(1)(c), the Board shall be required to obtain shareholder approval to make the following amendments:

(a) any amendment to the category of persons eligible to participate under this Plan;

(b) any change to the maximum number or percentage, as the case may be, of Shares issuable from treasury under the Plan, except such increase by operation of Section 2.5 and in the event of an adjustment pursuant to Article 6;

(c) any amendment that would permit the introduction or reintroduction of Non-Employee Directors as Eligible Participants on a discretionary basis or any amendment that increases the limits previously imposed on Non-Employee Director participation;

(d) any amendment regarding the effect of termination of a Participant's employment or engagement;

(e) any amendment to add or amend provisions relating to the granting of cash-settled awards, provision of financial assistance or clawbacks and any amendment to a cash-settled award, financial assistance or clawbacks provisions which are adopted;

(f) any amendment to the amendment provisions of the Plan;

(g) any amendment to the method for determining the Exercise Price of any Options;

(h) any amendment to the expiry and termination provisions applicable to any Awards; and

(i) any amendment to the method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to a Participant.

(3) The Board may, subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the Board.

(4) Notwithstanding any other provision of this Plan, at all times when the Corporation is listed on the CSE, the Corporation shall be required to obtain prior CSE acceptance of any amendment to this Plan if required under the policies of the CSE.

6.3 Change of Control.

(1) Notwithstanding any other provision of this Plan, in the event of a Change of Control, the surviving, successor or acquiring entity shall assume any Awards or shall substitute similar options or share units for the outstanding Awards, as applicable. If the surviving, successor or acquiring entity does not assume the outstanding Awards or substitute similar options or share units for the outstanding Awards, as applicable, or if the Board otherwise determines in its discretion, the Corporation shall give written notice to all Participants advising that the Plan shall be terminated effective immediately prior to the Change of Control and all Options, RSUs, DSUs and a specified number of PSUs shall be deemed to be vested and, unless otherwise exercised, settled, forfeited or cancelled prior to the termination of the Plan, shall expire or, with respect to RSUs and PSUs be settled, immediately prior to the termination of the Plan. The number of PSUs which are deemed to be vested shall be determined by the Board, in its sole discretion, having regard to the level of achievement of the Performance Criteria prior to the Change of Control.

(2) In the event of a Change of Control, the Board has the power to: (i) make such other changes to the terms of the Awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the Participants; (ii) otherwise modify the terms of the Awards to assist the Participants to tender into a takeover bid or other arrangement leading to a Change of Control, and thereafter; and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of such Change of Control. If the Change of Control is not completed within the time specified therein (as the same may be extended), the Awards which vest pursuant to this Section 6.3 shall be returned by the Corporation to the Participant and, if exercised or settled, as applicable, the Shares issued on such exercise or settlement shall be reinstated as authorized but unissued Shares and the original terms applicable to such Awards shall be reinstated.

ARTICLE 7 - MISCELLANEOUS

7.1 Currency.

Unless otherwise specifically provided, all references to dollars in this Plan are references to Canadian dollars.

7.2 Compliance and Award Restrictions.

(1) The Corporation's obligation to issue and deliver Shares under any Award is subject to: (i) the completion of such registration or other qualification of such Shares or obtaining approval of such regulatory authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Shares to listing on any Stock Exchange on which such Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Corporation determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Corporation

shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any Stock Exchange on which such Shares are then listed.

(2) The Participant agrees to fully cooperate with the Corporation in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance by the Corporation with such laws, rule and requirements, including all tax withholding and remittance obligations.

(3) No Awards will be granted where such grant is restricted pursuant to the terms of any trading policies or other restrictions imposed by the Corporation.

(4) The Corporation is not obliged by any provision of this Plan or the grant of any Award under this Plan to issue or sell Shares if, in the opinion of the Board, such action would constitute a violation by the Corporation or a Participant of any laws, rules and regulations or any condition of such approvals.

(5) If Shares cannot be issued to a Participant upon the exercise or settlement of an Award due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares will terminate and, if applicable, any funds paid to the Corporation in connection with the exercise of any Options will be returned to the applicable Participant as soon as practicable.

7.3 Use of an Administrative Agent and Trustee.

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 act as trustee 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.

7.4 Tax Withholding.

(1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 7.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.

(2) The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the "**Broker**"), under Section 7.4(1) or under any other provision of the Plan will be made on the Stock Exchange. The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that (i) the number of Shares sold will be, at a minimum, sufficient to fund the withholding obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds

of such sale; (ii) in effecting the sale of any such Shares, the Corporation or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Corporation nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sales or any delay in transferring any Shares to a Participant or otherwise.

(3) The Participant further acknowledges that the sale price of the Shares will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale.

(4) Notwithstanding the first paragraph of this Section 7.4, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.

7.5 Term, Termination and Suspension of the Plan

The Board may suspend or terminate the Plan at any time, provided that any such suspension or termination of the Plan will be in compliance with applicable securities law or the requirements of the Stock Exchange or any other regulatory body having authority over the Corporation. The Plan shall be submitted for shareholder approval every three (3) years in accordance with policies of the CSE and applicable securities law requirements. Suspension or termination of the Plan will not materially impair rights and obligations under any Awards granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

7.6 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, 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.

7.7 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.

7.8 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.

7.9 Effective Date of the Plan.

The Plan was initially approved by the Board on July 29, 2024, subject to approval of shareholders and the Central Securities Exchange.

The Plan was first approved by shareholders on December 20, 2024.

ADDENDUM FOR U.S. PARTICIPANTS

RIO GRANDE RESOURCES LTD.
OMNIBUS LONG-TERM INCENTIVE PLAN

The provisions of this Addendum apply to Awards held by a U.S. Participant. All capitalized terms used in this Addendum but not defined in Section 1 below have the meanings attributed to them in the Plan. The Section references set forth below match the Section references in the Plan. This Addendum shall have no other effect on any other terms and provisions of the Plan except as set forth below.

1. Definitions

"**cause**" has the meaning attributed under Section 5.2(1)(a) of the Plan, provided however that the Participant has provided the Corporation (or applicable Subsidiary) with written notice of the acts or omissions constituting grounds for "cause" within 90 days of such act or omission and the Corporation (or applicable Subsidiary) shall have failed to rectify, as determined by the Board acting reasonably, any such acts or omissions within 30 days of the Corporation's (or applicable Subsidiary's) receipt of such notice.

"**Separation from Service**" means, with respect to a U.S. Participant, any event that may qualify as a separation from service under Treasury Regulation Section 1.409A-1(h). A U.S. Participant shall be deemed to have separated from service if he or she dies, retires, or otherwise has a termination of employment as defined under Treasury Regulation Section 1.409A-1(h).

"Specified Employee" has the meaning set forth in Treasury Regulation Section 1.409A-1(i).

2. Expiry Date of Options

Notwithstanding anything to the contrary in Section 3.4 of the Plan or otherwise, in no event, including as a result of any Black- Out Period or any termination of employment, shall the expiration of any Option issued to a U.S. Participant be extended beyond the original Expiry Date if such Option has an Exercise Price that is less than the Market Value on the date of the proposed extension.

3. Surrender of Options

With respect to U.S. Participants, all references to “VWAP” in Section 3.6(3) are replaced with “Market Price.”

4. Non-Employee Directors

A Non-Employee Director who is also a U.S. Participant and wishes to have all or any part of his or her annual retainer fees paid in the form of RSUs or DSUs shall irrevocably elect such payment form by December 31 of the year prior to the calendar year during which the annual retainer fees are to be earned. Any election made under this Section 4 shall be irrevocable during the calendar year to which it applies, and shall apply to annual retainers earned in future calendar years unless and until the U.S. Participant makes a later election in accordance with the terms of this Section 4 of the Addendum. With respect to the calendar year in which a U.S. Participant becomes a Non-Employee Director, so long as such individual has never previously been eligible to participate in any deferred compensation plan sponsored by the Corporation, such individual may make the election described in this Section 4 of the Addendum within the first 30 days of becoming eligible to participate in the Plan, but solely with respect to the portion of the annual retainer not earned before the date such election is made. Notwithstanding anything to the contrary in Article 4 of the Plan and except as otherwise set forth herein, any RSUs or DSUs issued to a U.S. Participant that is a Non-Employee Director in lieu of retainer fees shall be settled on earlier of (i) the U.S. Participant's Separation from Service, or (ii) a Change of Control provided that such change of control event constitutes a change of control within the meaning of Section 409A.

5. Settlement of Share Unit Awards.

(a) Notwithstanding anything to the contrary in Article 4 of the Plan and except as otherwise set forth herein, all of the vested Share Units subject to any RSU or PSU shall be settled on the earlier of (i) the date set forth in the U.S. Participant's Share Unit Settlement Notice which shall be no later than the fifth anniversary of the applicable Share Unit Vesting Determination Date, (ii) the U.S. Participant's Separation from Service, or (iii) a Change of Control provided that such change of control event constitutes a change of control within the meaning of Section 409A.

(b) Notwithstanding Section 4.6(1)(b) of the Plan, any U.S. Participant must deliver to the Corporation a Share Unit Settlement Notice specifying the Share Unit Settlement Date and form of settlement for his or her RSUs or PSUs on or prior to December 31 of the calendar year prior to the calendar year of the grant; provided that, the Share Unit Settlement Date may be specified at any time prior to the grant date, if the award requires the U.S. Participant's continued service for not less than 12 months after the grant date in order to vest in such Award. Any such election of Share Unit Settlement Date shall be irrevocable as of the last date in which it is permitted to be made in accordance with the forgoing sentence. Notwithstanding the foregoing, if any U.S. Participant fails to timely submit a Share Unit Settlement Notice in accordance with the foregoing, then such U.S. Participant's Share Unit Settlement Date shall be deemed to be the fifth anniversary of the Share Unit Vesting Determination Date, in addition, such settlement shall be in the form of Shares, Cash Equivalent, or a combination of both as determined by the Corporation in its sole discretion.

(c) For the avoidance of doubt, Section 4.6(4) of the Plan shall not apply to any Award issued to a U.S. Participant.

6. Termination of Employment

(a) Notwithstanding Section 5.2(1)(b) of the Plan, any unvested Share Units held by a Participant that retires shall be deemed vested as of the Termination Date and shall be settled at such time as set forth in Section 4 to this Addendum.

(b) For the avoidance of doubt, in the event that a U.S. Participant dies, his or her vested Options shall expire on the earlier of the original expiry date or one hundred and eighty days after the death of such Participant.

7. Specified Employee

Each grant of Share Units to a U.S. Participant is intended to be exempt from or comply with Code Section 409A. To the extent any Award is subject to Section 409A, then:

(a) all payments to be made upon a U.S. Participant's Termination Date shall only be made upon such individual's Separation from Service; and

(b) if on the date of the U.S. Participant's Separation from Service the Corporation's shares (or shares of any other Corporation that is required to be aggregated with the Corporation in accordance with the requirements of Code Section 409A) is publicly traded on an established securities market or otherwise and the U.S. Participant is a Specified Employee, then the benefits payable to the Participant under the Plan that are payable due to the U.S. Participant's Separation from Service shall be postponed until the earlier of the originally scheduled date and six months following the U.S. Participant's Separation from Service. The postponed amount shall be paid to the U.S. Participant in a lump sum within 30 days after the earlier of the originally scheduled date and the date that is six months

following the U.S. Participant's Separation from Service. If the U.S. Participant dies during such six-month period and prior to the payment of the postponed amounts hereunder, the amounts delayed on account of Code Section 409A shall be paid to the U.S. Participant's estate within 60 days following the U.S. Participant's death.

8. Adjustments.

Notwithstanding anything to the contrary in Article 6 of the Plan, any adjustment to an Option held by any U.S. Participant shall be made in compliance with the Code which for the avoidance of doubt may include an adjustment to the number of Shares subject thereto, in addition to an adjustment to the Exercise Price thereof.

9. General

Notwithstanding any provision of the Plan to the contrary, all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. If any provision of the Plan contravenes Code Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Code Section 409A, the Board may, in its sole discretion and without the U.S. Participant's consent, modify such provision to: (i) comply with, or avoid being subject to, Code Section 409A, or to avoid incurring taxes, interest and penalties under Code Section 409A; and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant of the applicable provision without materially increasing the cost to the Corporation or contravening Code Section 409A. However, the Corporation shall have no obligation to modify the Plan or any Share Unit and does not guarantee that Share Units will not be subject to taxes, interest and penalties under Code Section 409A. Each U.S. Participant 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. Participant in connection with the Plan or any other plan maintained by the Corporation (including any taxes and penalties under Section 409A), and neither the Corporation nor any Subsidiary of the Corporation shall have any obligation to indemnify or otherwise hold such U.S. Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

APPENDIX "A"

FORM OF OPTION AGREEMENT

RIO GRANDE RESOURCES LTD.
OPTION AGREEMENT

This Option Agreement is entered into between Rio Grande Resources Ltd. (the "**Corporation**") and the Optionee named below pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**") a copy of which is attached hereto, and confirms the following:

1. Grant Date: [●]

2. Optionee: [●]

3. Optionee's Eligible Person Capacity Under the Plan: [●]

4. Number of Options: [●]

5. Exercise Price ($) per Share: [●]

6. Expiry Date of Option Period: [●]

7. Each Option that has vested entitles the Optionee to purchase one Share at any time up to 4:30 p.m. Vancouver time on the expiry date of the option period. The Options vest as follows:

   (a) [●]

8. The Option is non-assignable and non-transferable otherwise than, by will or by the law governing the devolution of property, to the Optionee's executor, administrator or other personal representative in the event of death of the Optionee.

9. This Option Agreement is subject to the terms and conditions set out in the Plan, as amended or replaced from time to time. In the case of any inconsistency between this Option Agreement and the Plan, the Plan shall govern.

10. Unless otherwise indicated, all defined terms shall have the respective meanings attributed thereto in the Plan.

11. By signing this agreement, the Optionee acknowledges that he, she, or its authorized representative has read and understands the Plan and agrees that the Options are granted under and governed by the terms and conditions of the Plan, as may be amended or replaced from time to time.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the _____ day of ___, 20_____.

____
Signature by Optionee

____
Print Name

RIO GRANDE RESOURCES LTD.

Per: ____________________
Authorized Signatory

SCHEDULE "A"

ELECTION TO EXERCISE STOCK OPTIONS

TO: RIO GRANDE RESOURCES LTD. (the "Corporation")

The undersigned Optionee hereby elects to exercise Options granted by the Corporation to the undersigned pursuant to an Award Agreement dated ___________________, 20____ under the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"), for the number Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Shares to be Acquired: ___________________________

Exercise Price ($) per Share: $___________________________

Aggregate Exercise Price: $___________________________

Amount enclosed that is payable on account of any

source deductions relating to this Option exercise

(contact the Corporation for details of such amount): $___________________________

□ or check here if alternative arrangements have been made with the Corporation;

and hereby tenders a certified cheque, bank draft or other form of payment confirmed as acceptable by the Corporation for such aggregate purchase price, and, if applicable, all source deductions, and directs such Shares to be registered as follows:

____

(name) (address)

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this ___ day of ____________, 20____.

____

Signature of Participant

____

Name of Participant (Please Print)

SCHEDULE "B"

SURRENDER NOTICE

TO: RIO GRANDE RESOURCES LTD. (the "Corporation")

The undersigned Optionee hereby elects to surrender _________ Options granted by the Corporation to the undersigned pursuant to an Award Agreement dated ________________, 20____ under the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**") in exchange for Shares as calculated in accordance with Section 3.6(3) of the Plan. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Please issue a certificate or certificates representing the Shares registered as follows:

____

(name) (address)

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to surrender my Options is irrevocable.

DATED this ___ day of ____________, 20____.

____

Signature of Participant

____

Name of Participant (Please Print)

APPENDIX "B"

FORM OF RSU AGREEMENT

RIO GRANDE RESOURCES LTD.
RESTRICTED SHARE UNIT AGREEMENT

This restricted share unit agreement ("**RSU Agreement**") is granted by Rio Grande Resources Ltd. (the "**Corporation**") in favour of the Participant named below (the "**Recipient**") of the restricted share units ("**RSUs**") pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this RSU Agreement shall have the meanings set forth in the Plan.

The terms of the RSUs, in addition to those terms set forth in the Plan, are as follows:

1. Recipient. The Recipient is [●] and the address of the Recipient is currently [●].

2. Grant of RSUs. The Recipient is hereby granted [●] RSUs.

3. Restriction Period. In accordance with Section 4.3 of the Plan, the restriction period in respect of the RSUs granted hereunder, as determined by the Board, shall commence on [●] and terminate on [●].

4. Vesting. The RSUs will vest as follows: [●].

5. Transfer of RSUs. The RSUs granted hereunder are non-transferable or assignable except in accordance with the Plan.

6. Inconsistency. This RSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this RSU Agreement and the Plan, the terms of the Plan shall govern.

7. Severability. Wherever possible, each provision of this RSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this RSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this RSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

8. Successors and Assigns. This RSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.

9. Time of the Essence. Time shall be of the essence of this Agreement and of every part hereof.

10. Governing Law. This RSU Agreement and the RSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

11. Counterparts. This RSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this RSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this RSU Agreement.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this RSU Agreement as of the _____ day of ___, 20_____.

____

Signature by Recipient

____

Print Name

RIO GRANDE RESOURCES LTD.

Per: _______________________________

Authorized Signatory

APPENDIX "C"

FORM OF PSU AGREEMENT

RIO GRANDE RESOURCES LTD.
PERFORMANCE SHARE UNIT AGREEMENT

This performance share unit agreement ("**PSU Agreement**") is granted by Rio Grande Resources Ltd. (the "**Corporation**") in favour of the Participant named below (the "**Recipient**") of the performance share units ("**PSUs**") pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this PSU Agreement shall have the meanings set forth in the Plan.

The terms of the PSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient**. The Recipient is [●] and the address of the Recipient is currently [●].

2. **Grant of PSUs**. The Recipient is hereby granted [●] PSUs.

3. **Restriction Period**. In accordance with Section 4.3 of the Plan, the restriction period in respect of the PSUs granted hereunder, as determined by the Board, shall commence on [●] and terminate on [●].

4. **Performance Criteria**. [●].

5. **Performance Period**. [●].

6. **Vesting**. The PSUs will vest as follows: [●].

7. **Transfer of PSUs**. The PSUs granted hereunder are not transferable or assignable except in accordance with the Plan.

8. **Inconsistency**. This PSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this PSU Agreement and the Plan, the terms of the Plan shall govern.

9. **Severability**. Wherever possible, each provision of this PSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this PSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this PSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

10. **Entire Agreement**. This PSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

11. **Successors and Assigns**. This PSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.

12. **Time of the Essence**. Time shall be of the essence of this Agreement and of every part hereof.

13. **Governing Law**. This PSU Agreement and the PSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

14. **Counterparts**. This PSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this RSU Agreement as of the _____ day of ___, 20_____.

____
Signature by Recipient

____
Print Name

RIO GRANDE RESOURCES LTD.
Per: ______________________________________
Authorized Signatory

APPENDIX "D"

FORM OF DSU AGREEMENT

RIO GRANDE RESOURCES LTD.
DEFERRED SHARE UNIT AGREEMENT

This deferred share unit agreement ("**DSU Agreement**") is granted by Rio Grande Resources Ltd. (the "**Corporation**") in favour of the Participant named below (the "**Recipient**") of the deferred share units ("**DSUs**") pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this DSU Agreement shall have the meanings set forth in the Plan.

The terms of the DSUs, in addition to those terms set forth in the Plan, are as follows:

1. Recipient. The Recipient is [●] and the address of the Recipient is currently [●].

2. Grant of DSUs. The Recipient is hereby granted [●] DSUs.

3. Vesting. The DSUs will vest as follows: [●].

4. Transfer of DSUs. The DSUs granted hereunder are non-transferable or assignable except in accordance with the Plan.

5. Inconsistency. This DSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this DSU Agreement and the Plan, the terms of the Plan shall govern.

6. Severability. Wherever possible, each provision of this DSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this DSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this DSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

7. Successors and Assigns. This DSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.

8. Time of the Essence. Time shall be of the essence of this Agreement and of every part hereof.

9. Governing Law. This DSU Agreement and the DSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

10. Counterparts. This DSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this DSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this DSU Agreement.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this DSU Agreement as of the _____ day of ___, 20_____.

____
Signature by Recipient

____
Print Name

RIO GRANDE RESOURCES LTD.
Per: ________________________________
Authorized Signatory

APPENDIX "E"

FORM OF U.S. PARTICIPANT/NON-EMPLOYEE DIRECTOR ELECTION FORM

RIO GRANDE RESOURCES LTD.

I, ______________________, wish to defer 100% of my annual retainer (including any annual retainers or fees for service on committees of the Board) for the calendar year _______ and any future calendar years unless and until I make a new election in accordance with the Plan and the Addendum. I, do hereby elect to have a Share Unit Settlement Date of _____ anniversary of the grant date of such RSUs, or if earlier upon my Separation from Service in respect of all of such RSUs, and otherwise in accordance with the Plan and the special provisions of the Addendum to the Plan applicable to U.S. Participants.

I understand that this election shall be irrevocable as of the last date in which I am permitted to make such election in accordance with Section 3 of the Addendum to the Plan and I shall only be permitted to revoke or modify this election up to such date. I understand that this election shall apply to any other grants of RSUs that I may be granted in the future (if any) in respect of any retainer fees payable in future calendar years (and will become irrevocable as of December 31 of the prior calendar year) until I make a later election, which election shall be made no later than the date set forth in Section 3 of the Addendum to the Plan.

All capitalized terms not defined in this Election Form have the meaning set out in the Plan.

I understand and agree that the granting and settlement of RSUs are subject to the terms and conditions of the Plan which are incorporated into and form a part of this Election Form.

____
Signature of Participant

____
Name of Participant (Please Print)

APPENDIX "F"

FORM OF SHARE UNIT SETTLEMENT NOTICE

In respect of the [RSUs][PSUs] that Vested on ______ that were granted to you by Rio Grande Resources Ltd. (the "**Corporation**") pursuant to the Corporation Omnibus Long-Term Incentive Plan (the "**Plan**"), the undersigned hereby elects to settle the [RSUs][PSUs] (including for any fractional [RSUs][PSUs]) as follows [Participant to select one]:

( ) (i) the Cash Equivalent, calculated in accordance with Section 4.7(1) of the Plan;

( ) (ii) the Shares, calculated in accordance with Section 4.7(2) of the Plan; or

( ) (iii) the Cash Equivalent for _________________ [RSUs][PSUs] and Shares

for _________________ [RSUs][PSUs].

[In the event the undersigned elects the cash equivalent, include:] [I acknowledge that the Company will deduct from payment applicable withholding taxes in accordance with the Plan.]

[In the event the Company elects Shares, include:]

[I (check one):

( ) (i) enclose cash, a certified cheque, bank draft or money order to the Corporation in the amount of $__________________ as full payment for the applicable withholding taxes;

( ) (ii) undertake to arrange, in a manner satisfactory to the Board, for such number of Shares to be sold as is necessary to raise an amount equal to the applicable withholding taxes and to cause the proceeds from the sale of such Shares to be delivered to the Corporation; or

( ) (iii) if permitted by the Corporation, elect to settle for cash such number of [RSUs][PSUs] as is necessary to raise funds sufficient to cover such withholding taxes with such amount being withheld by the Corporation.]

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

Date: _________________________

Name of Participant: ________________________

Signature of Participant: _________________________

APPENDIX B
TO THE PLAN OF ARRANGEMENT AGREEMENT

DIRECTORS OF RIO GRANDE POST-ARRANGEMENT

Jason Barnard

Raymond Strafehl

Richard Silas

APPENDIX C
TO THE PLAN OF ARRANGEMENT AGREEMENT

BY-LAWS OF RIO GRANDE

Incorporation Number BC1493044

ARTICLES OF

RIO GRANDE RESOURCES LTD.

PROVINCE OF BRITISH COLUMBIA

BUSINESS CORPORATIONS ACT

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Incorporation Number BC1493044

ARTICLES

RIO GRANDE RESOURCES LTD.

(the "Company")

ARTICLE 1
INTERPRETATION

Section 1.1 Definitions

In these Articles, unless the context otherwise requires:

(1) "**appropriate person**" has the meaning assigned in the *Securities Transfer Act*;

(2) "**board of directors**" and "**board**" mean the board of directors or sole director of the Company for the time being;

(3) "**BCA**" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

(4) "**director**" means a person who is a director of the Company for the time being;

(5) "**directors' resolution**" means a resolution of the board of directors passed at a meeting of the board or consented to by the directors in accordance with Section 140 of the BCA and Section 18.12;

(6) "**Interpretation Act**" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

(7) "**legal personal representative**" means the personal or other legal representative of a shareholder or other person, as the context requires;

(8) "**protected purchaser**" has the meaning assigned in the *Securities Transfer Ac*t;

(9) "**registered address**" of a shareholder means the shareholder's address as recorded in the central securities register;

(10) "**seal**" means the seal of the Company, if any;

(11) "***Securities Act***" means the *Securities Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

(12) "**securities legislation**" means statutes concerning the regulation of securities markets and trading in securities and the regulations, rules, forms and schedules under those statutes, all as amended from time to time, and the blanket rulings and orders, as amended from time to time, issued by the securities commissions or similar regulatory authorities appointed under or

pursuant to those statutes; "**Canadian securities legislation**" means the securities legislation in any province or territory of Canada and includes the *Securities Act*; and "**U.S. securities legislation**" means the securities legislation in the federal jurisdiction of the United States and in any state of the United States and includes the *Securities Act* of 1933 and the *Securities Exchange Act* of 1934;

(13) "***Securities Transfer Act***" means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act; and

(14) "**special business**" has the meaning set out in Section 11.1.

Section 1.2 BCA and *Interpretation Act* Definitions Applicable

The definitions in the BCA and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment.

Section 1.3 Conflicts or Inconsistencies

If there is a conflict between a definition in the BCA and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the BCA will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the BCA, the BCA will prevail.

ARTICLE 2
SHARES AND SHARE CERTIFICATES

Section 2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

Section 2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the BCA.

Section 2.3 Shareholder Entitled to Certificate or Acknowledgement

Unless the shares of which the shareholder is the registered owner are uncertificated shares within the meaning of the BCA, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgement of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgement and delivery of a share certificate or an acknowledgement to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all.

Section 2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgement of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

Section 2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

If the Company is satisfied that a share certificate or a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate is worn out or defaced, it must, on production to it of the share certificate or acknowledgement, as the case may be, and on such other terms, if any, as it thinks fit:

(1) order the share certificate or acknowledgement, as the case may be, to be cancelled; and

(2) issue a replacement share certificate or acknowledgement, as the case may be.

Section 2.6 Replacement of Lost, Destroyed or Wrongfully Taken Certificate

If a person entitled to a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Company must issue a new share certificate, if that person:

(1) so requests before the Company has notice that the share certificate has been acquired by a protected purchaser;

(2) provides the Company with an indemnity bond sufficient in the Company's judgement to protect the Company from any loss that the Company may suffer by issuing a new certificate; and

(3) satisfies any other reasonable requirements imposed by the Company.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, apparently destroyed or wrongfully taken if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

Section 2.7 Recovery of New Share Certificate

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in addition to any rights under any indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

Section 2.8 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as represented by the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

Section 2.9 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Section 2.5, Section 2.6, or Section 2.8, the amount, if any and which must not exceed the amount prescribed under the BCA, determined by the board.

Section 2.10 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or

fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

ARTICLE 3
ISSUE OF SHARES

Section 3.1 Board Authorized

Subject to the BCA and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the board may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

Section 3.2 Commissions and Discounts

The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

Section 3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

Section 3.4 Conditions of Issue

Except as provided for by the BCA, no share may be issued until it is fully paid. A share is fully paid when:

(1) consideration is provided to the Company for the issue of the share by one or more of the following:

- (a) past services performed for the Company;
- (b) property;
- (c) money; and

(2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Section 3.1.

Section 3.5 Share Purchase Warrants and Rights

Subject to the BCA, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the board determines, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

ARTICLE 4
SHARE REGISTERS

Section 4.1 Central Securities Register

As required by and subject to the BCA, the Company must maintain a central securities register, which may be kept in electronic form. The board may, subject to the BCA, appoint an agent to maintain the central securities register. The board may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The board may terminate such appointment of any agent at any time and may appoint another agent in its place.

Section 4.2 Closing Register

The Company must not at any time close its central securities register.

ARTICLE 5
SHARE TRANSFERS

Section 5.1 Registering Transfers

Subject to Article 26, the BCA and the *Securities Transfer Act*, the Company must register a transfer of a share of the Company if either:

(1) the Company or the transfer agent or registrar for the class or series of shares to be transferred has received:

(a) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;

(b) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the BCA and including the case where the Company has issued a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and

(c) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of shares to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or

(2) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met and the Company is required under the *Securities Transfer Act* to register the transfer.

Section 5.2 Waivers of Requirements for Transfer

The Company may waive any of the requirements set out in Section 5.1(1) and any of the preconditions referred to in Section 5.1(2).

Section 5.3 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form satisfactory to the Company or the transfer agent for the class or series of shares to be transferred.

Section 5.4 Transferor Remains Shareholder

Except to the extent that the BCA otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

Section 5.5 Signing of Instrument of Transfer

If a shareholder or other appropriate person or an agent who has actual authority to act on behalf of that person, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified but share certificates are deposited with the instrument of transfer, all the shares represented by such share certificates:

(1) in the name of the person named as transferee in that instrument of transfer; or

(2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

Section 5.6 Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgement of a right to obtain a share certificate for such shares.

Section 5.7 Transfer Fee

Subject to the applicable rules of any stock exchange on which the shares of the Company may be listed, there must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the board.

ARTICLE 6
TRANSMISSION OF SHARES

Section 6.1 Legal Personal Representative Recognized on Death

In the case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of a shareholder, the board may require the original grant of probate or letters of administration or a court certified copy of them or the original or a court certified or authenticated copy of the grant of representation, will, order or other instrument or other evidence of the death under which title to the shares or securities is claimed to vest.

Section 6.2 Rights of Legal Personal Representative

The legal personal representative of a shareholder has the rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles and applicable securities legislation, if appropriate evidence of appointment or incumbency within

the meaning of the *Securities Transfer Act* has been deposited with the Company. This Section 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

ARTICLE 7
ACQUISITION OF COMPANY'S SHARES

Section 7.1 Company Authorized to Purchase or Otherwise Acquire Shares

Subject to Section 7.2, the special rights or restrictions attached to the shares of any class or series of shares, the BCA and applicable securities legislation, the Company may, if authorized by the board, purchase or otherwise acquire any of its shares at the price and upon the terms determined by the board.

Section 7.2 No Purchase, Redemption or Other Acquisition When Insolvent

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

(1) the Company is insolvent; or
(2) making the payment or providing the consideration would render the Company insolvent.

Section 7.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

(1) is not entitled to vote the share at a meeting of its shareholders;

(2) must not pay a dividend in respect of the share; and

(3) must not make any other distribution in respect of the share.

ARTICLE 8
BORROWING POWERS

Section 8.1 Borrowing Powers

The Company, if authorized by the board, may:

(1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the board considers appropriate;

(2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as the board considers appropriate;

(3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and

(4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

ARTICLE 9
ALTERATIONS

Section 9.1 Alteration of Authorized Share Structure

Subject to Section 9.2, the special rights or restrictions attached to the shares of any class or series of shares and the BCA, the Company may:

(1) by ordinary resolution;

(a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;

(b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;

(c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;

(d) if the Company is authorized to issue shares of a class of shares with par value:

(i) decrease the par value of those shares; or

(ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;

(e) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;

(f) alter the identifying name of any of its shares; or

(g) otherwise alter its shares or authorized share structure when required or permitted to do so by the BCA;

and, if applicable, alter its Notice of Articles and, if applicable, its Articles, accordingly; or

(2) by directors' resolution, subdivide or consolidate all or any of its unissued, or fully paid issued, shares and if applicable, alter its Notice of Articles and, if applicable, its Articles accordingly.

Section 9.2 Special Rights or Restrictions

Subject to the special rights or restrictions attached to the shares of any class or series of shares and the BCA, the Company may by ordinary resolution:

(1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or

(2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued;

and alter its Articles and Notice of Articles accordingly.

Section 9.3 No Interference with Class or Series Rights without Consent

A right or special right attached to issued shares must not be prejudiced or interfered with under the BCA, the Notice of Articles or these Articles unless the holders of shares of the class or series of shares to which the right or special right is attached consent by a special separate resolution of the holders of such class or series of shares.

Section 9.4 Change of Name

The Company may by directors' resolution or ordinary resolution authorize an alteration to its Notice of Articles in order to change its name.

Section 9.5 Other Alterations

If the BCA does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

ARTICLE 10
MEETINGS OF SHAREHOLDERS

Section 10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the BCA, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place, either in or outside British Columbia, as may be determined by the board.

Section 10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Section 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

Section 10.3 Calling of Meetings of Shareholders

The board may, at any time, call a meeting of shareholders, to be held at such time and at such place, either in or outside British Columbia, as may be determined by the board.

Section 10.4 Electronic Meetings

The board may determine that a meeting of shareholders shall be held entirely by means of telephone, electronic or other communications facilities that permit all participants to communicate with each other during the meeting. A meeting of shareholders may also be held at which some, but not necessarily all, persons entitled to attend may participate by means of such communications facilities, if the board determines to make them available. A person participating in a meeting by such means is deemed to be present at the meeting.

Section 10.5 Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement,

and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

(1) if and for so long as the Company is a public company, 21 days;

(2) otherwise, 10 days.

Section 10.6 Record Date for Notice

The board may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the BCA, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

(1) if and for so long as the Company is a public company, 21 days;

(2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

Section 10.7 Record Date for Voting

The board may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the BCA, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

Section 10.8 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

Section 10.9 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Section 11.1, the notice of meeting must:

(1) state the general nature of the special business; and

(2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:

(a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and

(b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

Section 10.10 Class Meetings and Series Meetings of Shareholders

Unless otherwise specified in these Articles, the provisions of these Articles relating to a meeting of shareholders will apply with the necessary changes and so far as they are applicable, to a class meeting or series meeting of shareholders holding a particular class or series of shares.

Section 10.11 Notice of Dissent Rights

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution at least the following number of days before the meeting:

(1) if and for so long as the Company is a public company, 21 days;

(2) otherwise, 10 days.

Section 10.12 Advance Notice Provisions

(1) ***Nomination of Directors***

Subject only to the BCA and these Articles, only persons who are nominated in accordance with the procedures set out in this Section 10.12 shall be eligible for election as directors to the board of directors of the Company. Nominations of persons for election to the board may only be made at an annual meeting of shareholders, or at a special meeting of shareholders called for any purpose at which the election of directors is a matter specified in the notice of meeting, as follows:

(a) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;

(b) by or at the direction or request of one or more shareholders pursuant to a valid proposal made in accordance with the provisions of the BCA or a valid requisition of shareholders made in accordance with the provisions of the BCA; or

(c) by any person entitled to vote at such meeting (a "**Nominating Shareholder**"), who:

(i) is, at the close of business on the date of giving notice provided for in this Section 10.12 and on the record date for notice of such meeting, either entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Company; and

(ii) has given timely notice in proper written form as set forth in this Section 10.12.

(2) ***Exclusive Means***

For the avoidance of doubt, this Section 10.12 shall be the exclusive means for any person to bring nominations for election to the board before any annual or special meeting of shareholders of the

Company.

(3) ***Timely Notice***

In order for a nomination made by a Nominating Shareholder to be timely notice (a "**Timely Notice**"), the Nominating Shareholder's notice must be received by the corporate secretary of the Company at the principal executive offices or registered office of the Company:

(a) in the case of an annual meeting of shareholders (including an annual and special meeting), not later than 5:00 p.m. (Vancouver time) on the 30th day before the date of the meeting; provided, however, if the first public announcement made by the Company of the date of the meeting (each such date being the "**Notice Date**") is less than 50 days before the meeting date, notice by the Nominating Shareholder may be given not later than the close of business on the 10th day following the Notice Date; and

(b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the board, not later than the close of business on the 15th day following the Notice Date;

provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy related materials in respect of a meeting described in Section 10.12(3)(a) or Section 10.12(3)(b), and the Notice Date in respect of the meeting is not less than 50 days before the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the date of the applicable meeting.

(4) ***Proper Form of Notice***

To be in proper written form, a Nominating Shareholder's notice to the corporate secretary must comply with all the provisions of this Section 10.12 and disclose or include, as applicable:

(a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "**Proposed Nominee**"):

(i) the name, age, business and residential address of the Proposed Nominee;

(ii) the principal occupation/business or employment of the Proposed Nominee, both presently and for the past five years;

(iii) the number of securities of each class of securities of the Company or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;

(iv) full particulars of any relationships, agreements, arrangements or understandings (including financial, compensation or indemnity related) between the Proposed Nominee and the Nominating Shareholder, or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee or the Nominating Shareholder;

(v) any other information that would be required to be disclosed in a dissident proxy

circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the BCA or applicable securities law; and

(vi) a written consent of each Proposed Nominee to being named as nominee and certifying that such Proposed Nominee is not disqualified from acting as director under the provisions of subsection 124(2) of the BCA; and

(b) as to each Nominating Shareholder giving the notice**,** and each beneficial owner, if any, on whose behalf the nomination is made**:**

(i) their name, business and residential address;

(ii) the number of securities of the Company or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Shareholder or any other person with whom the Nominating Shareholder is acting jointly or in concert with respect to the Company or any of its securities, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;

(iii) their interests in, or rights or obligations associated with, any agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Company or the person's economic exposure to the Company;

(iv) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the Nominating Shareholder or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Nominating Shareholder and any Proposed Nominee;

(v) full particulars of any proxy, contract, relationship arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Company or the nomination of directors to the board;

(vi) a representation that the Nominating Shareholder is a holder of record of securities of the Company, or a beneficial owner, entitled to vote at such meeting, and intends to appear in person or by proxy at the meeting to propose such nomination;

(vii) a representation as to whether such person intends to deliver a proxy circular and/or form of proxy to any shareholder of the Company in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Company in support of such nomination; and

(viii) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* or as required by applicable securities law.

Reference to "**Nominating Shareholder**" in this Section 10.12(4) shall be deemed to refer to each shareholder that nominated or seeks to nominate a person for election as director in the case of a nomination proposal where more than one shareholder is involved in making the nomination proposal.

(5) ***Currency of Nominee Information***

All information to be provided in a Timely Notice pursuant to this Section 10.12 shall be provided as of the date of such notice. The Nominating Shareholder shall provide the Company with an update to such information forthwith so that it is true and correct in all material respects as of the date that is 10 business days before the date of the meeting, or any adjournment or postponement thereof.

(6) ***Delivery of Information***

Notwithstanding Article 24 of these Articles, any notice, or other document or information required to be given to the corporate secretary pursuant to this Section 10.12 may only be given by personal delivery or courier (but not by fax or email) to the corporate secretary at the address of the principal executive offices or registered office of the Company and shall be deemed to have been given and made on the date of delivery if it is a business day and the delivery was made prior to 5:00 p.m. (Vancouver time) and otherwise on the next business day.

(7) ***Defective Nomination Determination***

The chair of any meeting of shareholders of the Company shall have the power to determine whether any proposed nomination is made in accordance with the provisions of this Section 10.12, and if any proposed nomination is not in compliance with such provisions, must as soon as practicable following receipt of such nomination and prior to the meeting declare that such defective nomination shall not be considered at any meeting of shareholders.

(8) ***Failure to Appear***

Despite any other provision of this Section 10.12, if the Nominating Shareholder (or a qualified representative of the Nominating Shareholder) does not appear at the meeting of shareholders of the Company to present the nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Company.

(9) ***Waiver***

The board may, in its sole discretion, waive any requirement in this Section 10.12.

(10) ***Definitions***

For the purposes of this Section 10.12, "**public announcement**" means disclosure in a press release disseminated by the Company through a national news service in Canada, or in a document filed by the Company for public access under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.

ARTICLE 11
PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

Section 11.1 Special Business

At a meeting of shareholders, the following business is special business:

(1) at a meeting of shareholders that is not an annual general meeting, all business is special

business except business relating to the conduct of or voting at the meeting;

(2) at an annual general meeting, all business is special business except for the following:

(a) business relating to the conduct of or voting at the meeting;

(b) consideration of any financial statements of the Company presented to the meeting;

(c) consideration of any reports of the board or auditor;

(d) the setting or changing of the number of directors;

(e) the election or appointment of directors;

(f) the appointment of an auditor;

(g) the setting of the remuneration of an auditor;

(h) business arising out of a report of the board not requiring the passing of a special resolution or an exceptional resolution;

(i) any non-binding advisory vote; and

(j) any other business which, under these Articles or the BCA, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

Section 11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

Section 11.3 Quorum

Subject to the special rights or restrictions attached to the shares of any class or series of shares, a quorum for the transaction of business at a meeting of shareholders is present if shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting are present in person or represented by proxy, irrespective of the number of persons actually present at the meeting.

Section 11.4 Persons Entitled to Attend Meeting

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the officers, any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the board or by the chair of the meeting and any other persons who, although not entitled to vote, are entitled or required under the BCA or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

Section 11.5 Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

Section 11.6 Lack of Quorum

If, within one-half hour from the time set for holding a meeting of shareholders, a quorum is not present:

(1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and

(2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

Section 11.7 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Section 11.6(2) was adjourned, a quorum is not present within one-half hour from the time set for holding the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

Section 11.8 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

(1) the chair of the board, if any; or

(2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

Section 11.9 Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting. If all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

Section 11.10 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Section 11.11 Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

Section 11.12 Electronic Voting

Any vote at a meeting of shareholders may be held entirely or partially by means of telephonic, electronic or other communications facilities if the directors determine to make them available whether or not persons entitled to attend participate in the meeting by means of telephonic, electronic or other communications facilities.

Section 11.13 Decisions by Show of Hands or Poll

Subject to the BCA, every motion put to a vote at a meeting of shareholders will be decided on a show of

hands or the functional equivalent of a show of hands by means of telephonic, electronic or other communications facilities, unless a poll, before or on the declaration of the result of the vote by show of hands (or its functional equivalent), is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

Section 11.14 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands (or its functional equivalent) or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Section 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Section 11.15 Motion Need Not be Seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

Section 11.16 Casting Vote

In the case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

Section 11.17 Manner of Taking Poll

Subject to Section 11.18, if a poll is duly demanded at a meeting of shareholders:

(1) the poll must be taken:

(a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and

(b) in the manner, at the time and at the place that the chair of the meeting directs;

(2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and

(3) the demand for the poll may be withdrawn by the person who demanded it.

Section 11.18 Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

Section 11.19 Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

Section 11.20 Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

Section 11.21 No Demand for Poll on Election of Chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

Section 11.22 Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of the meeting for the transaction of any business other than the question on which a poll has been demanded.

Section 11.23 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

ARTICLE 12
VOTES OF SHAREHOLDERS

Section 12.1 Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Section 12.3:

(1) on a vote by show of hands (or its functional equivalent), every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and

(2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

Section 12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the board, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

Section 12.3 Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

(1) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or

(2) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

Section 12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Section 12.3, deemed to be joint shareholders registered in respect of that share.

Section 12.5 Representative of a Corporate Shareholder

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

(1) for that purpose, the instrument appointing a representative must be received:

(a) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

(b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;

(2) if a representative is appointed under this Section 12.5:

(a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and

(b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

Section 12.6 When Proxy Holder Need Not Be Shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

(1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Section 12.5;

(2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;

(3) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or

(4) the Company is a public company.

Section 12.7 When Proxy Provisions Do Not Apply to the Company

If and for so long as the Company is a public company, Section 12.8 to Section 12.16 apply only insofar as they are not inconsistent with any Canadian securities legislation applicable to the Company, any U.S. securities legislation applicable to the Company or any rules of an exchange on which securities of the Company are listed.

Section 12.8 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint one or more proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy. The instructing of proxy holders may be carried out by means of telephonic, electronic or other communications facility in addition to or in substitution for instructing proxy holders by mail.

Section 12.9 Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

Section 12.10 Deposit of Proxy

Subject to Section 12.13 and Section 12.15, a proxy for a meeting of shareholders must:

(1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

(2) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages or by using such available telephone or internet voting services as may be approved by the board.

Section 12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

(1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or

(2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

Section 12.12 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the board or the chair of the meeting:

[name of company]

(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that

meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned): ________________________________

____
Signed [month, day, year]

____
[Signature of shareholder]

____
[Name of shareholder - printed]

Section 12.13 Revocation of Proxy

Subject to Section 12.14 and Section 12.15, every proxy may be revoked by an instrument in writing that is received:

(1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or

(2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

Section 12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Section 12.13 must be signed as follows:

(1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy; or

(2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Section 12.5.

Section 12.15 Chair May Determine Validity of Proxy.

The chair of any meeting of shareholders may, at his or her sole discretion, determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Article 12 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting, and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

Section 12.16 Production of Evidence of Authority to Vote

The board or the chair of any meeting of shareholders may, but need not, at any time (including before, at or subsequent to the meeting), inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence for the purposes of determining a person's share ownership as at the relevant record date and the authority to vote.

ARTICLE 13
DIRECTORS

Section 13.1 Number of Directors

(1) The number of directors is the number determined from time to time by directors' resolution or ordinary resolution.

(2) If the number of directors has not been determined as provided in paragraph (1), the number of directors is equal to the number of directors designated as directors in the Notice of Articles that applied when the Company was recognized under the BCA or the number of directors holding office immediately following the most recent election or appointment of directors, whether at an annual or special general meeting of the shareholders, by a consent resolution of shareholders, or by the directors pursuant to Section 14.4, Section 14.5 or Section 14.8.

(3) Notwithstanding paragraph (2), the minimum number of directors is one or, if the company is a public company, three.

Section 13.2 Change in Number of Directors

If the number of directors is set under Section 13.1(1):

(1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number; and

(2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number at the first meeting of shareholders following the setting of that number, then the board, subject to Section 14.8, may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

No decrease in the number of directors will shorten the term of an incumbent director.

Section 13.3 Board's Acts Valid Despite Vacancy

An act or proceeding of the board is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

Section 13.4 Qualifications of Directors

A director is not required to hold a share of the Company as qualification for his or her office but must be qualified as required by the BCA to become, act or continue to act as a director.

Section 13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the board may from time to time determine. If the board so decides, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

Section 13.6 Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

Section 13.7 Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the board are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the board, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

Section 13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the board on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

ARTICLE 14
ELECTION AND REMOVAL OF DIRECTORS

Section 14.1 Election at Annual General Meeting

At every annual general meeting and in every unanimous resolution contemplated by Section 10.2:

(1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and

(2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1) but are eligible for re-election or re-appointment.

Section 14.2 Consent to be a Director

No election, appointment or designation of an individual as a director is valid unless:

(1) that individual consents to be a director in the manner provided for in the BCA;

(2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or

(3) with respect to first directors, the designation is otherwise valid under the BCA.

Section 14.3 Failure to Elect or Appoint Directors

If:

(1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Section 10.2, on or before the date by which the annual general meeting is required to be held under the BCA; or

(2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Section 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

(3) when his or her successor is elected or appointed; and

(4) when he or she otherwise ceases to hold office under the BCA or these Articles.

Section 14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose.

Section 14.5 Board May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the remaining directors. For greater certainty, the appointment of a director to fill a casual vacancy as contemplated by this section is not the appointment of an additional director for the purposes of Section 14.8.

Section 14.6 Remaining Directors' Power to Act

The board may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the board may only act for the purpose of:

(1) appointing directors up to that number; or

(2) calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the BCA, for any other purpose.

Section 14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

Section 14.8 Additional Directors

Notwithstanding Section 13.1 and Section 13.2, between annual general meetings or unanimous resolutions contemplated by Section 10.2, the board may appoint one or more additional directors, but the number of additional directors appointed under this Section 14.8 must not at any time exceed:

(1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or

(2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Section 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Section 14.1(1), but is eligible for re-election or re-appointment.

Section 14.9 Ceasing to be a Director

A director ceases to be a director when:

(1) the term of office of the director expires;

(2) the director dies;

(3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or

(4) the director is removed from office pursuant to Section 14.10 or Section 14.11.

Section 14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the board may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

Section 14.11 Removal of Director by Directors

The board may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company in accordance with the BCA and does not promptly resign, and the board may appoint a director to fill the resulting vacancy.

ARTICLE 15
POWERS AND DUTIES OF THE BOARD

Section 15.1 Powers of Management

The board must, subject to the BCA and these Articles, manage or supervise the management of the business and affairs of the Company and has the authority to exercise all such powers of the Company as are not, by the BCA or by these Articles, required to be exercised by the shareholders of the Company.

Section 15.2 Appointment of Attorney of Company

The board may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the board, to appoint or remove officers appointed by the board and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the board may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the board thinks fit. Any such attorney may be authorized by the board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

ARTICLE 16
INTERESTS OF DIRECTORS AND OFFICERS

Section 16.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the BCA) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the BCA.

Section 16.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

Section 16.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of the board at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

Section 16.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the BCA.

Section 16.5 Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the board may determine.

Section 16.6 No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

Section 16.7 Professional Services by Director or Officer

Subject to the BCA, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

Section 16.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the BCA, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

ARTICLE 17
PROCEEDINGS OF THE BOARD

Section 17.1 Meetings of the Board

The board may meet for the conduct of business, adjourn and otherwise regulate its meetings as the board thinks fit, and meetings of the board held at regular intervals may be held at the place, at the time and on the notice, if any, as the board may from time to time determine.

Section 17.2 Voting at Meetings

Questions arising at any meeting of the board are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

Section 17.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of the board:

(1) the chair of the board, if any;

(2) in the absence of the chair of the board, the president, if any, if the president is a director; or

(3) any other director chosen by the directors present if:

(a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;

(b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or

(c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

Section 17.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the board or of any committee of the board:

(1) in person;

(2) by telephone; or

(3) with the consent of all directors who wish to participate in the meeting, by other communications medium;

if all directors participating in the meeting, whether in person, or by telephone or other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Section 17.4 is deemed for all purposes of the BCA and these Articles to be present at the meeting and to have agreed to participate in that manner.

Section 17.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the board at any time.

Section 17.6 Notice of Meetings

Other than for meetings held at regular intervals as determined by the board pursuant to Section 17.1 or as provided in Section 17.7, reasonable notice of each meeting of the board, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Section 23.1 or orally or by telephone conversation with that director.

Section 17.7 When Notice Not Required

It is not necessary to give notice of a meeting of the board to a director or an alternate director if:

(1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the board at which that director is appointed; or

(2) the director or alternate director, as the case may be, has waived notice of the meeting.

Section 17.8 Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of the board to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

Section 17.9 Waiver of Notice of Meetings

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the board and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the board need be given to that director or, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the board so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

Attendance of a director or alternate director at a meeting of the board is a waiver of notice of the meeting, unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

Section 17.10 Quorum

The quorum necessary for the transaction of the business at a meeting of the board may be set by the board and, if not so set, is deemed to be set at a majority of the number of directors then in office. If the number of directors is set at one, the quorum is deemed to be set at one director, and that director may constitute a meeting.

Section 17.11 Validity of Acts Where Appointment Defective

Subject to the BCA, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

Section 17.12 Consent Resolutions in Writing

A resolution of the board or of any committee of the board may be passed without a meeting:

(1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or

(2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Section 17.12 may be by any written instrument, fax, e-mail or any other method of transmitting legibly recorded messages in which the consent of the director is evidenced, whether or not the signature of the director is included in the record. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the board or of any committee of the board passed in accordance with this Section 17.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of the board or of the committee of the board and to be as valid and effective as if it had been passed at a meeting of the board or of the committee of the board that satisfies all the requirements of the BCA and all the requirements of these Articles relating to meetings of the board or of

a committee of the board.

ARTICLE 18
EXECUTIVE AND OTHER COMMITTEES

Section 18.1 Appointment and Powers of Executive Committee

The board may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and during the intervals between meetings of the board all of the board's powers are delegated to the executive committee, except:

(1) the power to fill vacancies in the board of directors;

(2) the power to remove a director;

(3) the power to change the membership of, or fill vacancies in, any committee of the board; and

(4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

Section 18.2 Appointment and Powers of Other Committees

The board may, by resolution:

(1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;

(2) delegate to a committee appointed under paragraph (1) any of the board's powers, except:

    (a) the power to fill vacancies in the board of directors;

    (b) the power to remove a director;

    (c) the power to change the membership of, or fill vacancies in, any committee of the board; and

    (d) the power to appoint or remove officers appointed by the board; and

(3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

Section 18.3 Obligations of Committees

Any committee appointed under Section 18.1 or Section 18.2, in the exercise of the powers delegated to it, must:

(1) conform to any rules that may from time to time be imposed on it by the board; and

(2) report every act or thing done in exercise of those powers at such times as the board may require.

Section 18.4 Powers of Board

The board may, at any time, with respect to a committee appointed under Section 18.1 or Section 18.2:

(1) revoke or alter the authority given to the committee, or override a decision made by the

committee, except as to acts done before such revocation, alteration or overriding;

(2) terminate the appointment of, or change the membership of, the committee; and

(3) fill vacancies in the committee.

Section 18.5 Committee Meetings

Subject to Section 18.3(1) and unless the board otherwise provides in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Section 18.1 or Section 18.2:

(1) the committee may meet and adjourn as it thinks proper;

(2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;

(3) a majority of the members of the committee constitutes a quorum of the committee; and

(4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

ARTICLE 19
OFFICERS

Section 19.1 Board May Appoint Officers

The board may, from time to time, appoint such officers, if any, as the board determines and the board may, at any time, terminate any such appointment.

Section 19.2 Functions, Duties and Powers of Officers

The board may, for each officer:

(1) determine the functions and duties of the officer;

(2) delegate to the officer any of the powers exercisable by the board on such terms and conditions and with such restrictions as the board thinks fit; and

(3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

Section 19.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the BCA. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board must be a director. Any other officer need not be a director.

Section 19.4 Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the board thinks fit and are subject to termination at the pleasure of the board, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a

pension or gratuity.

ARTICLE 20
INDEMNIFICATION

Section 20.1 Definitions

In this Article 20:

(1) "**eligible penalty**" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;

(2) "**eligible proceeding**" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director, alternate director, officer or former officer of the Company (each, an "**eligible party**") or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director or officer of the Company:

(a) is or may be joined as a party; or

(b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;

(3) "**expenses**" has the meaning set out in the BCA; and

(4) "**officer**" means a person appointed by the board as an officer of the Company.

Section 20.2 Mandatory Indemnification of Eligible Parties

Subject to the BCA, the Company must indemnify an eligible party and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director, alternate director and officer is deemed to have contracted with the Company on the terms of the indemnity contained in this Section 20.2.

Section 20.3 Permitted Indemnification

Notwithstanding Section 20.2 and subject to any restrictions in the BCA, the Company may indemnify any person including directors, officers, employees, agents and representatives of the Company.

Section 20.4 Non-Compliance with BCA

The failure of a director, alternate director or officer of the Company to comply with the BCA or these Articles or, if applicable, any former Articles, does not invalidate any indemnity to which he or she is entitled under this Article 20.

Section 20.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

(1) is or was a director, alternate director, officer, employee or agent of the Company;

(2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;

(3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;

(4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

ARTICLE 21
DIVIDENDS

Section 21.1 Payment of Dividends Subject to Special Rights

The provisions of this Article 21 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

Section 21.2 Declaration of Dividends

Subject to the BCA, the board may from time to time declare and authorize payment of such dividends as it may consider appropriate.

Section 21.3 No Notice Required

The board need not give notice to any shareholder of any declaration under Section 21.2.

Section 21.4 Record Date

The board may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the board passes the resolution declaring the dividend.

Section 21.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

Section 21.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Section 21.5, the board may settle the difficulty as it deems advisable, and, in particular, may:

(1) set the value for distribution of specific assets;

(2) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and

(3) vest any such specific assets in trustees for the persons entitled to the dividend.

Section 21.7 When Dividend Payable

Any dividend may be made payable on such date as is fixed by the board.

Section 21.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

Section 21.9 Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

Section 21.10 Dividend Bears No Interest

No dividend bears interest against the Company.

Section 21.11 Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

Section 21.12 Payment of Dividends

Any dividend or other distribution payable in respect of shares will be paid by cheque or by electronic means or by such other method as the directors may determine. The payment will be made to or to the order of each registered holder of shares in respect of which the payment is to be made. Cheques will be sent to the registered address of the shareholder, unless the shareholder otherwise directs. In the case of joint holders, the payment will be made to the order of all such joint holders and, if applicable, sent to them at the registered address of the joint shareholder who is first named on the central securities register, unless such joint holders otherwise direct. The sending of the cheque or the sending of the payment by electronic means or the sending of the payment by a method determined by the directors in an amount equal to the dividend or other distribution to be paid less any tax that the Company is required to withhold will satisfy and discharge the liability for the payment, unless payment is not made upon presentation, if applicable, or the amount of tax so deducted is not paid to the appropriate taxing authority.

Section 21.13 Capitalization of Retained Earnings or Surplus

Notwithstanding anything contained in these Articles, the board may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

Section 21.14 Unclaimed Dividends

Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Company. The Company shall not be liable to any person in respect of any dividend which is forfeited to the Company or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law.

ARTICLE 22
ACCOUNTING RECORDS AND AUDITOR

Section 22.1 Recording of Financial Affairs

The board must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the BCA.

Section 22.2 Inspection of Accounting Records

Unless the board determines otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

Section 22.3 Remuneration of Auditor

The board may set the remuneration of the auditor of the Company.

ARTICLE 23
NOTICES

Section 23.1 Method of Giving Notice

Unless the BCA or these Articles provide otherwise, a notice, statement, report or other record required or permitted by the BCA or these Articles to be sent by or to a person may be sent by any one of the following methods:

(1) mail addressed to the person at the applicable address for that person as follows:

(a) for a record mailed to a shareholder, the shareholder's registered address;

(b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;

(c) in any other case, the mailing address of the intended recipient;

(2) delivery at the applicable address for that person as follows, addressed to the person:

(a) for a record delivered to a shareholder, the shareholder's registered address;

(b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;

(c) in any other case, the delivery address of the intended recipient;

(3) unless the intended recipient is the auditor of the Company, sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;

(4) unless the intended recipient is the auditor of the Company, sending the record by e-mail to the e-mail address provided by the intended recipient for the sending of that record or records of that class;

(5) physical delivery to the intended recipient;

(6) creating and providing a record posted on or made available through a general accessible electronic source and providing written notice by any of the foregoing methods as to the availability of such record; or

(7) as otherwise permitted by applicable securities legislation.

Section 23.2 Deemed Receipt

A notice, statement, report or other record that is:

(1) mailed to a person by ordinary mail to the applicable address for that person referred to in Section 23.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing;

(2) faxed to a person to the fax number provided by that person referred to in Section 23.1 is deemed to be received by the person to whom it was faxed on the day it was faxed;

(3) e-mailed to a person to the e-mail address provided by that person referred to in Section 23.1 is deemed to be received by the person to whom it was e-mailed on the day it was e-mailed; and

(4) delivered in accordance with Section 23.1(6), is deemed to be received by the person on the day such written notice is sent.

Section 23.3 Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Section 23.1 is conclusive evidence of that fact.

Section 23.4 Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

Section 23.5 Notice to Legal Personal Representatives and Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

(1) mailing the record, addressed to them:

(a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and

(b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or

(2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

Section 23.6 Undelivered Notices

If, on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Section 23.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

ARTICLE 24
SEAL

Section 24.1 Who May Attest Seal

Except as provided in Section 24.2 and Section 24.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

(1) any two directors;

(2) any officer, together with any director;

(3) if the Company only has one director, that director; or

(4) any one or more directors or officers or persons as may be determined by the board.

Section 24.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Section 24.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the board.

Section 24.3 Mechanical Reproduction of Seal

The board may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as the board may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the BCA or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under Section 24.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

ARTICLE 25
PROHIBITIONS

Section 25.1 Definitions

In this Article 25:

(1) "**security**" has the meaning assigned in the *Securities Act*;

(2) "**transfer restricted security**" means

(a) a share of the Company;

(b) a security of the Company convertible into shares of the Company; or

(c) any other security of the Company which must be subject to restrictions on transfer in order for the Company to satisfy the requirement for restrictions on transfer under the

"private issuer" exemption of Canadian securities legislation or under any other exemption from prospectus or registration requirements of Canadian securities legislation similar in scope and purpose to the "private issuer" exemption.

Section 25.2 Application

Section 25.3 does not apply to the Company if and for so long as it is a public company.

Section 25.3 Consent Required for Transfer of Shares or Transfer Restricted Securities

No share or other transfer restricted security may be sold, transferred or otherwise disposed of without the consent of the board and the board is not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

Dated July 19, 2024.

Full Name and Signature of Incorporator

SE CORPORATE SERVICES LTD.

By:________________________________
Authorized Signatory

SCHEDULE "C"
ARRANGEMENT RESOLUTION

(See attached)

SCHEDULE "C"
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") involving Foremost Clean Energy Ltd. ("**Foremost**") and Rio Grande Resources Ltd. ("**Spinco**"), all as more particularly described and set forth in the Notice of Meeting and Management Information Circular (the "**Circular**") of Foremost dated November 12, 2024 (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is authorized, approved and adopted.

2. The plan of arrangement (the "**Plan of Arrangement**"), involving Foremost and Spinco implementing the Arrangement, the full text of which is set out in Schedule "F" to the Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

3. The amended and restated arrangement agreement (the "**Amended and Restated Arrangement Agreement**") between Foremost and Spinco dated November 4, 2024, and all the transactions contemplated therein, the actions of the directors of Foremost in approving the Arrangement and the actions of the directors and officers of Foremost in executing and delivering the Amended and Restated Arrangement Agreement and any amendments thereto are hereby ratified and approved.

4. Notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of Foremost or that the Arrangement has been approved by the Supreme Court of British Columbia (the "**Court**"), the directors of Foremost are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Foremost:

   (a) to amend the Amended and Restated Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Amended and Restated Arrangement Agreement or the Plan of Arrangement; or

   (b) subject to the terms of the Amended and Restated Arrangement Agreement, not to proceed with the Arrangement.

5. Any director or officer of Foremost is hereby authorized and directed for and on behalf of Foremost to make application to the Court for an order approving the Arrangement and to execute, whether under corporate seal of Foremost or otherwise, and to deliver such other documents as are necessary or desirable to the Registrar under the BCBCA in accordance with the Amended and Restated Arrangement Agreement for filing.

6. Any one or more directors or officers of Foremost is hereby authorized, for and on behalf and in the name of Foremost, to execute and deliver, whether under corporate seal of Foremost or otherwise, all such agreements, forms waivers, notices, certificate, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Amended and Restated Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Amended and Restated Arrangement Agreement, including

   (a) all actions required to be taken by or on behalf of Foremost, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

   (b) the signing of the certificates, consents and other documents or declarations required under the Amended and Restated Arrangement Agreement or otherwise to be entered into by Foremost,

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE "D"
INTERIM ORDER

(See attached)

No. S247691
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA BUSINESS CORPORATIONS ACT, S.B.C. 2002, CHAPTER 57, AS AMENDED

AND.

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING FOREMOST CLEAN ENERGY LTD. and RIO GRANDE RESOURCES LTD.

FOREMOST CLEAN ENERGY LTD.

PETITIONER

ORDER MADE AFTER APPLICATION
(INTERIM ORDER)

BEFORE	) ~~THE HONOURABLE~~) ASSOCIATE JUDGE VOS	) November 12, 2024

ON THE APPLICATION of the petitioner, Foremost Clean Energy Ltd. (**"Foremost"**), pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the **"BCBCA"**), for an Interim Order in connection with a proposed plan of arrangement involving its shareholders and Rio Grande Resources Ltd. ("**Spinco**").

☑ WITHOUT NOTICE and coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on 12/Nov/2024 and on hearing Kasey Campbell, counsel for Foremost; and upon reading the Petition herein, Affidavit #1 of Jason Barnard sworn on November 6, 2024 (the **"Barnard Affidavit"**) and Affidavit #1 of Krystal Gosling sworn on November 6, 2024 (the **"Gosling Affidavit"**);

THIS COURT ORDERS that:

DEFINITIONS

1. As used in this Order, unless otherwise defined, terms beginning with capital letters shall have the respective meanings set out in draft management information circular of Foremost (the **"Information Circular"**), which contains the draft Notice of Special Meeting (the **"Notice"**), a copy of which is attached as Exhibit "A" to the Gosling Affidavit.

SPECIAL MEETING

2. Pursuant to section 291(2)(b)(i) and section 289(1)(a)(i) and (e) of the BCBCA, Foremost is authorized and directed to call, hold and conduct a special meeting (the **"Meeting"**) of the holders (collectively, the **"Foremost Shareholders"**) of common shares of Foremost Shares (the "**Foremost Shares**") to be held at the offices of Stikeman Elliott LLP, Suite 1700, Park Place, 666 Burrard St., Vancouver, Canada V6C 2X8 at 10:00 a.m.(Vancouver time) on December 20, 2024 to, *inter alia*, consider and, if deemed advisable, approve, with or without variation, a special resolution (the **"Arrangement Resolution"**) substantially in the form attached as Schedule "B" to the Information Circular approving and adopting in accordance with Division 5 of Part 9 of the BCBCA an arrangement (the **"Arrangement"**) substantially as contemplated in the plan of arrangement (the **"Plan of Arrangement"**), a draft of which is attached as Schedule "F" to the Information Circular.

3. The Meeting shall be called, held and conducted in accordance with the applicable provisions of the BCBCA, the Notice, the Information Circular, the articles of Foremost and applicable securities laws, subject to the terms of this Interim Order and any further Order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency, this Interim Order shall govern.

AMENDMENTS

4. Foremost is authorized to make, in the manner contemplated by and subject to the Amended and Restated Arrangement Agreement, such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Amended and Restated Arrangement Agreement, the Notice and the Information Circular as it may determine without any additional notice to or authorization of any of the Foremost Shareholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Amended and Restated Arrangement Agreement, the Notice and the Information Circular as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Amended and Restated Arrangement Agreement, the Notice and the Information Circular, respectively, to be submitted to the Meeting and the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

5. Notwithstanding the provisions of the BCBCA and the notice of articles and articles of Foremost, and subject to the terms of the Amended and Restated Arrangement Agreement, the Foremost Board (the "**Board**") shall be entitled to adjourn, postpone or cancel the Meeting or the date of the Application for the Final Order (defined at paragraph 35 below) on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Foremost Shareholders respecting the adjournment or postponement, and without the need for approval of this Court. Foremost shall provide notice of any such cancellation, adjournment or postponement of the Meeting by news release, newspaper advertisement or notice sent to the Foremost Shareholders by one of the methods specified in paragraph 9 of this Interim Order, as determined to be the most appropriate method of communication by the Board.

RECORD DATE

6. The record date for determining the Foremost Shareholders entitled to receive the Notice, the Information Circular (including the Notice of Hearing of Petition and this Interim Order), the form of proxy ("**Proxy Form**") or voting instruction form ("**VIF**"), notice of notice-and-access and the letter of transmittal, all as applicable (collectively, the **"Meeting Materials"**) shall be the close of business on October 24, 2024 (the **"Record Date"**), as previously approved by the Board and published by Foremost.

7. The Record Date will not change in respect of, or as a consequence of, any adjournment or postponement of the Meeting unless required by applicable law.

NOTICE OF SPECIAL MEETING

8. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and Foremost shall not be required to send the Foremost Shareholders any other or additional statements pursuant to section 290(1)(a) of the BCBCA.

9. The Meeting Materials, with such deletions, amendments and inclusions thereto as counsel for Foremost may advise are necessary or desirable and as are not inconsistent with the terms of this Interim Order, shall be distributed:

   (a) to registered Foremost Shareholders ("**Registered Foremost Shareholders**") (those whose names appear in the central securities register of Foremost) determined as at the Record Date at least thirty (30) days prior to the date of the Meeting, and in accordance with the requirements of (and the timelines prescribed by) National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**"), by:

      (i) mailing by prepaid mail, courier or the equivalent (unless the shareholder has chosen to receive proxy materials electronically), notice of notice-and-access and the Proxy Form; and,

      (ii) using notice-and-access to deliver the Notice and Information Circular whereby those documents will be posted on Foremost's website https://www.foremostcleanenergy.com/investors/shareholder-meeting.html and Foremost's SEDAR+ profile at www.sedarplus.ca for Foremost Registered Shareholders to access;

   (b) to beneficial Foremost Shareholders ("**Beneficial Foremost Shareholders**") (those whose names do not appear in the central securities register of Foremost), in accordance with the requirements of (and within the timelines prescribed by) National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), by:

      (i) mailing by prepaid mail, courier or the equivalent (unless the shareholder has chosen to receive proxy materials electronically), notice of notice-and-access and the VIF; and,

(ii) using notice-and-access to deliver the Notice and Information Circular whereby those documents will be posted on Foremost's websitehttps://www.foremostcleanenergy.com/investors/shareholder-meeting.html" and Foremost's SEDAR+ profile at www.sedarplus.ca for Foremost Beneficial Shareholders to access

(c) at any time by email or facsimile transmission to any Foremost Shareholder who identifies itself to the satisfaction of Foremost (acting through its representatives), who requests such email or facsimile transmission and, if required by Foremost, agrees to pay the charges related to such transmission;

(d) to the directors and auditor(s) of Foremost by prepaid ordinary mail, delivery in person or by recognized courier service, email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or delivery,

and substantial compliance with this paragraph shall constitute good and sufficient notice of the Meeting.

10. The Meeting Materials shall not be delivered to Registered Foremost Shareholders where mail previously sent to such holders by Foremost or its registrar and transfer agent has been returned to Foremost or its registrar and transfer agent on two or more previous consecutive occasions.

11. Accidental failure of or omission by Foremost to give notice to any one or more Foremost Shareholders or the directors and auditors of Foremost, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Foremost (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Foremost, then it shall use reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

DEEMED RECEIPT OF NOTICE

12. The Meeting Materials and any amendments, modifications, updates or supplements thereto and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received,

(a) in the case of mailing, at the time specified at section 6 of the BCBCA;

(b) in the case of delivery in person, upon receipt thereof at the intended recipient's address or, in the case of delivery by courier, one (1) business day after receipt by the courier;

(c) in the case of transmission by email, facsimile or notice-and-access, upon the transmission thereof;

(d) in the case of any press release, news release or advertisement at the time of publication;

(e) in the case of electronic filing on SEDAR, upon the transmission thereof; and

(f) in the case of Beneficial Foremost Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.

UPDATING MEETING OR COURT MATERIALS

13. Notice of any amendments, modifications, updates, or supplements to any of the information provided in the Meeting Materials or Court Materials may be communicated, at any time prior to the Meeting, to the Foremost Shareholders and additional Securityholders, as applicable, or any other persons entitled thereto, by press release, news release, newspaper advertisement, or by any of the means set forth in paragraph 9, as determined to be the most appropriate method of communication by the Board.

PERMITTED ATTENDEES

14. The only persons entitled to attend the Meeting shall be:

    (a) Foremost Shareholders as at the close of business on the Record Date, or their respective proxyholders;

    (b) directors, officers and advisors of Foremost and Spinco; and

    (c) other persons with the prior permission of the Chair of the Meeting,

    and the only persons entitled to vote on the Arrangement Resolution at the Meeting shall be the Foremost Shareholders determined as at the Record Date (or their respective proxyholders).

SOLICITATION OF PROXIES

15. Foremost is authorized to use a Proxy Form or VIF and letter of transmittal for Foremost Shareholders in substantially the same form as attached as Exhibit "C" to the Gosling Affidavit, subject to Foremost's ability to insert dates and other relevant information in the final forms thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate. Foremost is authorized, at its expense, to solicit proxies directly and through its officers, directors, and employees, and through such agents or representatives as it may retain for that purpose and by mail, telephone or such other form of personal or electronic communication as it may determine.

16. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Meeting Materials.

17. Foremost may, in its discretion, generally waive the time limits for the deposit of proxies by Foremost Shareholders if Foremost deems it advisable or reasonable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

QUORUM AND VOTING

18. At the Meeting, the votes in respect of the Arrangement Resolution shall be taken on the following basis:

    (a) each Registered Foremost Shareholder whose name appears on the central securities register of holders of Foremost Shares as at the close of business on the Record Date is entitled to one (1) vote for each Foremost Share registered in his/her/its name; and

    (b) the vote required to pass the Arrangement Resolution shall be the affirmative vote of at least 66⅔% of the votes cast by Registered Foremost Shareholders in person or represented by proxy and entitled to vote at the Meeting.

19. The quorum of Meeting shall be two (2) persons entitled to vote at the Meeting are present and not less than 5% of the outstanding Foremost Shares which may be voted at the Meeting must be represented in person or by proxy or by a duly authorized representative of a Foremost Shareholder.

SCRUTINEER

20. The scrutineer for the Meeting shall be Odyssey Trust Company (acting through its representatives for that purpose) (the **"Scrutineer"**). The Scrutineer's duties shall include:

    (a) reviewing and reporting to the Chair of the Meeting on the deposit and validity of proxies;

    (b) reporting to the Chair of the Meeting on the quorum of the Meeting;

    (c) reporting to the Chair of the Meeting on the polls taken or ballots cast, if any, at the Meeting; and

    (d) providing to Foremost and to the Chair of the Meeting written reports on matters related to their duties.

SHAREHOLDER DISSENT RIGHTS

21. Registered Foremost Shareholders as at the Record Date will have the right to dissent (the "**Dissent Rights**") in respect of the Arrangement Resolution in accordance with the provisions of sections 237 to 247 of the BCBCA, as modified by the terms of this Interim Order, the Final Order and the Plan of Arrangement.

22. Only Registered Foremost Shareholders may dissent. Holders of Foremost Options ("**Foremost Optionholders**"), Foremost RSUs ("**Foremost RSU Holders**") and Foremost Warrants ("**Foremost Warrantholders**") will not have a right to dissent in respect of their Foremost Options, Foremost RSUs and Foremost Warrants.

23. Non-Registered Shareholders as at the Record Date desiring to exercise Dissent Rights must make arrangements for the Registered Foremost Shareholder as at the Record Date who holds Foremost Shares as an intermediary for the Non-Registered Shareholder, to dissent on behalf of the holder or, alternatively, may make arrangements for the Foremost Shares beneficially owned by such holder to be

registered in such holder's name prior to the time the written objection to the Arrangement Resolution is required to be received by Foremost.

24. Where Dissent Rights are being exercised by an intermediary who is not the beneficial owner of such Foremost Shares, the written notice of dissent ("**Dissent Notice**") should specify the number of Foremost Shares held by the intermediary for such beneficial owner. A Dissenting Shareholder may dissent only with respect to all the Foremost Shares held on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder.

25. Notwithstanding Section 242(1)(a) of the BCBCA, the written Dissent Notice to the Arrangement Resolution must be sent to Foremost, c/o Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8, Attention: Ben Schach, by not later than 2:00 p.m. (Vancouver time) on December 18, 2024, or two Business Days prior to any adjournment or postponement of the Meeting.

26. To exercise Dissent Rights, a Registered Foremost Shareholder must prepare a separate Dissent Notice for him, her or itself, if dissenting on his, her or its own behalf, and one for each other Non-Registered Shareholder who beneficially owns Foremost Shares registered in such Registered Foremost Shareholder's name and on whose behalf such Registered Foremost Shareholder intends to exercise Dissent Rights; and, if dissenting on its own behalf, must dissent with respect to all of the Foremost Shares registered in his, her or its name beneficially owned by such Registered Foremost Shareholder or if dissenting on behalf of a Non-Registered Shareholder, with respect to all of the Foremost Shares registered in his, her or its name and beneficially owned by such Non-Registered Shareholder.

27. The Dissent Notice must set out the number of Foremost Shares in respect of which the Dissent Rights are being exercised (the "**Dissent Shares**") and:

    (a) if such Dissent Shares constitute all of the Foremost Shares of which the Foremost Shareholder is the registered and beneficial owner and the Foremost Shareholder owns no other Foremost Shares beneficially, a statement to that effect;

    (b) if such Dissent Shares constitute all of the Foremost Shares of which the Foremost Shareholder is both the registered and beneficial owner, but the Foremost Shareholder owns additional Foremost Shares beneficially, a statement to that effect and the names of the Registered Foremost Shareholder(s) of those other Foremost Shares, the number of Foremost Shares held by each such Registered Foremost Shareholder and a statement that written notices of dissent are being or have been sent with respect to such other Foremost Shares; and

    (c) if the Dissent Rights are being exercised by a Registered Foremost Shareholder who is not the beneficial owner of such Foremost Shares, a statement to that effect and the name and address of the Non-Registered Shareholder and a statement that the Registered Foremost Shareholder is dissenting with respect to all Foremost Shares of the Non-Registered Shareholder registered in such Registered Foremost Shareholder's name.

28. Foremost Shareholders who exercise Dissent Rights and who:

    (a) are ultimately entitled to be paid fair value for their Dissent Shares, which fair value shall be the fair value of such Dissent Shares as of the close of business on the last Business Day before the day on which the Arrangement is approved by Foremost Shareholders at the Meeting, shall be paid an amount equal to such fair value and shall be deemed to have transferred such Dissent Shares to the Foremost in accordance with the Plan of Arrangement; or

    (b) are ultimately not entitled, for any reason, to be paid fair value for their Foremost Shares in respect of which they have exercised Dissent Rights, shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting Foremost Shareholder and shall be entitled to receive only the consideration that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights,

    but in no case shall Foremost or any other person be required to recognize Registered Foremost Shareholders who exercise Dissent Rights as Foremost Shareholders after the Effective Time, and the names of such Registered Foremost Shareholders who exercise Dissent Rights shall be removed from the applicable register of Foremost Shareholders as at the Effective Time. There can be no assurance that a Dissenting Shareholder will receive consideration for its Foremost Shares of equal or greater value to the consideration that such Dissenting Shareholder would have received under the Arrangement.

29. The exercise of Dissent Rights does not deprive a Registered Foremost Shareholder of the right to vote at the Meeting. However, a Registered Foremost Shareholder is not entitled to exercise Dissent Rights in respect of the Arrangement Resolution if such holder votes any of the Foremost Shares beneficially held by such holder for the Arrangement Resolution. A vote against or abstaining from voting on the Arrangement Resolution, whether at the Meeting or by proxy, does not constitute a Dissent Notice for purposes of the right to dissent under Sections 237 to 247 of the BCBCA.

30. If the Arrangement Resolution is approved by the Foremost Shareholders at the Meeting, and if Foremost notifies the Dissenting Shareholders of its intention to act upon the Arrangement Resolution, pursuant to Section 243 of the BCBCA, in order to exercise Dissent Rights, such Dissenting Shareholder must, within one month after the date of such notice, send to Foremost or its transfer agent a written statement that such holder requires purchase of all of the Dissent Shares. Such a written statement must be accompanied by the certificate(s) or DRS Advice(s), if any, representing such Dissent Shares, and, if the dissent is being exercised by the Registered Shareholder on behalf of a Non-Registered Shareholder who is not such Registered Shareholder, a written statement that: (i) is signed by the Non-Registered Shareholder on whose behalf dissent is being exercised; and (ii) sets out whether or not the Non-Registered Shareholder is the beneficial owner of other Foremost Shares and, if so, sets out:

    (a) the names of the registered owners of those other Foremost Shares;

(b) the number of Foremost Shares that are held by each of those registered owners; and

(c) that dissent is being exercised in respect of all of those other Foremost Shares, all in accordance with Section 244 of the BCBCA.

31. If a Dissenting Shareholder fails to strictly comply with the requirements of the Dissent Rights, it will lose its Dissent Rights, Foremost will return to the Dissenting Shareholder the certificate(s) or DRS Advice(s) representing the Foremost Shares that were delivered to Foremost, if any, and if the Arrangement is completed, that Dissenting Shareholder will be deemed to have participated in the Arrangement on the same terms as an Foremost Shareholder who has not exercised Dissent Rights. A vote against or abstaining from voting on the Arrangement Resolution, whether at the Meeting or by proxy, or not voting on the Arrangement Resolution does not constitute a Dissent Notice.

32. Upon delivery of the written statement and the required documents, the Dissenting Shareholder ceases to have any rights as an Foremost Shareholder other than the right to be paid the fair value of the Foremost Shares, except where, before full payment is made for the Dissent Shares, the Arrangement in respect of which the Dissent Notice was sent is abandoned or by its terms will not proceed, a court permanently enjoins or sets aside the corporate action approved by the Arrangement Resolution, or the Dissenting Shareholder withdraws the Dissent Notice Foremost's written consent. If any of these events occur, Foremost must return the share certificate(s) or DRS Advice, if any, representing the Foremost Shares to the Dissenting Shareholder and the Dissenting Shareholder will regain the ability to vote and exercise its rights as a Foremost Shareholder at the Meeting.

33. The Dissenting Shareholder and Foremost may agree on the payout value of the Dissent Shares; otherwise, either party may apply to the Court to determine the fair value of the Dissent Shares or apply for an order that value be established by arbitration or by reference to the Registrar or a referee of the Court. If the matters provided for in the Arrangement Resolution become effective and the Dissenting Shareholder has complied with Sections 237 to 247 of the BCBCA, after a determination of the payout value of the Dissent Shares, Foremost must then promptly pay that amount to the Dissenting Shareholder.

APPLICATION FOR FINAL ORDER

34. Foremost shall include in the Meeting Materials, when sent in accordance with paragraph 9 of this Interim Order, a copy of the Notice of Hearing of Petition, in substantially the form attached as Exhibit "B" to the Gosling Affidavit, and the text of this Interim Order (collectively, the "**Court Materials**"), and such Court Materials shall be deemed to have been served at the times specified in accordance with paragraph 9 and/or 12 of this Interim Order, whether such persons reside within British Columbia or within another jurisdiction.

35. Foremost shall also deliver and make available to Foremost Optionholders, Foremost RSU Holders and the Foremost Warrantholders at least twenty-one (21) days prior to the hearing of the application for a Final Order, a copy of the Information Circular, a copy of the Notice of Petition and the text of this Interim Order (collectively, the "**Notice Materials**") by either:

(a) email transmission;

(b) notice and access;

(c) certified mail or prepaid ordinary mail or delivery by person or by recognized courier to the address in the Foremost Incentive Plan; or,

(d) if such person is also a Foremost Shareholder or director, in a manner set-out in paragraph 9 of this Interim Order.

36. The persons entitled to appear and be heard at any hearing to sanction and approve the Arrangement, shall be only:

(a) Foremost;

(b) Spinco; and

(c) any Foremost Securityholder and other person who has served and filed a Response to Petition and has otherwise complied with paragraph 37 of this Interim Order and the Supreme Court Civil Rules.

37. The sending of the Meeting Materials in the manner contemplated by paragraph 9 shall constitute good and sufficient service and no other form of service need be effected and no other material need be served on such persons in respect of these proceedings, except with respect to any person who shall:

(a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and

(b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to Foremost's counsel at:

Stikeman Elliott LLP
Barristers and Solicitors
1700 – 666 Burrard Street
Vancouver, British Columbia
V6C 2X8

Attention: Kasey Campbell

by or before 4:00 p.m. (Vancouver time) January 8th 2025.

38. Upon the approval by the Foremost Shareholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Foremost may apply to this Court (the "**Application**") for an Order:

(a) pursuant to section 291(4)(a) of the BCBCA approving the Arrangement; and

(b) pursuant to section 291(4)(c) of the BCBCA declaring that the Arrangement is procedurally and substantively fair and reasonable to the Foremost Securityholders

(collectively, the "**Final Order**"),

and the hearing of the Application will be held on January 10th, 2025 at 9:45 a.m. (Vancouver time) or as soon thereafter as the Application can be heard or at such other date and time as the Board may advise at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as the Court may direct.

39. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with paragraph 38, need be served and provided with the materials filed and notice of the adjourned hearing date.

VARIANCE

40. Foremost shall be entitled, at any time, to apply to vary this Interim Order.

41. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Circular, the BCBCA, applicable Securities Laws or the notice of articles and articles of Foremost, this Interim Order will govern.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Lawyer for the Petitioner,
Foremost Clean Energy Ltd.

Lawyer: Kasey Campbell

BY THE COURT

~~Deputy~~ Registrar

No. S247691
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATER OF A PROPOSED ARRANGEMENT
INVOLVING FOREMOST CLEAN ENERGY LTD. and RIO GRANDE RESOURCES LTD.

FOREMOST CLEAN ENERGY LTD.

PETITIONER

INTERIM ORDER

STIKEMAN ELLIOTT LLP
Suite 1700, Park Place
666 Burrard Street
Vancouver, BC V6C 2X8
Telephone (604) 631-1300

COUNSEL: Kasey Campbell
FILE NO: 153461.1003

120335217 v1

No. S247691
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA BUSINESS CORPORATIONS ACT, S.B.C. 2002, CHAPTER 57, AS AMENDED

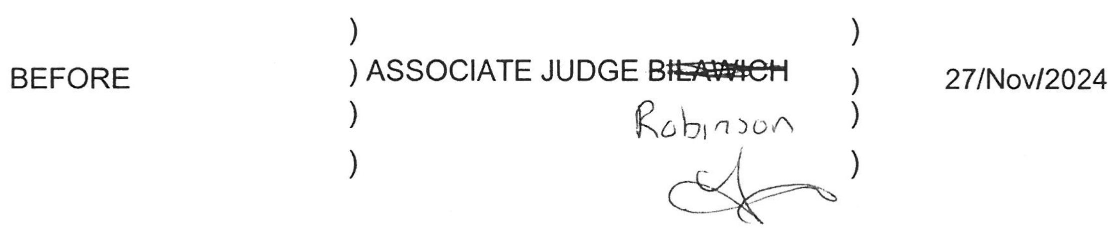
AND.

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING FOREMOST CLEAN ENERGY LTD. and RIO GRANDE RESOURCES LTD.

FOREMOST CLEAN ENERGY LTD.

PETITIONER

ORDER MADE AFTER APPLICATION
(AMENDED INTERIM ORDER)


BEFORE) ASSOCIATE JUDGE ~~BILAWICH~~ Robinson) 27/Nov/2024

ON THE APPLICATION of the petitioner, Foremost Clean Energy Ltd. (**"Foremost"**), pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the **"BCBCA"**), for an Interim Order in connection with a proposed plan of arrangement involving its shareholders and Rio Grande Resources Ltd. ("**Spinco**").

☑ WITHOUT NOTICE and coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on 27/Nov/2024 and on hearing Kasey Campbell, counsel for Foremost; and upon reading the Petition herein, Affidavit #1 of Jason Barnard sworn on November 6, 2024 (the **"Barnard Affidavit #1"**), Affidavit #2 of Jason Barnard affirmed on November 27, 2024 (**"Barnard Affidavit #2"**) and Affidavit #1 of Krystal Gosling sworn on November 6, 2024 (the **"Gosling Affidavit"**);

THIS COURT ORDERS that:

1a. The Order of Associate Justice Vos in these proceedings pronounced and entered on November 12, 2024 (the text of which is contained in the paragraphs that follow) is hereby amended, as indicated in the text below, with the underlined words.

DEFINITIONS

1. As used in this Order, unless otherwise defined, terms beginning with capital letters shall have the respective meanings set out in draft management information circular of Foremost (the **"Information Circular"**), which contains the draft Notice of Special Meeting (the **"Notice"**), a copy of which is attached as Exhibit "A" to the Gosling Affidavit.

SPECIAL MEETING

2. Pursuant to section 291(2)(b)(i) and section 289(1)(a)(i) and (e) of the BCBCA, Foremost is authorized and directed to call, hold and conduct a special meeting (the **"Meeting"**) of the holders (collectively, the **"Foremost Shareholders"**) of common shares of Foremost Shares (the "**Foremost Shares**") to be held at the offices of Stikeman Elliott LLP, Suite 1700, Park Place, 666 Burrard St., Vancouver, Canada V6C 2X8 at 10:00 a.m.(Vancouver time) on December 20, 2024 to, *inter alia*, consider and, if deemed advisable, approve, with or without variation, a special resolution (the **"Arrangement Resolution"**) substantially in the form attached as Schedule "B" to the Information Circular approving and adopting in accordance with Division 5 of Part 9 of the BCBCA an arrangement (the **"Arrangement"**) substantially as contemplated in the plan of arrangement (the **"Plan of Arrangement"**), a draft of which is attached as Schedule "F" to the Information Circular.

3. The Meeting shall be called, held and conducted in accordance with the applicable provisions of the BCBCA, the Notice, the Information Circular, the articles of Foremost and applicable securities laws, subject to the terms of this Interim Order and any further Order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency, this Interim Order shall govern.

AMENDMENTS

4. Foremost is authorized to make, in the manner contemplated by and subject to the Amended and Restated Arrangement Agreement, such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Amended and Restated Arrangement Agreement, the Notice and the Information Circular as it may determine without any additional notice to or authorization of any of the Foremost Shareholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Amended and Restated Arrangement Agreement, the Notice and the Information Circular as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Amended and Restated Arrangement Agreement, the Notice and the Information Circular, respectively, to be submitted to the Meeting and the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

5. Notwithstanding the provisions of the BCBCA and the notice of articles and articles of Foremost, and subject to the terms of the Amended and Restated Arrangement Agreement, the Foremost Board (the "**Board**") shall be entitled to adjourn, postpone or cancel the Meeting or the date of the Application for the Final Order (defined at paragraph 35 below) on one or more occasions without the necessity of first

convening the Meeting or first obtaining any vote of the Foremost Shareholders respecting the adjournment or postponement, and without the need for approval of this Court. Foremost shall provide notice of any such cancellation, adjournment or postponement of the Meeting by news release, newspaper advertisement or notice sent to the Foremost Shareholders by one of the methods specified in paragraph 9 of this Interim Order, as determined to be the most appropriate method of communication by the Board.

RECORD DATE

6. The record date for determining the Foremost Shareholders entitled to receive the Notice, the Information Circular (including the Notice of Hearing of Petition and this Interim Order), the form of proxy ("**Proxy Form**") or voting instruction form ("**VIF**"), notice of notice-and-access and the letter of transmittal, all as applicable (collectively, the **"Meeting Materials"**) shall be the close of business on October 24, 2024 (the **"Record Date"**), as previously approved by the Board and published by Foremost.

7. The Record Date will not change in respect of, or as a consequence of, any adjournment or postponement of the Meeting unless required by applicable law.

NOTICE OF SPECIAL MEETING

8. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and Foremost shall not be required to send the Foremost Shareholders any other or additional statements pursuant to section 290(1)(a) of the BCBCA.

9. The Meeting Materials, with such deletions, amendments and inclusions thereto as counsel for Foremost may advise are necessary or desirable and as are not inconsistent with the terms of this Interim Order, shall be distributed:

   (a) to registered Foremost Shareholders ("**Registered Foremost Shareholders**") (those whose names appear in the central securities register of Foremost) determined as at the Record Date at least thirty (30) days prior to the date of the Meeting, and in accordance with the requirements of (and the timelines prescribed by) National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**"), by:

      (i) mailing by prepaid mail, courier or the equivalent (unless the shareholder has chosen to receive proxy materials electronically), notice of notice-and-access and the Proxy Form; and,

      (ii) using notice-and-access to deliver the Notice and Information Circular whereby those documents will be posted on Foremost's website https://www.foremostcleanenergy.com/investors/shareholder-meeting.html and Foremost's SEDAR+ profile at www.sedarplus.ca for Foremost Registered Shareholders to access;

   (b) to beneficial Foremost Shareholders ("**Beneficial Foremost Shareholders**") (those whose names do not appear in the central securities register of Foremost), in accordance with the requirements of (and within the timelines

prescribed by) National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), by:

(i) mailing by prepaid mail, courier or the equivalent (unless the shareholder has chosen to receive proxy materials electronically), notice of notice-and-access and the VIF; and,

(ii) using notice-and-access to deliver the Notice and Information Circular whereby those documents will be posted on Foremost's websitehttps://www.foremostcleanenergy.com/investors/shareholder-meeting.html" and Foremost's SEDAR+ profile at www.sedarplus.ca for Foremost Beneficial Shareholders to access

(c) at any time by email or facsimile transmission to any Foremost Shareholder who identifies itself to the satisfaction of Foremost (acting through its representatives), who requests such email or facsimile transmission and, if required by Foremost, agrees to pay the charges related to such transmission;

(d) to the directors and auditor(s) of Foremost by prepaid ordinary mail, delivery in person or by recognized courier service, email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or delivery,

and substantial compliance with this paragraph shall constitute good and sufficient notice of the Meeting.

9.1 In order to facilitate the delivery of the Meeting Materials to Beneficial Foremost Shareholders in the case of the Canada Post strike having interrupted delivery of the Meeting Materials to the Beneficial Foremost Shareholders, Foremost shall also file on Foremost's profile on SEDAR+ at http://www.sedarplus.ca and disseminate a press release stating:

9.1(a). the Meeting Materials have been filed on Foremost's profile on SEDAR+ at http://www.sedarplus.ca;

9.1(b). Foremost will deliver, by email, a copy of the Meeting Materials to each Foremost Registered Shareholder and Foremost Beneficial Shareholder who requests the Meeting Materials; and,

9.1(c).Foremost Registered Shareholders and Foremost Beneficial Shareholders Registered and Beneficial Shareholder can direct a request referred to in subsection (b) above to info@foremostcleanenergy.com .

10. The Meeting Materials shall not be delivered to Registered Foremost Shareholders where mail previously sent to such holders by Foremost or its registrar and transfer agent has been returned to Foremost or its registrar and transfer agent on two or more previous consecutive occasions.

11. Accidental failure of or omission by Foremost to give notice to any one or more Foremost Shareholders or the directors and auditors of Foremost, or the non-receipt

of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Foremost (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Foremost, then it shall use reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

DEEMED RECEIPT OF NOTICE

12. The Meeting Materials and any amendments, modifications, updates or supplements thereto and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received,

    (a) in the case of mailing, at the time specified at section 6 of the BCBCA;

    (b) in the case of delivery in person, upon receipt thereof at the intended recipient's address or, in the case of delivery by courier, one (1) business day after receipt by the courier;

    (c) in the case of transmission by email, facsimile or notice-and-access, upon the transmission thereof;

    (d) in the case of any press release, news release or advertisement at the time of publication;

    (e) in the case of electronic filing on SEDAR, upon the transmission thereof; and

    (f) in the case of Beneficial Foremost Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.

UPDATING MEETING OR COURT MATERIALS

13. Notice of any amendments, modifications, updates, or supplements to any of the information provided in the Meeting Materials or Court Materials may be communicated, at any time prior to the Meeting, to the Foremost Shareholders and additional Securityholders, as applicable, or any other persons entitled thereto, by press release, news release, newspaper advertisement, or by any of the means set forth in paragraph 9, as determined to be the most appropriate method of communication by the Board.

PERMITTED ATTENDEES

14. The only persons entitled to attend the Meeting shall be:

    (a) Foremost Shareholders as at the close of business on the Record Date, or their respective proxyholders;

    (b) directors, officers and advisors of Foremost and Spinco; and

    (c) other persons with the prior permission of the Chair of the Meeting,

and the only persons entitled to vote on the Arrangement Resolution at the Meeting shall be the Foremost Shareholders determined as at the Record Date (or their respective proxyholders).

SOLICITATION OF PROXIES

15. Foremost is authorized to use a Proxy Form or VIF and letter of transmittal for Foremost Shareholders in substantially the same form as attached as Exhibit "C" to the Gosling Affidavit, subject to Foremost's ability to insert dates and other relevant information in the final forms thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate. Foremost is authorized, at its expense, to solicit proxies directly and through its officers, directors, and employees, and through such agents or representatives as it may retain for that purpose and by mail, telephone or such other form of personal or electronic communication as it may determine.

16. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Meeting Materials.

17. Foremost may, in its discretion, generally waive the time limits for the deposit of proxies by Foremost Shareholders if Foremost deems it advisable or reasonable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

QUORUM AND VOTING

18. At the Meeting, the votes in respect of the Arrangement Resolution shall be taken on the following basis:

    (a) each Registered Foremost Shareholder whose name appears on the central securities register of holders of Foremost Shares as at the close of business on the Record Date is entitled to one (1) vote for each Foremost Share registered in his/her/its name; and

    (b) the vote required to pass the Arrangement Resolution shall be the affirmative vote of at least 66⅔% of the votes cast by Registered Foremost Shareholders in person or represented by proxy and entitled to vote at the Meeting.

19. The quorum of Meeting shall be two (2) persons entitled to vote at the Meeting are present and not less than 5% of the outstanding Foremost Shares which may be voted at the Meeting must be represented in person or by proxy or by a duly authorized representative of a Foremost Shareholder.

SCRUTINEER

20. The scrutineer for the Meeting shall be Odyssey Trust Company (acting through its representatives for that purpose) (the **"Scrutineer"**). The Scrutineer's duties shall include:

    (a) reviewing and reporting to the Chair of the Meeting on the deposit and validity of proxies;

(b) reporting to the Chair of the Meeting on the quorum of the Meeting;

(c) reporting to the Chair of the Meeting on the polls taken or ballots cast, if any, at the Meeting; and

(d) providing to Foremost and to the Chair of the Meeting written reports on matters related to their duties.

SHAREHOLDER DISSENT RIGHTS

21. Registered Foremost Shareholders as at the Record Date will have the right to dissent (the "**Dissent Rights**") in respect of the Arrangement Resolution in accordance with the provisions of sections 237 to 247 of the BCBCA, as modified by the terms of this Interim Order, the Final Order and the Plan of Arrangement.

22. Only Registered Foremost Shareholders may dissent. Holders of Foremost Options ("**Foremost Optionholders**"), Foremost RSUs ("**Foremost RSU Holders**") and Foremost Warrants ("**Foremost Warrantholders**") will not have a right to dissent in respect of their Foremost Options, Foremost RSUs and Foremost Warrants.

23. Non-Registered Shareholders as at the Record Date desiring to exercise Dissent Rights must make arrangements for the Registered Foremost Shareholder as at the Record Date who holds Foremost Shares as an intermediary for the Non-Registered Shareholder, to dissent on behalf of the holder or, alternatively, may make arrangements for the Foremost Shares beneficially owned by such holder to be registered in such holder's name prior to the time the written objection to the Arrangement Resolution is required to be received by Foremost.

24. Where Dissent Rights are being exercised by an intermediary who is not the beneficial owner of such Foremost Shares, the written notice of dissent ("**Dissent Notice**") should specify the number of Foremost Shares held by the intermediary for such beneficial owner. A Dissenting Shareholder may dissent only with respect to all the Foremost Shares held on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder.

25. Notwithstanding Section 242(1)(a) of the BCBCA, the written Dissent Notice to the Arrangement Resolution must be sent to Foremost, c/o Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, BC V6C 2X8, Attention: Ben Schach, by not later than 2:00 p.m. (Vancouver time) on December 18, 2024, or two Business Days prior to any adjournment or postponement of the Meeting.

26. To exercise Dissent Rights, a Registered Foremost Shareholder must prepare a separate Dissent Notice for him, her or itself, if dissenting on his, her or its own behalf, and one for each other Non-Registered Shareholder who beneficially owns Foremost Shares registered in such Registered Foremost Shareholder's name and on whose behalf such Registered Foremost Shareholder intends to exercise Dissent Rights; and, if dissenting on its own behalf, must dissent with respect to all of the Foremost Shares registered in his, her or its name beneficially owned by such Registered Foremost Shareholder or if dissenting on behalf of a Non-Registered Shareholder, with respect to all of the Foremost Shares registered in his, her or its name and beneficially owned by such Non-Registered Shareholder.

27. The Dissent Notice must set out the number of Foremost Shares in respect of which the Dissent Rights are being exercised (the "**Dissent Shares**") and:

    (a) if such Dissent Shares constitute all of the Foremost Shares of which the Foremost Shareholder is the registered and beneficial owner and the Foremost Shareholder owns no other Foremost Shares beneficially, a statement to that effect;

    (b) if such Dissent Shares constitute all of the Foremost Shares of which the Foremost Shareholder is both the registered and beneficial owner, but the Foremost Shareholder owns additional Foremost Shares beneficially, a statement to that effect and the names of the Registered Foremost Shareholder(s) of those other Foremost Shares, the number of Foremost Shares held by each such Registered Foremost Shareholder and a statement that written notices of dissent are being or have been sent with respect to such other Foremost Shares; and

    (c) if the Dissent Rights are being exercised by a Registered Foremost Shareholder who is not the beneficial owner of such Foremost Shares, a statement to that effect and the name and address of the Non-Registered Shareholder and a statement that the Registered Foremost Shareholder is dissenting with respect to all Foremost Shares of the Non-Registered Shareholder registered in such Registered Foremost Shareholder's name.

28. Foremost Shareholders who exercise Dissent Rights and who:

    (a) are ultimately entitled to be paid fair value for their Dissent Shares, which fair value shall be the fair value of such Dissent Shares as of the close of business on the last Business Day before the day on which the Arrangement is approved by Foremost Shareholders at the Meeting, shall be paid an amount equal to such fair value and shall be deemed to have transferred such Dissent Shares to the Foremost in accordance with the Plan of Arrangement; or

    (b) are ultimately not entitled, for any reason, to be paid fair value for their Foremost Shares in respect of which they have exercised Dissent Rights, shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting Foremost Shareholder and shall be entitled to receive only the consideration that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights,

    but in no case shall Foremost or any other person be required to recognize Registered Foremost Shareholders who exercise Dissent Rights as Foremost Shareholders after the Effective Time, and the names of such Registered Foremost Shareholders who exercise Dissent Rights shall be removed from the applicable register of Foremost Shareholders as at the Effective Time. There can be no assurance that a Dissenting Shareholder will receive consideration for its Foremost Shares of equal or greater value to the consideration that such Dissenting Shareholder would have received under the Arrangement.

29. The exercise of Dissent Rights does not deprive a Registered Foremost Shareholder of the right to vote at the Meeting. However, a Registered Foremost Shareholder is not entitled to exercise Dissent Rights in respect of the Arrangement Resolution if such holder votes any of the Foremost Shares beneficially held by such holder for the Arrangement Resolution. A vote against or abstaining from voting on the Arrangement Resolution, whether at the Meeting or by proxy, does not constitute a Dissent Notice for purposes of the right to dissent under Sections 237 to 247 of the BCBCA.

30. If the Arrangement Resolution is approved by the Foremost Shareholders at the Meeting, and if Foremost notifies the Dissenting Shareholders of its intention to act upon the Arrangement Resolution, pursuant to Section 243 of the BCBCA, in order to exercise Dissent Rights, such Dissenting Shareholder must, within one month after the date of such notice, send to Foremost or its transfer agent a written statement that such holder requires purchase of all of the Dissent Shares. Such a written statement must be accompanied by the certificate(s) or DRS Advice(s), if any, representing such Dissent Shares, and, if the dissent is being exercised by the Registered Shareholder on behalf of a Non-Registered Shareholder who is not such Registered Shareholder, a written statement that: (i) is signed by the Non-Registered Shareholder on whose behalf dissent is being exercised; and (ii) sets out whether or not the Non-Registered Shareholder is the beneficial owner of other Foremost Shares and, if so, sets out:

    (a) the names of the registered owners of those other Foremost Shares;

    (b) the number of Foremost Shares that are held by each of those registered owners; and

    (c) that dissent is being exercised in respect of all of those other Foremost Shares, all in accordance with Section 244 of the BCBCA.

31. If a Dissenting Shareholder fails to strictly comply with the requirements of the Dissent Rights, it will lose its Dissent Rights, Foremost will return to the Dissenting Shareholder the certificate(s) or DRS Advice(s) representing the Foremost Shares that were delivered to Foremost, if any, and if the Arrangement is completed, that Dissenting Shareholder will be deemed to have participated in the Arrangement on the same terms as an Foremost Shareholder who has not exercised Dissent Rights. A vote against or abstaining from voting on the Arrangement Resolution, whether at the Meeting or by proxy, or not voting on the Arrangement Resolution does not constitute a Dissent Notice.

32. Upon delivery of the written statement and the required documents, the Dissenting Shareholder ceases to have any rights as an Foremost Shareholder other than the right to be paid the fair value of the Foremost Shares, except where, before full payment is made for the Dissent Shares, the Arrangement in respect of which the Dissent Notice was sent is abandoned or by its terms will not proceed, a court permanently enjoins or sets aside the corporate action approved by the Arrangement Resolution, or the Dissenting Shareholder withdraws the Dissent Notice Foremost's written consent. If any of these events occur, Foremost must return the share certificate(s) or DRS Advice, if any, representing the Foremost Shares to the

Dissenting Shareholder and the Dissenting Shareholder will regain the ability to vote and exercise its rights as a Foremost Shareholder at the Meeting.

33. The Dissenting Shareholder and Foremost may agree on the payout value of the Dissent Shares; otherwise, either party may apply to the Court to determine the fair value of the Dissent Shares or apply for an order that value be established by arbitration or by reference to the Registrar or a referee of the Court. If the matters provided for in the Arrangement Resolution become effective and the Dissenting Shareholder has complied with Sections 237 to 247 of the BCBCA, after a determination of the payout value of the Dissent Shares, Foremost must then promptly pay that amount to the Dissenting Shareholder.

APPLICATION FOR FINAL ORDER

34. Foremost shall include in the Meeting Materials, when sent in accordance with paragraph 9 of this Interim Order, a copy of the Notice of Hearing of Petition, in substantially the form attached as Exhibit "B" to the Gosling Affidavit, and the text of this Interim Order (collectively, the "**Court Materials**"), and such Court Materials shall be deemed to have been served at the times specified in accordance with paragraph 9 and/or 12 of this Interim Order, whether such persons reside within British Columbia or within another jurisdiction.

35. Foremost shall also deliver and make available to Foremost Optionholders, Foremost RSU Holders and the Foremost Warrantholders at least twenty-one (21) days prior to the hearing of the application for a Final Order, a copy of the Information Circular, a copy of the Notice of Petition and the text of this Interim Order (collectively, the "**Notice Materials**") by either:

(a) email transmission;

(b) notice and access;

(c) certified mail or prepaid ordinary mail or delivery by person or by recognized courier to the address in the Foremost Incentive Plan; or,

(d) if such person is also a Foremost Shareholder or director, in a manner set-out in paragraph 9 of this Interim Order.

36. The persons entitled to appear and be heard at any hearing to sanction and approve the Arrangement, shall be only:

(a) Foremost;

(b) Spinco; and

(c) any Foremost Securityholder and other person who has served and filed a Response to Petition and has otherwise complied with paragraph 37 of this Interim Order and the Supreme Court Civil Rules.

37. The sending of the Meeting Materials in the manner contemplated by paragraph 9 shall constitute good and sufficient service and no other form of service need be

effected and no other material need be served on such persons in respect of these proceedings, except with respect to any person who shall:

(a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and

(b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to Foremost's counsel at:

Stikeman Elliott LLP
Barristers and Solicitors
1700 – 666 Burrard Street
Vancouver, British Columbia
V6C 2X8

Attention: Kasey Campbell

by or before 4:00 p.m. (Vancouver time) January 8th 2025.

38. Upon the approval by the Foremost Shareholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Foremost may apply to this Court (the "**Application**") for an Order:

(a) pursuant to section 291(4)(a) of the BCBCA approving the Arrangement; and

(b) pursuant to section 291(4)(c) of the BCBCA declaring that the Arrangement is procedurally and substantively fair and reasonable to the Foremost Securityholders

(collectively, the "**Final Order**"),

and the hearing of the Application will be held on January 10th, 2025 at 9:45 a.m. (Vancouver time) or as soon thereafter as the Application can be heard or at such other date and time as the Board may advise at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as the Court may direct.

39. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with paragraph 38, need be served and provided with the materials filed and notice of the adjourned hearing date.

VARIANCE

40. Foremost shall be entitled, at any time, to apply to vary this Interim Order.

41. To the extent of any inconsistency or discrepancy between this Interim Order and the Information Circular, the BCBCA, applicable Securities Laws or the notice of articles and articles of Foremost, this Interim Order will govern.

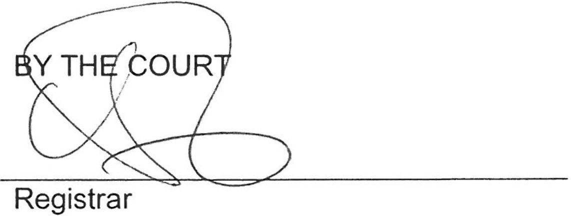
ENDORSEMENTS ATTACHED

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Lawyer for the Petitioner,
Foremost Clean Energy Ltd.

Lawyer: Kasey Campbell

BY THE COURT



Registrar

No. S247691
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATER OF A PROPOSED ARRANGEMENT
INVOLVING FOREMOST CLEAN ENERGY LTD. and RIO GRANDE RESOURCES LTD.

FOREMOST CLEAN ENERGY LTD.

PETITIONER

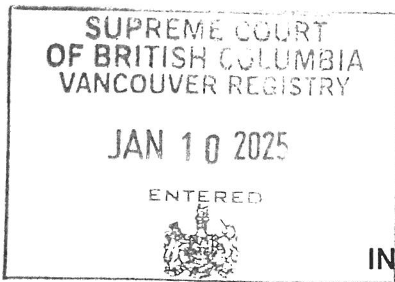
AMENDED INTERIM ORDER

STIKEMAN ELLIOTT LLP
Suite 1700, Park Place
666 Burrard Street
Vancouver, BC V6C 2X8
Telephone (604) 631-1300

COUNSEL: Kasey Campbell
FILE NO: 153461.1003

SCHEDULE "E"
FINAL ORDER

(See attached)



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FOREMOST CLEAN ENERGY LTD.

PETITIONER

ORDER MADE AFTER APPLICATION (FINAL ORDER)

BEFORE	) THE HONOURABLE JUSTICE SUKSTORF)	10/Jan/2025

ON THE APPLICATION of the Petitioner Foremost Clean Energy Ltd. ("**Foremost**") for a Final Order pursuant to Part 9, Division 5 of the *Business Corporations Act*, S.B.C. 2022, C. 57, as amended (the "**BCBCA**"), coming on for hearing at 800 Smithe Street, Vancouver, British Columbia, on January 10, 2025;

AND UPON HEARING Kasey Campbell, counsel to Foremost; and no one appearing on behalf of any holders of common shares ("**Foremost Shares**") in the capital Foremost (the "**Foremost Shareholders**"), holders of options (the "**Foremost Optionholders**") to acquire Foremost Shares, holders of Foremost restricted share units ("**Foremost RSU Holders**") and holders of Foremost warrants ("**Foremost Warrantholders**") (collectively, the "**Foremost Securityholders**"), or any other person affected; AND UPON notice being duly given in accordance with the Amended Interim Order pronounced on November 27, 2024 of the time and place of the hearing of this application to such persons;

AND UPON the requisite approval of the Foremost Shareholders having been obtained at the special meeting of Foremost held on December 20, 2024;

AND UPON reading and reviewing the materials filed herein; AND UPON CONSIDERING the fairness to the parties affected thereby of the terms and conditions of the arrangement (the "**Arrangement**") as contemplated in the plan of arrangement;

AND UPON BEING ADVISED that it is the intention of Foremost and Rio Grande Resources Ltd. ("**Spinco**") to rely upon Section 3(a)(10) of the United States Securities Act of 1933 (the "**1933 Act**") as a basis for an exemption from the registration requirements of the 1933 Act for the exchange and distribution of securities of Foremost and Spinco;

THIS COURT ORDERS and DECLARES that:

1. Pursuant to the provisions of s. 291(4)(c) of the BCBCA the Arrangement as provided for in the Plan of Arrangement, including the terms and conditions thereof and the issuances and exchanges of securities contemplated therein, is procedurally and substantively fair and reasonable to the Foremost Securityholders;

2. The Arrangement, as provided for in the Plan of Arrangement, be and hereby is approved pursuant to the provisions of s. 291(4)(a) of the BCBCA; and,

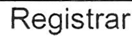
3. Foremost and Spinco shall be entitled at any time to seek leave to vary this Order, to seek direction of this Court as to the implementation of this Order or to apply for such further order or orders as may be appropriate.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT

Signature of Lawyer for
Foremost Clean Energy Ltd.

Kasey Campbell

BY THE COURT.


Registrar

FORM CHECKED
MF

SCHEDULE "F"
RIO GRANDE AUDIT COMMITTEE CHARTER

(See attached)

RIO GRANDE RESOURCES LTD.

CORPORATE AUDIT COMMITTEE CHARTER

As adopted by the Board on July 29, 2024

GENERAL

1. PURPOSE AND RESPONSIBILITIES OF THE COMMITTEE

1.1. Purpose

The primary purpose of the Committee is to assist Board oversight of:

(a) the integrity of the Corporation's financial statements;

(b) the Corporation's compliance with legal and regulatory requirements;

(c) the External Auditor's qualifications and independence; and

(d) the performance of the Corporation's internal controls and audit functions and the External Auditor.

2. DEFINITIONS AND INTERPRETATION

2.1. Definitions

In this charter:

(a) "Board" means the board of directors of the Corporation;

(b) "Chair" means the chair of the Committee;

(c) "Committee" means the audit committee of the Board;

(d) "Corporation" means Rio Grande Resources Ltd.;

(e) "Director" means a member of the Board; and

(f) "External Auditor" means the Corporation's independent auditor.

2.2. Interpretation

The provisions of this charter are subject to the articles and by-laws of the Corporation and to the applicable provisions of the *British Columbia Business Corporations Act*, applicable securities laws and any other applicable legislation.

CONSTITUTION AND FUNCTIONING OF THE COMMITTEE

3. ESTABLISHMENT AND COMPOSITION OF THE COMMITTEE

3.1. Establishment of the Audit Committee

The Committee is hereby continued with the constitution, function and responsibilities herein set forth.

3.2. Appointment and Removal of Members of the Committee

(a) *Board Appoints Members.* The members of the Committee shall be appointed by the Board.

(b) *Annual Appointments.* The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the appointment of members of the Committee is not so made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed.

(c) *Vacancies.* The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors. If a vacancy exists on the Committee, the remaining members shall exercise all of their powers so long as a quorum remains in office.

(d) *Removal of Member.* Any member of the Committee may be removed from the Committee by a resolution of the Board.

3.3. Number of Members

The Committee shall consist of three or more Directors.

3.4. Independence of Members

Each of the members of the Committee shall be independent for the purposes of all applicable regulatory and stock exchange requirements.

3.5. Financial Literacy

(a) *Financial Literacy Requirement.* Each member of the Committee shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee.

(b) *Definition of Financial Literacy.* "Financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

(c) *Financial Expert*. At least one member of the Committee shall satisfy the applicable Canadian Securities Exchange financial sophistication requirements as in effect from time to time.

4. COMMITTEE CHAIR

4.1. Board to Appoint Chair

The Board shall appoint the Chair from the members of the Committee who are unrelated Directors (or, if it fails to do so, the members of the Committee shall appoint the Chair from among its members).

4.2. Chair to be Appointed Annually

The designation of the Committee's Chair shall take place annually at the first meeting of the Board after a meeting of the members at which Directors are elected, provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

5. COMMITTEE MEETINGS

5.1. Quorum

A quorum of the Committee shall be a majority of its members.

5.2. Secretary

The Chair shall designate from time to time a person who may, but need not, be a member of the Committee, to be Secretary of the Committee.

5.3. Time and Place of Meetings

The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; provided, however, the Committee shall meet at least four times per year on a quarterly basis.

5.4. In Camera Meetings

On at least an annual basis, the Committee shall meet separately with each of:

(a) management; and

(b) the External Auditor.

5.5. Right to Vote

Each member of the Committee shall have the right to vote on matters that come before the Committee.

5.6. Voting

Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.

5.7. Invitees

The Committee may invite Directors, officers, employees and consultants of the Corporation or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee. The External Auditor shall receive notice of each meeting of the Committee and shall be entitled to attend any such meeting at the Corporation's expense.

5.8. Regular Reporting

The Committee shall report to the Board at the Board's next meeting the proceedings at the meetings of the Committee and all recommendations made by the Committee at such meetings.

6. AUTHORITY OF COMMITTEE

6.1. Retaining and Compensating Advisors

The Committee shall have the sole authority to engage independent counsel and any other advisors as the Committee may deem appropriate in its sole discretion and to set the compensation for any advisors employed by the Committee. The Committee shall not be required to obtain the approval of the Board in order to retain or compensate such consultants or advisors.

6.2. Funding

The Committee shall have the authority to authorize the payment of:

(a) compensation to any external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation (National Instrument 52-110 – *Audit Committees* requires disclosure of fees by category paid to the External Auditor).

(b) compensation for any advisors employed by the Committee under Section 6.1 hereof; and

(c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6.3. Subcommittees

The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.

6.4. Recommendations to the Board

The Committee shall have the authority to make recommendations to the Board but shall have no decision-making authority other than as specifically contemplated in this charter.

6.5. Compensation

The Committee has the authority to communicate directly with External Auditors and the internal auditors.

7. REMUNERATION OF COMMITTEE MEMBERS

7.1. Remuneration of Committee Members

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time.

7.2. Directors' Fees

No member of the Committee may earn fees from the Corporation or any of its subsidiaries other than Directors' fees (which fees may include cash and/or shares or options or other in-kind consideration ordinarily available to Directors, as well as all of the regular benefits that other Directors receive). For greater certainty, no member of the Committee shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Corporation.

SPECIFIC DUTIES AND RESPONSIBILITIES

8. INTEGRITY OF FINANCIAL STATEMENTS

8.1. Review and Approval of Financial Information

(a) *Annual Financial Statements.* The Committee shall review and discuss with management and the External Auditor the Corporation's audited annual financial statements and related management's discussion and analysis ("**MD&A**") together with the report of the External Auditor thereon and, if appropriate, recommend to the Board that it approve the audited annual financial statements.

(b) *Interim Financial Statements.* The Committee shall review and discuss with management and the External Auditor and, if appropriate, approve the Corporation's interim unaudited financial statements and related MD&A.

(c) *Reports*. The Committee shall prepare any report required by the rules of any applicable securities regulatory authority to be included in the Corporation's annual proxy statement, as well as any other report required of the Committee under applicable laws.

(d) *Material Public Financial Disclosure.* The Committee shall discuss with management and the External Auditor:

(i) the types of information to be disclosed and the type of presentation to be made in connection with profit or loss or earnings press releases; and

(ii) financial information and earnings guidance (if any) provided to analysts and rating agencies.

(e) *Procedures for Review.* The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements (other than financial statements, MD&A and profit or loss or earnings press releases, which are dealt with elsewhere in this charter) and shall periodically assess the adequacy of those procedures.

(f) *General.* To the extent the Committee deems it necessary or appropriate, the Committee may review and discuss with management and the External Auditor:

(i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles;

(ii) major issues as to the adequacy of the Corporation's internal controls over financial reporting and any special audit steps adopted in light of material control deficiencies;

(iii) analyses prepared by management and/or the External Auditor 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 accounting methods on the financial statements;

(iv) the effect on the financial statements of the Corporation of regulatory and accounting initiatives, as well as off-balance sheet transaction structures, obligations (including contingent obligations) and other relationships of the Corporation with unconsolidated entities or other persons that have a

material current or future effect on the financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses of the Corporation;

(v) the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented;

(vi) any financial information or financial statements in prospectuses and other offering documents;

(vii) the management certifications of the financial statements as required under applicable securities laws in Canada or otherwise; and

(viii) any other relevant reports or financial information submitted by the Corporation to any governmental body or the public.

9. EXTERNAL AUDITOR

9.1. External Auditor

(a) *Authority with Respect to External Auditor.* As a representative of the Corporation's shareholders and subject to applicable law and regulations (including, without limitation, applicable Canadian corporate and securities laws), the Committee shall be directly responsible for the appointment, compensation and oversight of the work of the External Auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation. In the discharge of this responsibility, the Committee shall:

(i) have sole responsibility for recommending to the Board the person to be proposed to the Corporation's shareholders for appointment as External Auditor for the above described purposes and recommending such External Auditor's compensation;

(ii) determine at any time whether the Board should recommend to the Corporation's shareholders that the incumbent External Auditor should be removed from office;

(iii) review the terms of the External Auditor's engagement, discuss the audit fees with the External Auditor and be solely responsible for approving such audit fees; and

(iv) require the External Auditor to confirm in its engagement letter each year that the External Auditor is accountable to the Board and the Committee as representatives of shareholders.

(b) *Independence.* The Committee shall satisfy itself as to the independence of the External Auditor. As part of this process the Committee shall:

(i) require the External Auditor to submit on a periodic basis to the Committee a formal written statement delineating all relationships between the External Auditor and the Corporation and engage in a dialogue with the External Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the External Auditor and recommend that the Board take appropriate action in response to the External Auditor's report to satisfy itself of the External Auditor's independence;

(ii) unless the Committee adopts pre-approval policies and procedures, approve any non- audit services provided by the External Auditor, provided the Committee may delegate such approval authority to one or more of its independent members who shall report promptly to the Committee concerning their exercise of such delegated authority; and

(iii) review and approve the policy setting out the restrictions on the Corporation partners, employees and former partners and employees of the Corporation's current or former External Auditor.

(c) *Issues Between External Auditor and Management*. The Committee shall:

(i) review any problems experienced by the External Auditor in conducting the audit, including any restrictions on the scope of the External Auditor's activities or access to requested information; and

(ii) review any significant disagreements with management and, to the extent possible, resolve any disagreements between management and the External Auditor.

(d) *Non-Audit Services*.

(i) The Committee shall either:

A. approve any non-audit services provided by the External Auditor or the external auditor of any subsidiary of the Corporation to the Corporation (including its subsidiaries); or

B. adopt specific policies and procedures for the engagement of non-audit services, provided that such pre-approval policies and procedures are detailed as to the particular service, the Committee is informed of each non-audit service and the procedures do not include delegation of the Committee's responsibilities to management.

(ii) The Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services in satisfaction of the requirement in the previous section, provided that such member or members must present any non-audit services so approved to the full Committee at its first scheduled meeting following such pre-approval.

(iii) The Committee shall instruct management to promptly bring to its attention any services performed by the External Auditor which were not recognized by the Corporation at the time of the engagement as being non-audit services.

10. OTHER

10.1. <u>Related Party Transactions</u>

The Committee shall review and approve all related party transactions in which the Corporation is involved or which the Corporation proposes to enter into.

10.2. <u>Expense Accounts</u>

The Committee shall review and make recommendations with respect to:

(a) the expense account summaries submitted by the President and Chief Executive Officer on an annual basis;

(b) the Corporation's expense account policy, and rules relating to the standardization of the reporting on expense accounts

10.3. Whistle Blowing

The Committee shall put in place procedures for:

(a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and

(b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

11. PERFORMANCE EVALUATION

On a regular basis, the Committee shall follow the process established by the Board for assessing the performance and effectiveness of the Committee.

12. CHARTER REVIEW

The Committee shall review and assess the adequacy of this charter on a regular basis and recommend to the Board any changes it deems appropriate.

SCHEDULE "G"
RIO GRANDE FINANCIAL STATEMENTS & RELATED MD&A

(See attached)

RIO GRANDE RESOURCES LTD.

Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

Expressed in Canadian Dollars

For the three-month period ended October 31, 2024

Corporate Head Office
250 – 750 West Pender Street
Vancouver, BC
V6C 2T7

The accompanying notes are an integral part of these condensed interim financial statements.

RIO GRANDE RESOURCES LTD.

Condensed Interim Statement of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	As at October 31, 2024	As at July 31, 2024
Total Assets	$ -	$ -
Accrued liabilities	483,000	-
Shareholder's Deficiency		
Deficit	(483,000)	-
Total Shareholder's Deficiency	(483,000)	-
Total Liabilities and Shareholder's Deficiency	$ -	$ -

Nature and continuance of operations (Note 1)
Subsequent event (Note 5)

Approved and authorized on behalf of the Board on January 31, 2025:

(Signed) *"Jason Barnard"*

Jason Barnard, Director

The accompanying notes are an integral part of these condensed interim financial statements.

RIO GRANDE RESOURCES LTD.

Condensed Interim Statement of Loss and Comprehensive Loss
(Unaudited – Prepared by Management)
For the three-month period ended October 31, 2024
(Expressed in Canadian Dollars)

		For the three-month period ended October 31, 2024
Professional fees	$	483,000
Net Loss and Comprehensive Loss for the Period	$	483,000
Basic and diluted loss per common share	$	-
Weighted average shares outstanding – Basic and Diluted		1

The accompanying notes are an integral part of these condensed interim financial statements.

RIO GRANDE RESOURCES LTD.

Condensed Interim Statement of Changes in Shareholder's Deficiency
(Unaudited – Prepared by Management)
For the three-month period ended October 31, 2024 and the period from incorporation on July 19, 2024 to July 31, 2024
(Expressed in Canadian Dollars)

	Number of Shares	Capital Stock	Deficit	Total Shareholder's Deficiency
Balance, Incorporation, July 19, 2024	1	$ -	$ -	$ -
Net Loss and Comprehensive Loss for the Period	-	-	-	-
Balance, July 31, 2024	1	-	-	-
Net Loss and Comprehensive Loss for the Period	-	-	(483,000)	(483,000)
Balance, October 31, 2024	1	$ -	$ (483,000)	$ (483,000)

The accompanying notes are an integral part of these condensed interim financial statements.

RIO GRANDE RESOURCES LTD.

Condensed Interim Statements of Cash Flows
(Unaudited – Prepared by Management)
For the three-month period ended October 31, 2024
(Expressed in Canadian Dollars)

	For the three-month period ended October 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss and comprehensive loss for the period	$ 483,000
Changes in non-cash working capital item – accrued liabilities:	(483,000)
Change in cash for the period	-
Cash, beginning of period	-
Cash, end of period	$ -
Cash paid for interest	$ -
Cash paid for tax	$ -

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Rio Grande Resources Ltd. (the "Company" or “Rio Grande”) was incorporated by Foremost Clean Energy Ltd. (formerly Foremost Lithium Resource & Technology Ltd.) (“Foremost” or “Parent”) under the laws of British Columbia on July 19, 2024, in connection with the Arrangement (as defined herein.)

On July 29, 2024, Rio Grande entered into an arrangement agreement with Foremost, as amended and restated on November 4, 2024 (the “Arrangement Agreement), to spin-out Foremost’s Winston Property, being the gold and silver mining property in Sierra County, New Mexico, United States owned by Sierra (as defined herein), to Rio Grande by way of plan of arrangement under Section 288 of the Business Corporations Act (*British Columbia*) (the “Arrangement”). Pursuant to the Arrangement, Foremost will, among other things, transfer to Rio Grande all of the issued and outstanding common shares (the “Sierra Shares”) of its 100% owned United States subsidiary Sierra Gold & Silver Ltd. (“Sierra”) in consideration for Rio Grande issuing to Foremost common shares of Rio Grande (the “Rio Grande Shares”) in accordance with the terms of the Arrangement. Upon completion of the Arrangement, Sierra will be a wholly owned subsidiary of Rio Grande and Rio Grande will indirectly control the Winston Property.

Upon consummation of the Arrangement and successful listing of the Rio Grande on the Canadian Securities Exchange (the “CSE”), Rio Grande and Foremost will be independent publicly traded companies. Listing will be subject to Rio Grande meeting the usual listing requirements of the CSE, receiving approval of the CSE and meeting all conditions of listing imposed by the CSE.

The Company’s head office is located at 250 - 750 West Pender Street, Vancouver, BC, V6C 2T7.

Going concern of operations

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at October 31, 2024, the Company had a working capital deficiency of $483,000 and the Company has not generated revenues from operations. The Company continues to seek capital through various means including the issuance of equity and/or debt. These material uncertainties cast substantial doubt as to the ability of the Company to continue as a going concern. These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Any such adjustments may be material.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

2. BASIS OF PRESENTATION

Basis of measurement

These condensed interim financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) as applicable to interim financial reports, including International Accounting Standard 34, “Interim Financial Reporting”. These financial statements should be read in conjunction with the annual financial statements of Company for the year ended July 31, 2024, which have been prepared in accordance with IFRS. The accounting policies adopted are consistent with those of the previous financial year.

The condensed interim financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

The policies applied in these financial statements are based on IFRS issued and effective as of October 31, 2024. The Board of Directors approved these financial statements for issue on January 31, 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Financial instruments

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset.

The classification of debt instruments is driven by the business model for managing the financial assets, liabilities and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest.

If the business model is not to hold the debt instrument, it is classified as fair value through profit or loss ("FVTPL"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

The Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, and on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income ("FVTOCI").

FVTPL - Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

FVTOCI - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost using the effective interest method if the objective of the business model is to hold the financial asset for the collection of contractual cash flows and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or noncurrent assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

The following table shows the classification and measurement of the Company's financial instruments under IFRS 9:

Financial assets/liabilities	Classification and measurement
Accrued liabilities	at amortized cost

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affects neither accounting nor taxable loss, or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

4. CAPITAL STOCK

Upon the Company's incorporation on July 19, 2024, the Company's authorized share capital is comprised of an unlimited number of Common Shares without par value.

On incorporation, the Company issued one share at a value of $0.01.

5. SUBSEQUENT EVENT

On July 29, 2024, Foremost and Rio Grande entered into the Arrangement Agreement, as amended on November 4, 2024. Upon completion of the Arrangement, Sierra will be a wholly owned subsidiary of Rio Grande and Rio Grande will indirectly control the Winston Property.

As a condition to the completion of the Arrangement, Rio Grande subsequently issued:

i) A $677,450 promissory note (the "Rio Grande Promissory Note") to a related party, namely Jason Barnard and Christina Barnard, due for payment on or before November 5, 2027. The Rio Grande Promissory Note bears interest of 8.95% per annum, starting four (4) months from the effective date of the Arrangement (the "Effective Date"). The full amount of the Rio Grande Promissory Note must be settled by Rio Grande using funds from its first and, as necessary, subsequent financing(s) following completion of the Arrangement. The Rio Grande Promissory Note is secured by a general security agreement.

ii) A $520,000 promissory note (the "Foremost Promissory Note") to a related party, namely Foremost, due for repayment on or before November 5, 2027. The Foremost Promissory Note bears interest of 8.95% per annum, starting four (4) months from the Effective Date. The Foremost Promissory Note is unsecured.

Pursuant to the terms of the Arrangement, Foremost will (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outstanding from Sierra to Foremost as at the Effective Date and (ii) will assign and transfer to Rio Grande all of the issued and outstanding Sierra Shares in consideration for Rio Grande issuing to Foremost such number of Rio Grande Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the effective time on the Effective Date (the ("Effective Time") by two (2).

Notwithstanding Foremost's equity incentive plan (the "Foremost Incentive Plan"), each stock option of Foremost (the "Foremost Options") entitling the holder thereof to acquire one (1) Foremost Share outstanding immediately prior to the Effective Date shall be simultaneously surrendered and transferred by the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) Foremost Share issued in connection with the Arrangement (the "New Foremost Shares") having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this divided by the total fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Shares determined immediately prior to the Effective Time; and

ii) 0.0864 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for two (2) stock options of Rio Grande (each a "Rio Grande Option"), with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Share determined immediately prior to this divided by the total of the fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Shares at the Effective Time.

5. SUBSEQUENT EVENT (Continued)

Notwithstanding the Foremost Incentive Plan, each restricted share unit of Foremost RSU (each a "Foremost RSU") to acquire one (1) Foremost Share outstanding immediately prior to the Effective Date shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost RSU holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

ii) 0.9136 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of new Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

0.0864 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for two (2) restricted share units of Rio Grande to acquire such number of Rio Grande Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU. Concurrently with the exchange of the Foremost Options and Foremost RSU's, each share purchase warrant of Foremost (each a "Foremost Warrant") shall be amended to entitle the holder thereof to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:

i) one (1) New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and

ii) two (2) Rio Grande Shares for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time,

Additionally, Foremost and Rio Grande have acknowledged and agreed that:

i) Rio Grande shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Shares as may be required to satisfy the foregoing;

ii) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Shares at the Effective Time; and

iii) the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

The Arrangement will be subject to shareholder, court, CSE, NASDAQ and regulatory approvals, as well as management's discretion. Subsequent to the completion of the Arrangement, the Company intends to list the shares of Rio Grande on the CSE. Foremost will remain listed on the CSE and the NASDAQ. In order to appropriately capitalize Rio Grande to pursue its business objectives immediately following the completion of the Arrangement, it is anticipated that Rio Grande will borrow certain funds from Foremost and Jason and Christina Barnard and issue the Foremost Promissory Note and the Rio Grande Promissory Note in connection therewith.

Shareholders are cautioned that there can be no assurance that the Arrangement will be completed on the terms described herein or at all, or that the Listing on the CSE will occur.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Dated January 31, 2025)

Period from August 1, 2024 to October 31, 2024

Introduction

The following MD&A of the financial condition and results of the operations of Rio Grande Resources Ltd. ("Rio Grande") constitutes management's review of the factors that affected Rio Grande's financial and operating performance for the period from the date of incorporation of Rio Grande on July 19, 2024 to October 31, 2024. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*.

This discussion should be read in conjunction with the Rio Grande's financial statements for the period from its incorporation on July 19, 2024 to October 31, 2024, together with the notes thereto (the "Rio Grande Financial Statements"). Results are reported in Canadian dollars, unless otherwise noted. The Rio Grande Financial Statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. Information contained herein is presented as of October 31, 2024, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the board of directors of Rio Grande (the "Rio Grande Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the common shares in the capital of Rio Grande (the "Rio Grande Shares"); (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Rio Grande Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about Rio Grande and its operations can be obtained from the offices of Rio Grande, or from Rio Grande's SEDAR+ profile at www.sedarplus.ca.

Description of Business

Currently, Rio Grande has no assets or operations. Prior to completion of the Arrangement (as defined herein), Rio Grande will not carry on any business except as contemplated by the Arrangement Agreement (as defined herein).

Upon completion of the Arrangement, Rio Grande will indirectly control and focus its activities on the exploration and development of the Winston Property, being a gold and silver mining property in Sierra County, New Mexico, United States, currently owned by Sierra Gold & Silver Ltd. ("Sierra"), a wholly owned U.S. subsidiary of Foremost. Rio Grande's future business is also likely to include the acquisition, through staking activity or otherwise, of additional mineral assets and the Issuer therefore anticipates that its directly held mineral properties will evolve with the business

The principal assets and liabilities of Rio Grande upon completion of the Arrangement will consist of being[1] the sole shareholder of Sierra and are further detailed in the Rio Grande Pro Forma Financial Statements which are available on the Company's SEDAR+ profile at www.sedarplus.ca.

Rio Grande is not currently a reporting issuer and the Rio Grande Shares are not listed on any stock exchange. If the Arrangement is completed as proposed, Rio Grande expects that it will be a reporting issuer in each of the Provinces of Alberta, British Columbia and Ontario.

Operational Highlights

On July 29, 2024, Foremost and Rio Grande entered into an arrangement agreement, as amended and restated on November 4, 2024 (the "Arrangement Agreement), to spin-out Foremost's indirectly held Winston Property to Rio Grande by way of plan of arrangement under Section 288 of the Business Corporations Act (*British Columbia*) (the "Arrangement"). Upon completion of the Arrangement, Sierra will be a wholly owned subsidiary of Rio Grande and Rio Grande will indirectly control the Winston Property.

As a condition to the completion of the Arrangement, Rio Grande issued:

i) A $677,450 promissory note (the "Rio Grande Promissory Note") to a related party, namely Jason Barnard and Christina Barnard, due for payment on or before November 5, 2027. The Rio Grande Promissory Note bears interest of 8.95% per annum, starting four (4) months from the effective date of the Arrangement (the "Effective Date"). The full amount of the Rio Grande Promissory Note must be settled by Rio Grande using funds from its first and, as necessary, subsequent financing(s) following completion of the Arrangement. The Rio Grande Promissory Note is secured by a general security agreement.

ii) A $520,000 promissory note (the "Foremost Promissory Note") to a related party, namely Foremost, due for repayment on or before November 5, 2027. The Foremost Promissory Note bears interest of 8.95% per annum, starting four (4) months from the Effective Date. The Foremost Promissory Note is unsecured.

Shares and receivables

Pursuant to the terms of the Arrangement, Foremost will, among other things, (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outstanding from Sierra to Foremost as at the Effective Date and (ii) assign and transfer to Rio Grande all of the issued and outstanding Sierra Shares in consideration for Rio Grande issuing to Foremost such number of Rio Grande Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the effective time on the Effective Date (the "Effective Time") by two (2).

Stock Options

Notwithstanding Foremost's equity incentive plan (the "Foremost Incentive Plan"), each stock option of Foremost (each a "Foremost Option") entitling the holder thereof to acquire one (1) Foremost Share outstanding immediately prior to the Effective Time shall be simultaneously surrendered and transferred by

the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) Foremost Share issued in connection with the Arrangement (the "New Foremost Shares") having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this divided by the total fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Shares determined immediately prior to the Effective Time; and

ii) 0.0864 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for two stock options of Rio Grande ("Rio Grande Options"), with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Share determined immediately prior to this divided by the total of the fair market value of a New Foremost Share and the fair market value of two (2) Rio Grande Shares at the Effective Time.

RSUs

Notwithstanding the Foremost Incentive Plan, each restricted share unit of Foremost (each a "Foremost RSU") to acquire one (1) Foremost Share outstanding as at the Effective Time shall be deemed to be, simultaneously surrendered and transferred by the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost RSU immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

ii) 0.0864 of each Foremost RSU held immediately prior to the Effective Time shall be transferred and exchanged for two (2) restricted share units of Rio Grande (each a "Rio Grande RSU") to acquire such number of Rio Grande Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU.

Warrants

Concurrently with the exchange of the Foremost Options and Foremost RSU's, each share purchase warrant of Foremost (each a "Foremost Warrant") shall be amended to entitle the holder thereof to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:

i) one (1) New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and

ii) two (2) Rio Grande Shares for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time.

Additionally, Foremost and Rio Grande have acknowledged and agreed that:

i) Rio Grande shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Shares as may be required to satisfy the foregoing;

ii) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Shares at the Effective Time; and

iii) the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

The Arrangement will be subject to shareholder, court, CSE, NASDAQ and regulatory approvals, as well as management's discretion. As a condition to closing of the Arrangement, the Company must receive conditional approval from the CSE to list the Rio Grande Shares. It is anticipated that Foremost will remain listed on the CSE and the NASDAQ. In order to appropriately capitalize Rio Grande to pursue its business objectives immediately following the completion of the Arrangement, it is anticipated that Rio Grande will borrow certain funds from Foremost and Jason and Christina Barnard, current shareholders of Foremost, and issue the Foremost Promissory Note and the Rio Grande Promissory Note in connection therewith.

Shareholders are cautioned that there can be no assurance that the Arrangement and the financing of Rio Grande will be completed on the terms described herein or at all, or that the listing of Rio Grande on the CSE will occur.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, Rio Grande does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of Rio Grande, including, and without limitation, such considerations as liquidity and capital resources.

Current quarter compared to previous quarter and comparative quarter.

During the period ended October 31, 2024, the Company accrued $483,000 of professional fees. This is primarily a result of legal costs, as well as costs for accounting and audit, related to the transaction. Rio Grande signed a promissory note whereby they are obligated to reimburse Foremost for up to $520,000 of legal costs related to the transaction. As at October 31, 2024, a substantial portion of those costs had been incurred by Foremost. There were no professional fees in the previous quarter, net loss was $Nil with no transactions. Since the Company was incorporated in July 2024 there is no comparative period to compare against.

Transactions with Related Parties

Related parties include the Rio Grande Board, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Other than the issuance of one (1) Rio Grande Share to Foremost upon incorporation on July 19, 2024, Rio Grande did not give effect to any transactions with related parties during the period from the date of its incorporation on July 19, 2024 to October 31, 2024.

As at October 31, 2024, Foremost owns and controls one (1) Rio Grande Share representing 100% of the total issued and outstanding Rio Grande Shares as at such date.

Financial Instruments

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset.

The classification of debt instruments is driven by the business model for managing the financial assets, liabilities and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest.

If the business model is not to hold the debt instrument, it is classified as fair value through profit or loss ("FVTPL"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

The Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, and on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income ("FVTOCI").

FVTPL - Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

FVTOCI - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost using the effective interest method if the objective of the business model is to hold the financial asset for the collection of contractual cash flows and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or noncurrent assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

The following table shows the classification and measurement of the Company's financial instruments under IFRS 9:

Financial assets/liabilities	Classification and measurement
Accrued liabilities	at amortized cost

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

Credit Risk

On a going forward basis, it is expected that the financial instruments that will potentially subject Rio Grande to a significant concentration of credit risk will consist primarily of cash. Rio Grande intends to mitigate its exposure to credit loss by placing its cash with major financial institutions and believes that its credit risk exposure will be limited.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices and consists of two types of risk: interest rate risk and other price risk.

Interest rate risk arises because of changes in market interest rates and other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Rio Grande's cash is expected to be subject to minimal risk of changes in value.

Liquidity Risk

Liquidity risk is the risk that Rio Grande will not be able to meet its obligations associated with financial liabilities as they come due. Rio Grande's investment policy is to invest its excess cash in high grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. Rio Grande does not have any amounts payable or other liabilities as of the date of this MD&A. Rio Grande will monitor its liquidity position and budget future expenditures in order to ensure that it will have sufficient capital to satisfy liabilities as they come due.

Share Capital

As at the date of this MD&A, Rio Grande has one (1) issued and outstanding Rio Grande Share, and no warrants, Rio Grande RSUs or Rio Grande Options outstanding.

Outlook

Although there can be no assurance that additional funding will be available to Rio Grande, the issuance of the Rio Grande Promissory Note and Foremost Promissory Note is a condition to the completion of the Arrangement.

RIO GRANDE RESOURCES LTD.

Financial Statements

Expressed in Canadian Dollars

For the period from incorporation on July 19, 2024 to July 31, 2024

Corporate Head Office
250 – 750 West Pender Street
Vancouver, BC
V6C 2T7

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Rio Grande Resources Ltd.

Opinion

We have audited the accompanying financial statements of Rio Grande Resources Ltd. (the "Company"), which comprise the statement of financial position as at July 31, 2024, and the statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flows for the period from incorporation on July 19, 2024 to July 31, 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2024, and its financial performance and its cash flows for the period from incorporation on July 19, 2024 to July 31, 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that as at July 31, 2024, the Company had no working capital and the Company has not generated revenues from operations. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

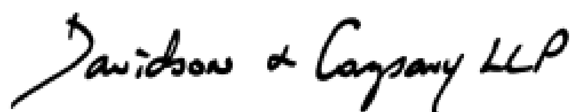
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Vancouver, Canada

Chartered Professional Accountants

November 12, 2024

RIO GRANDE RESOURCES LTD.

Statement of Financial Position
As at July 31, 2024
(Expressed in Canadian Dollars)

	As at July 31, 2024
Assets	$ -
Liabilities and Shareholder's Deficiency	$ -

Nature and continuance of operations (Note 1)
Subsequent event (Note 5)

Approved and authorized on behalf of the Board on November 12, 2024:

(Signed) *"Jason Barnard"*

Jason Barnard, Director

The accompanying notes are an integral part of these financial statements.

RIO GRANDE RESOURCES LTD.

Statement of Loss and Comprehensive Loss
For the period from incorporation on July 19, 2024 to July 31, 2024
(Expressed in Canadian Dollars)

		For the period from incorporation on July 19 2024 to July 31, 2024
Expenses	$	-
Net Loss and Comprehensive Loss for the Period	$	-
Basic and diluted loss per common share	$	-
Weighted average shares outstanding – Basic and Diluted		1

The accompanying notes are an integral part of these financial statements.

RIO GRANDE RESOURCES LTD.

Statement of Changes in Shareholder's Deficiency
For the period from incorporation on July 19, 2024 to July 31, 2024
(Expressed in Canadian Dollars)

	Number of Shares	Capital Stock	Deficit	Total Shareholder's Deficiency
Balance, Incorporation, July 19, 2024	1	$ -	$ -	$ -
Net Loss and Comprehensive Loss for the Period	-	-	-	-
Balance, July 31, 2024	1	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

RIO GRANDE RESOURCES LTD.
Statements of Cash Flows
For the period from incorporation on July 19, 2024 to July 31, 2024
(Expressed in Canadian Dollars)

		For the period from incorporation on July 19 2024 to July 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	$	-
Changes in non-cash working capital items:		
Change in cash for the period		-
Cash, beginning of period		-
Cash, end of period	$	-
Cash paid for interest	$	-
Cash paid for tax	$	-

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Rio Grande Resources Ltd. (the "Company" or "RGR") was incorporated by Foremost Clean Energy Ltd. (Formerly Foremost Lithium Resource & Technology Ltd.) ("Foremost" or "Parent") under the laws of British Columbia on July 19, 2024 as part of the Plan of Arrangement (under the laws of British Columbia) Foremost will transfer to RGR all of the issued and outstanding shares of its 100% owned subsidiary Sierra Gold & Silver Ltd. ("Sierra") in consideration for RGR issuing to Foremost such number of RGR common shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost shares outstanding prior to completion by two (2). Sierra has mineral property interests in New Mexico, USA.

Upon consummation of the Separation and successful listing of the common shares of RGR on the Canadian Securities Exchange (the "CSE"), RGR and Foremost will be independent publicly traded companies. Listing will be subject to RGR meeting the usual listing requirements of the CSE, receiving approval of the CSE and meeting all conditions of listing imposed by the CSE.

The Company's head office is located at 250 - 750 West Pender Street, Vancouver, BC, V6C 2T7.

Going concern of operations

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at July 31, 2024, the Company had no working capital and the Company has not generated revenues from operations. The Company continues to seek capital through various means including the issuance of equity and/or debt. These material uncertainties cast substantial doubt as to the ability of the Company to continue as a going concern. These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Any such adjustments may be material.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Statement of compliance

These financial statements have been prepared in accordance IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

2. BASIS OF PRESENTATION

Basis of measurement

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss or fair value through other comprehensive loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied in these financial statements are based on IFRS issued and effective as of July 31, 2024. The Board of Directors approved these financial statements for issue on November 12, 2024.

Financial instruments

Financial assets and liabilities are recognized when Rio becomes a party to the contractual provisions of the instrument.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affects neither accounting nor taxable loss, or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

4. CAPITAL STOCK

Upon the Company's incorporation on July 19, 2024, the Company's authorized share capital is comprised of an unlimited number of Common Shares without par value.

On incorporation, the Company issued one share at a value of $0.01.

5. SUBSEQUENT EVENT

On July 29, 2024, Foremost entered into an Arrangement Agreement, which was amended and restated on November 4, 2024, to spin out 100% of the shares of its wholly owned subsidiary, Sierra, into the newly incorporated Rio Grande Resources Ltd. ("Rio Grande" or "RGR") by way of a plan of arrangement (the "Arrangement"). It is a condition to the completion of the Arrangement that: (i) Rio Grande will issue a $677,450 promissory note, from a related party, namely Jason Barnard and Christina Barnard, due for payment on or before November 5, 2027, in such amount bearing interest of 8.95% per annum starting 4 months from the Effective Date (the "Barnard Promissory Note"). The full amount of the Barnard Promissory Note must be settled by Rio Grande using funds from its first and, as necessary, subsequent post-closing financing(s). The Barnard Promissory Note is secured by a general security agreement; and (ii) Rio Grande will issue a $520,000 promissory note from a related party, namely Foremost, due for repayment on or before November 5, 2027, in such amount bearing interest of 8.95% per annum starting 4 months from the Effective Date (the "Foremost Promissory Note"). The Foremost Promissory Note is unsecured.

Pursuant to the terms of the Arrangement, Foremost will (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outstanding from Sierra to Foremost as at the Effective Date and (ii) will assign and transfer to Rio Grande all of the issued and outstanding Sierra Shares in consideration for Rio Grande issuing to Foremost such number of Rio Grande Common Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the Effective Time by two (2).

Notwithstanding the Foremost Incentive Plan, each Foremost Option to acquire one (1) Foremost Share outstanding immediately prior to this shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost Optionee thereof to Foremost (free and clear of any Encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost Option held by a Foremost Optionee immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) new Foremost Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this divided by the total fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Common Shares determined immediately prior to this; and

ii) 0.0864 of each Foremost Option held by a Foremost Optionee immediately prior to the Effective Time shall be transferred and exchanged for two Rio Grande Options, with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Common Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Common Share determined immediately prior to this divided by the total of the fair market value of a New Foremost Share and the fair market value of two (2) Rio Grande Common Shares at the Effective Time.

Notwithstanding the Foremost Incentive Plan, each Foremost RSU to acquire one (1) Foremost Share outstanding immediately prior to this shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost RSU holder thereof to Foremost (free and clear of any Encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

ii) 0.0864 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for two (2) Rio Grande RSUs to acquire such number of Rio Grande Common Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU.

5. SUBSEQUENT EVENT (Continued)

Foremost and Rio Grande acknowledge and agree that:

i) from and after the Effective Date, each Foremost Warrant shall entitle the holder to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:
   - one new Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and
   - two (2) Rio Grande Common Shares for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time, and Rio Grande hereby covenants that it shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Common Shares as may be required to satisfy the foregoing;

ii) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Common Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Common Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Common Shares at the Effective Time;

iii) and the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

The Arrangement will be subject to shareholder, court, Canadian Securities Exchange ("CSE"), NASDAQ and regulatory approvals, as well as management's discretion. Subsequent to the completion of the Arrangement, the Company intends to list the shares of RGR on the CSE. Foremost will remain listed on the CSE and the NASDAQ. In order to appropriately capitalize RGR to pursue its business objectives immediately following the completion of the Arrangement, it is anticipated that RGR will borrow certain funds from Foremost and Jason and Christina Barnard and issue the Foremost Promissory Note and the Barnard Promissory Note in connection therewith.

Shareholders are cautioned that there can be no assurance that the Arrangement will be completed on the terms described herein or at all, or that the Listing on the CSE will occur.

SCHEDULE "H"
SIERRA FINANCIAL STATEMENTS & RELATED MD&AS

(See attached)

SIERRA GOLD & SILVER LTD.

Condensed Interim Financial Statements

(Unaudited – Prepared by Management)

Expressed in Canadian Dollars

For the period ended September 30, 2024

Corporate Head Office
250 – 750 West Pender Street
Vancouver, BC
V6C 2T7

SIERRA GOLD & SILVER LTD.
Condensed Statements of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	As at September 30, 2024	As at March 31, 2024
ASSETS		
Non-Current		
Exploration and evaluation assets (Note 4)	$ 1,869,202	$ 1,791,086
Total Assets	$ 1,869,202	$ 1,791,086
LIABILITIES AND SHAREHOLDER'S DEFICIENCY		
Current		
Accrued liabilities	$ 30,000	$ -
Royalty payable (Note 4)	-	335,027
Income tax penalty payable (Note 8)	186,112	183,249
Shareholder payable (Note 5)	1,527,815	1,456,059
Total Current Liabilities	1,743,927	1,974,335
Long-term royalty payable (Note 4)	344,163	-
Total Liabilities	2,088,090	1,974,335
Shareholder's Deficiency		
Deficit	(218,888)	(183,249)
Total Shareholder's Deficiency	(218,888)	(183,249)
Total Liabilities and Shareholder's Deficiency	$ 1,869,202	$ 1,758,086

Nature and continuance of operations and going concern (Note 1)
Subsequent event (Note 9)

Approved and authorized on behalf of the board of directors on January 31, 2025:

(Signed) *"Jason Barnard"*

Jason Barnard, Director

The accompanying notes are an integral part of these financial statements.

SIERRA GOLD & SILVER LTD.
Condensed Statements of Loss and Comprehensive Loss
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Three months ended September 30, 2024	Three months ended September 30, 2023	Six months ended September 30, 2024	Six months ended September 30, 2023
Other Expenses				
Foreign exchange loss and interest	$ (1,607)	$ (2,064)	$ 5,639	$ (2,391)
Income tax penalty	-	(31,341)	-	(31,341)
Professional fees	30,000	-	30,000	-
Net Loss and Comprehensive Loss for the Period	$ (28,393)	$ (33,405)	$ (35,639)	$ (33,732)
Basic and diluted loss per common share	$ (2.84)	$ (3.34)	$ (3.56)	$ (3.37)
Weighted average shares outstanding	10,000	10,000	10,000	10,000

The accompanying notes are an integral part of these condensed financial statements.

SIERRA GOLD & SILVER LTD.
Condensed Statements of Changes in Shareholder's Deficiency
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Number of Shares	Capital Stock	Deficit	Total Shareholder's Deficiency
Balance, March 31, 2023	10,000	$ -	$ (148,863)	$ (148,863)
Net Loss and Comprehensive Loss for the Period	-	-	(33,732)	(33,732)
Balance, September 30, 2023	10,000	$ -	$ (182,595)	$ (182,595)

	Number of Shares	Capital Stock	Deficit	Total Shareholder's Deficiency
Balance, March 31, 2024	10,000	$ -	$ (183,249)	$ (183,249)
Net Loss and Comprehensive Loss for the Period	-	-	(35,639)	(35,639)
Balance, September 30, 2024	10,000	$ -	$ (218,888)	$ (218,888)

The accompanying notes are an integral part of these condensed financial statements.

SIERRA GOLD & SILVER LTD.
Condensed Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Six months ended September 30, 2024	Six months ended September 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	$ (35,639)	$ (33,732)
Foreign exchange	1,978	-
Changes in non-cash working capital items:		
Accrued liabilities	30,000	-
Income tax penalty payable	3,661	33,732
Net cash used in operating activities	-	-
Change in cash for the period	-	-
Cash, beginning of period	-	-
Cash, end of period	$ -	$ -
Cash paid for interest	$ -	$ -
Cash paid for tax	$ -	$ -

Non-cash items as at September 30, 2024

Change in exploration and evaluation assets in royalty and shareholder payable	$ 78,116

The accompanying notes are an integral part of these condensed financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN

Sierra Gold & Silver Ltd. (the "Company" or "Sierra") which was incorporated under the laws of the State of Nevada, is a wholly owned subsidiary of Foremost Clean Energy Ltd. (formerly Foremost Lithium Resource & Technology Ltd.) ("Foremost" or "Parent") which is listed on the Canadian Securities Exchange (the "CSE") under the symbol FAT and on the NASDAQ Capital Market ("NASDAQ") under the symbols FMST and FMSTW. The Company's head office is located at 250 - 750 West Pender Street, Vancouver, BC, V6C 2T7.

The Company is an exploration company focused on the identification and development of mineral assets in the United States of America.

Going concern of operations

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at September 30, 2024, the Company had a working capital deficiency of $1,743,927 (March 31, 2024 - $1,974,335). In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through loans from the Parent. The Company continues to seek capital through various means including the issuance of equity and/or debt. These material uncertainties cast substantial doubt as to the ability of the Company to continue as a going concern. These condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Any such adjustments may be material.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

2. BASIS OF PRESENTATION

a) Basis of measurement

These condensed interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as applicable to interim financial reports, including International Accounting Standard 34, "Interim Financial Reporting". These financial statements should be read in conjunction with the annual financial statements of Company for the year ended March 31, 2024, which have been prepared in accordance with IFRS. The accounting policies adopted are consistent with those of the previous financial year.

The condensed interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on January 31, 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Use of estimates and judgments

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

Material accounting judgments and critical accounting estimates

Material accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the condensed interim financial statements include, but are not Limited to, the following:

i) Assessment of any indicators of impairment of the carrying value of the Company's exploration and evaluation assets;

ii) The ability of the Company to continue as a going concern.

Foreign currency translation

The functional currency for the Company is the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate in existence at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the period end date exchange rates.

The functional currency of the Company is the Canadian dollar, which is also the presentation currency of the condensed interim financial statements.

Financial instruments

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset.

The classification of debt instruments is driven by the business model for managing the financial assets, liabilities and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest.

If the business model is not to hold the debt instrument, it is classified as fair value through profit or loss ("FVTPL"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

The Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, and on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income ("FVTOCI").

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

FVTPL - Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

FVTOCI - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost using the effective interest method if the objective of the business model is to hold the financial asset for the collection of contractual cash flows and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or noncurrent assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

The following table shows the classification and measurement of the Company's financial instruments under IFRS 9:

Financial assets/liabilities	Classification and measurement
Royalty payable	at amortized cost
Income tax penalty payable	at amortized cost
Shareholder loans payable	at amortized cost

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Mineral properties - exploration and evaluation assets

Pre-exploration costs - Pre-exploration costs are expensed in the year in which they are incurred.

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of the property are capitalized. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors, and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Exploration and evaluation assets are classified as intangible assets.

Provision for environmental rehabilitation

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

Decommissioning obligations:

The Company's activities may give rise to dismantling, decommissioning and site disturbance re-mediation activities. A provision is made for the estimated cost of site restoration and capitalized in the relevant asset category.

Decommissioning obligations are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized as finance costs whereas increases due to changes in the estimated future cash flows are capitalized. Actual costs incurred upon settlement of the decommissioning obligations are charged against the provision to the extent the provision was established.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the Company's long-lived assets, including mineral property interests, are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Derecognition of financial assets and financial liabilities

A financial asset is derecognized when the contractual right to the asset's cash flows expire; or if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

The Company derecognizes a financial liability when its obligations are discharged, cancelled or expired.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affects neither accounting nor taxable loss, or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Basic and Diluted Earnings (Loss) Per Share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

New accounting standards issued and effective

A number of new standards, and amendments to standards and interpretations, are not effective and have not been early adopted in preparing these condensed interim financial statements. The following accounting standards and amendments are effective for reporting periods beginning on or after January 1, 2024:

> Classification of Liabilities as Current or Non-current (Amendments to IAS 1) - The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

The adoption of this new accounting standard is not expected to have a material impact on the Company's condensed interim financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively. The Company has not yet determined the impact of these amendments on its condensed interim financial statements.

4. EXPLORATION AND EVALUATION ASSETS

During the period ended September 30, 2024 and year ended March 31, 2024, the following expenditures were incurred on the exploration and evaluation of the Company's assets:

Winston Property	**Period ended September 30, 2024**	**Year Ended March 31, 2024**
Acquisition costs		
Balance, beginning of period	$ 1,371,853	$ 1,334,548
Additions	78,116	37,305
Balance, end of period	1,449,969	1,371,853
Exploration costs		
Balance, beginning of period	419,233	371,909
Geological, consulting, and other	-	47,324
Balance, end of period	419,233	419,233
Total Balance – End of Period	$ 1,869,202	$ 1,791,086

4. EXPLORATION AND EVALUATION ASSETS (Continued)

Winston Property

In October 2014, the Company entered into an option agreement with Redline Minerals Inc. and its US subsidiaries (collectively, the "Optionors") to acquire up to an 80% interest in 102 unpatented lode mining claims in the Winston Property, in addition to the four Little Granite Gold Claims ("Little Granite") and Ivanhoe and Emporia claims ("Ivanhoe/Emporia"). In April 2017, the Company entered into a definitive purchase agreement with the Optionors to acquire all of the Optionors' rights, title and interest in and to the Winston Property. The terms of this agreement closed on May 17, 2017, thereby extinguishing any remaining obligations to Redline Minerals Inc. and its US subsidiaries. Prior to closing, for total consideration of Little Granite and Ivanhoe/Emporia, the Parent paid the Optionors $240,000 on behalf of the Company and the Parent issued 88,000 common shares on behalf of the Company (valued at $341,500). Prior to March 31, 2024, the Company staked additional claims, resulting in an aggregate total of 147 lode mining claims and 2 patented claims.

Ivanhoe/Emporia claims

In accordance with the terms and conditions of the underlying Ivanhoe/Emporia purchase agreement, the Optionors agreed to sell and convey Ivanhoe/Emporia Claims for the purchase price of $500,000 USD of which US$361,375 remained owing to the Robert Howe Educational Trust ("RHET") upon closing on May 17, 2017. The Company agreed to pay RHET a monthly royalty equal to the greater of the Minimum Monthly Royalty or Production Royalty determined in accordance with the following table:

Monthly Average Silver Price/Oz	Minimum Monthly Royalty	Production Royalty %
Less than $5.00	$125	3%
$5.00 ~ $6.99	$250	4%
$7.00 ~ $8.99	$500	5%
$9.00 ~ $10.99	$1,000	6%
$11.00 ~ $14.99	$1,500	7%
$15 or greater	$2,000	8%

All royalty payments made to RHET under the Minimum Monthly Royalty or Production Royalty of the agreement will be credited upon the purchase price. The Company received an irrevocable waiver, effective September 30, 2024, whereby the accrued minimum monthly royalty payments outstanding as of September 30, 2024 of $344,163 (US$251,725) could not be enforced for repayment for a period of eighteen months provided that the Company continues to make ongoing monthly payments of US$1,400. Only the permanent production royalty of 2% of NSR on all ore mined on the Ivanhoe and Emporia lode claims, will remain as an encumbrance after the property has been purchased.

Little Granite Claims

In accordance with the terms and conditions of the underlying Little Granite purchase agreement, the Optionors agreed to sell and convey Little Granite for the purchase price of $500,000 USD of which US$434,000 remained owing to Silver Rose Corporation ("Silver Rose") upon closing on May 17, 2017. During the year ended March 31, 2024, the Company negotiated a final cash payment $75,000 USD to exercise the option through the issuance of a non-interest-bearing promissory note. $25,000 USD was repaid by Foremost during the year ended March 31, 2024. As at March 31, 2023, $67,717 ($50,000 USD) remained payable. The promissory note was due on October 15, 2023, and the remaining $50,000 USD was paid by the Parent on behalf of the Company during the year ended March 31, 2024. Prior to closing on the revised final cash payment, the Company had paid a total aggregate of $111,000 USD to Silver Rose towards the purchase. The Little Granite Property was acquired for an aggregate cash consideration of $186,000 USD, versus aggregate consideration of $434,000 USD under the original terms. There are no encumbrances on the 4 unpatented Little Granite lode claims.

5. SHAREHOLDER'S LOANS PAYABLE

Advances from the Parent are non-interest bearing and have no fixed terms of repayment.

6. CAPITAL STOCK

Authorized capital stock

75,000 common shares without par value.

Issued capital stock

During the period ended September 30, 2024 and year ended March 31, 2024 there were no capital stock transactions.

7. FINANCIAL RISK MANAGEMENT

Capital management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e., capital stock and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares. The Company is not exposed to any externally imposed capital requirements. The Company's overall strategy remains unchanged from the year ended March 31, 2024.

Fair value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - Inputs that are not based on observable market data.

The carrying value of royalty payable, shareholder payable and income tax penalty payable approximate their fair value because of the short-term nature of these instruments.

7. FINANCIAL RISK MANAGEMENT (Continued)

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consists primarily of royalty payable and income tax penalty payable.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2024, the Company had current liabilities of $1,743,927 (March 31, 2024 - $1,974,335). All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company is exposed to liquidity risk and is dependent on obtaining regular loans from the Parent in order to continue as a going concern. Despite previous success in acquiring these loans, there is no guarantee of obtaining future loans.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company has income tax penalties payable that accrues interest. The Company's liabilities do not have significant exposure to interest rate risk.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to income tax penalty payable and royalty payable. A 10% change in the USD/CAD foreign exchange rate would result in a $53,028 foreign exchange gain or loss. The Company has not hedged its exposure to currency fluctuations.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

8. INCOME TAXES

The Company has income tax penalties payable due to the late filing of corporate tax returns. Interest on unpaid penalties accrues at 8% per annum.

9. SUBSEQUENT EVENT

On July 29, 2024, Foremost and it's newly incorporated, wholly owned subsidiary Rio Grande Resources Ltd. ("Rio Grande") entered into an arrangement agreement, as amended and restated on November 4, 2024 (the "Arrangement Agreement), to spin-out Foremost's indirectly held Winston Property to Rio Grande by way of plan of arrangement under Section 288 of the *Business Corporations Act* (British Columbia) (the "Arrangement"). Pursuant to the Arrangement, Foremost will, among other things, transfer to Rio Grande all of the issued and outstanding common shares of Sierra in consideration for Rio Grande issuing to Foremost common shares of Rio Grande ("Rio Grande Shares") in accordance with the terms of the Arrangement. Upon completion of the Arrangement, Sierra will be a wholly owned subsidiary of Rio Grande and Rio Grande will indirectly control the Winston Property.

As a condition to the completion of the Arrangement, Rio Grande subsequently issued:

i) A $677,450 promissory note (the "Rio Grande Promissory Note") to a related party, namely Jason Barnard and Christina Barnard, due for payment on or before November 5, 2027. The Rio Grande Promissory Note bears interest of 8.95% per annum, starting four (4) months from the effective date of the Arrangement (the "Effective Date"). The full amount of the Rio Grande Promissory Note must be settled by Rio Grande using funds from its first and, as necessary, subsequent financing(s) following completion of the Arrangement. The Rio Grande Promissory Note is secured by a general security agreement.

ii) A $520,000 promissory note (the "Foremost Promissory Note") to a related party, namely Foremost, due for repayment on or before November 5, 2027. The Foremost Promissory Note bears interest of 8.95% per annum, starting four (4) months from the Effective Date. The Foremost Promissory Note is unsecured.

Pursuant to the terms of the Arrangement, Foremost will, among other things, (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outstanding from Sierra to Foremost as at the Effective Date and (ii) assign and transfer to Rio Grande all of the issued and outstanding common shares in the capital of Sierra in consideration for Rio Grande issuing to Foremost such number of Rio Grande Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the effective time on the Effective Date (the "Effective Time") by two (2).

Notwithstanding Foremost's equity incentive plan (the "Foremost Incentive Plan"), each stock option of Foremost (the "Foremost Options") entitling the holder thereofto acquire one (1) Foremost Share outstanding immediately prior to the Effective Date shall be simultaneously surrendered and transferred by the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) Foremost Share issued in connection with the Arrangement (the "New Foremost Shares") having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this divided by the total fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Shares determined immediately prior to the Effective Time; and

ii) 0.0864 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for two options of Rio Grande ("Rio Grande Options"), with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Share determined immediately prior to this divided by the total of the fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Shares at the Effective Time.

9. SUBSEQUENT EVENT (Continued)

Notwithstanding the Foremost Incentive Plan, each restricted share unit of Foremost (each a "Foremost RSU") to acquire one (1) Foremost Share outstanding as at the Effective Time shall be deemed to be, simultaneously surrendered and transferred by the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost RSU immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

ii) 0.0864 of each Foremost RSU held immediately prior to the Effective Time shall be transferred and exchanged for two (2) restricted share units of Rio Grande to acquire such number of Rio Grande Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU.

Concurrently with the exchange of the Foremost Options and Foremost RSU's, each share purchase warrant of Foremost (each a "Foremost Warrant") amended to entitle the holder thereof to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:

i) one (1) New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and

ii) two (2) Rio Grande Shares for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time,

Additionally, Foremost and Rio Grande have acknowledged and agreed that:

i) Rio Grande shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Shares as may be required to satisfy the foregoing;

ii) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Shares at the Effective Time; and

iii) the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

The Arrangement will be subject to shareholder, court, CSE, NASDAQ and regulatory approvals, as well as management's discretion. As a condition to closing of the Arrangement, the Company must receive conditional approval from the CSE to list the Rio Grande Shares. It is anticipated that Foremost will remain listed on the CSE and the NASDAQ. In order to appropriately capitalize Rio Grande to pursue its business objectives immediately following the completion of the Arrangement, it is anticipated that Rio Grande will borrow certain funds from Foremost and Jason and Christina Barnard, current shareholders of Foremost, and issue the Foremost Promissory Note and the Rio Grande Promissory Note in connection therewith.

Shareholders are cautioned that there can be no assurance that the Arrangement and the financing of Rio Grande will be completed on the terms described herein or at all, or that the listing of Rio Grande on the CSE will occur.

SIERRA GOLD & SILVER LTD.

Management Discussions and Analysis
Period Ended September 30, 2024

DATE

This MD&A is dated as of January 31, 2025.

This management's discussion and analysis of financial position and results of operations ("MD&A") is prepared as of January 31, 2025 and should be read in conjunction with the condensed interim financial statements of Sierra Gold & Silver Ltd. ("Sierra" or "Company") for the period ended September 30, 2024 with the related notes thereto. Those condensed interim financial statements were prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as applicable to interim financial reports, including International Accounting Standard 34, "Interim Financial Reporting". The condensed financial statements should be read in conjunction with the annual financial statements of Company for the year ended March 31, 2024, which have been prepared in accordance with IFRS. The accounting policies adopted are consistent with those of the previous financial year.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This MD&A contains forward-looking statements that are based on the beliefs of management, as well as assumptions made by, and information currently available to, our management. Actual results could differ materially from those discussed in or implied by forward-looking statements because of various factors. See also "Introductory Notes – Forward-Looking Information."

Further information regarding the Company and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR+) in Canada and can be obtained from www.sedarplus.ca.

DESCRIPTION OF BUSINESS

Sierra was incorporated under the laws of the State of Nevada, is a wholly owned subsidiary of Foremost Clean Energy Ltd. (Formerly Foremost Lithium Resource & Technology Ltd.) ("Foremost" or "Parent") which is listed on the Canadian Securities Exchange (the "CSE") under the symbol FAT and on the NASDAQ Capital Market ("NASDAQ") under the symbols FMST and FMSTW. The Company's head office is located at 250 - 750 West Pender Street, Vancouver, BC, V6C 2T7.

The Company is an exploration company focused on the identification and development of mineral assets **in the**, namely its Winston Property, being the gold and silver mining property spanning one-hundred-forty-seven (147) unpatented claims and two (2) patented claims across almost 3,000 acres/1,214 hectares in Sierra County, New Mexico, United States.

PROPOSED TRANSACTIONS

On July 29, 2024, Foremost and it's newly incorporated, wholly owned subsidiary Rio Grande Resources Ltd. ("Rio Grande") entered into an arrangement agreement, as amended and restated on November 4, 2024 (the "Arrangement Agreement), to spin-out Foremost's indirectly held Winston Property to Rio Grande by way of plan of arrangement under Section 288 of the *Business Corporations Act* (British Columbia) (the "Arrangement"). Pursuant to the Arrangement, Foremost will, among other things, transfer to Rio Grande all of the issued and outstanding common shares of Sierra (the "Sierra Shares") in consideration for Rio Grande issuing to Foremost common shares of Rio Grande in accordance with the terms of the Arrangement. Upon completion of the Arrangement, Sierra will be a wholly owned subsidiary of Rio Grande and Rio Grande will indirectly control the Winston Property.

As a condition to the completion of the Arrangement, Rio Grande issued:

i) A $677,450 promissory note (the "Rio Grande Promissory Note") to a related party, namely Jason Barnard and Christina Barnard, due for payment on or before November 5, 2027. The Rio Grande Promissory Note bears interest of 8.95% per annum, starting four (4) months from the effective date of the Arrangement (the "Effective Date"). The full amount of the Rio Grande Promissory Note must be settled by Rio Grande using funds from its first and, as necessary, subsequent financing(s) following completion of the Arrangement. The Rio Grande Promissory Note is secured by a general security agreement.

ii) A $520,000 promissory note (the "Foremost Promissory Note") to a related party, namely Foremost, due for

repayment on or before November 5, 2027. The Foremost Promissory Note bears interest of 8.95% per annum, starting four (4) months from the Effective Date. The Foremost Promissory Note is unsecured.

Pursuant to the terms of the Arrangement, Foremost will, among other things, (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outstanding from Sierra to Foremost as at the Effective Date and (ii) assign and transfer to Rio Grande all of the issued and outstanding common shares in the capital of Sierra in consideration for Rio Grande issuing to Foremost such number of common shares of Rio Grande (the "Rio Grande Shares") as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of common shares of Foremost (the "Foremost Shares") issued and outstanding immediately prior to the effective time on the Effective Date (the "Effective Time") by two (2).

Notwithstanding Foremost's equity incentive plan (the "Foremost Incentive Plan"), each stock option of Foremost (each a "Foremost Option") entitling the holder thereofto acquire one (1) Foremost Share outstanding immediately prior to the Effective Date shall be simultaneously surrendered and transferred by the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) Foremost Share issued in connection with the Arrangement (the "New Foremost Shares") having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this divided by the total fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Shares determined immediately prior to the Effective Time; and

ii) 0.0864 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for two options of Rio Grande ("Rio Grande Options"), with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Share determined immediately prior to this divided by the total of the fair market value of a New Foremost Share and the fair market value of two (2) Rio Grande Shares at the Effective Time.

Notwithstanding the Foremost Incentive Plan, each restricted share unit of Foremost (each a "Foremost RSU") to acquire one (1) Foremost Share outstanding as at the Effective Time shall be deemed to be, simultaneously surrendered and transferred by the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost RSU held immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

ii) 0.0864 of each Foremost RSU held immediately prior to the Effective Time shall be transferred and exchanged for two (2) restricted share units of Rio Grande to acquire such number of Rio Grande Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU.

Concurrently with the exchange of the Foremost Options and Foremost RSU's, each share purchase warrant of Foremost (each a "Foremost Warrant") shall be amended to entitle the holder thereof to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:

i) one (1) New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and

ii) two (2) Rio Grande Shares for each Foremost Share that was issuable upon due exercise of the Foremost

Warrant immediately prior to the Effective Time,

Additionally, Foremost and Rio Grande have acknowledged and agreed that:

i) Rio Grande shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Shares as may be required to satisfy the foregoing;

ii) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Shares at the Effective Time; and

iii) the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

The Arrangement will be subject to shareholder, court, CSE, NASDAQ and regulatory approvals, as well as management's discretion. As a condition to closing of the Arrangement, the Company must receive conditional approval from the CSE to list the Rio Grande Shares. It is anticipated that Foremost will remain listed on the CSE and the NASDAQ. In order to appropriately capitalize Rio Grande to pursue its business objectives immediately following the completion of the Arrangement, it is anticipated that Rio Grande will borrow certain funds from Foremost and Jason and Christina Barnard, current shareholders of Foremost, and issue the Foremost Promissory Note and the Rio Grande Promissory Note in connection therewith.

Shareholders are cautioned that there can be no assurance that the Arrangement and the financing of Rio Grande will be completed on the terms described herein or at all, or that the listing of the Rio Grande Shares on the CSE will occur.

FORWARD-LOOKING STATEMENTS

Except for statements of historical facts relating to the Company, this MD&A contains "forward-looking statements" within the meaning of applicable securities legislation. These forward-looking statements are made as of the date of this MD&A and the Company does not intend and does not assume any obligation to update these forward-looking statements, except as required by applicable securities laws.

Forward-looking statements may include, but are not limited to, statements with respect to the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of future exploration programs, capital expenditures, success of exploration activities, permitting timelines, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, the completion of transactions and future listings and regulatory approvals. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this MD&A includes, among other things, disclosure regarding: the Company's mineral properties as well as its outlook, statements with respect to the success of exploration activities, permitting timelines, costs and expenditure requirements for additional capital, regulatory approvals, as well as the information under the headings "Overall Performance", "Liquidity" and "Capital Resources".

In making the forward looking statements in this MD&A, the Company has applied certain factors and assumptions that it believes are reasonable, including that there is no material deterioration in general business and economic conditions; that the timing, costs and results of the Company's proposed exploration programs are consistent with the Company's current expectations; that the Company receives regulatory and governmental approvals and permits for its properties on a timely basis; that the Company is able to obtain financing for its properties on reasonable terms and on a timely basis; that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis; that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions; that any environmental and other proceedings or disputes are satisfactorily resolved.

However, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or

achievements expressed or implied by the forward-looking statements. Such factors may include, among others, actual results of current and proposed exploration activities; actual results of reclamation activities; future metal prices; accidents, labor disputes, adverse weather conditions, unanticipated geological formations and other risks of the mining industry; delays in obtaining governmental or regulatory approvals or financing or in the completion of exploration activities, as well as those factors discussed in the section entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

The technical information in this MD&A has been reviewed by Michael Feinstein, PHd, CPG, who is a "Qualified Person" as defined by Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43- 101").

MINERAL PROPERTIES

Winston Property

During the period ended September 30, 2024 and year ended March 31, 2024, the following expenditures were incurred on the exploration and evaluation of the Company's assets:

Winston Property	**Period ended September 30, 2024**	**Year Ended March 31, 2024**
Acquisition costs		
Balance, beginning of period	$ 1,371,853	$ 1,334,548
Additions	78,116	37,305
Balance, end of period	1,449,969	1,371,853
Exploration costs		
Balance, beginning of period	419,233	371,909
Geological, consulting, and other	-	47,324
Balance, end of period	419,233	419,233
Total Balance – End of Period	$ 1,869,202	$ 1,791,086

During the period ended September 30, 2024, the Exploration and Evaluation additions consisted of:

i) Acquisition costs of $78,116 consisted of claim renewal fees and royalty payments noted below.
ii) Exploration costs were $Nil.

During the year ended March 31, 2024, the Exploration and Evaluation additions consisted of:

i) Acquisition costs of $37,305 consisted primarily of royalty payments noted below.
ii) Exploration costs of $47,324 consisted of Geological and Consulting fees of $14,486 and BLM fees of $32,838.

In October 2014, the Company entered into an option agreement with Redline Minerals Inc. and its US subsidiaries (collectively, the "Optionors") to acquire up to an 80% interest in 102 unpatented lode mining claims in the Winston Property, in addition to the four Little Granite Gold Claims ("Little Granite") and Ivanhoe and Emporia claims ("Ivanhoe/Emporia"). In April 2017, the Company entered into a definitive purchase agreement with the Optionors to acquire all of the Optionors' rights, title and interest in and to the Winston Property. The terms of this agreement closed on May 17, 2017, thereby extinguishing any remaining obligations to Redline Minerals Inc. and its US subsidiaries. Prior to closing, for total consideration of Little Granite and Ivanhoe/Emporia, the Parent paid the Optionors $240,000 on behalf of the Company and

the Parent issued 88,000 common shares on behalf of the Company (valued at $341,500). Prior to March 31, 2024, the Company staked additional claims, resulting in an aggregate total of 147 lode mining claims and 2 patented claims.

Ivanhoe/Emporia

In accordance with the terms and conditions of the underlying Ivanhoe/Emporia purchase agreement, the Optionors agreed to sell and convey Ivanhoe/Emporia Claims for the purchase price of $500,000 USD of which US$361,375 remained owing to the Robert Howe Educational Trust ("RHET") upon closing on May 17, 2017. The Buyer agreed to pay RHET a monthly royalty equal to the greater of the Minimum Monthly Royalty or Production Royalty (the "monthly royalty") determined in accordance with the following table:

Monthly Average Silver Price/Oz	Minimum Monthly Royalty	Production Royalty %
Less than $5.00	$125	3%
$5.00 ~ $6.99	$250	4%
$7.00 ~ $8.99	$500	5%
$9.00 ~ $10.99	$1,000	6%
$11.00 ~ $14.99	$1,500	7%
$15 or greater	$2,000	8%

All royalty payments made to RHET under the Minimum Monthly Royalty or Production Royalty of the agreement will be credited upon the purchase price. The Company received an irrevocable waiver, effective September 30, 2024, whereby the accrued minimum monthly royalty payments outstanding as at September 30, 2024 of $344,163 (US$251,725) could not be enforced for repayment for a period of eighteen months provided that the Company continues to make ongoing monthly payments of US$1,400. Only the permanent production royalty of 2% of NSR on all ore mined on the Ivanhoe and Emporia lode claims, will remain as an encumbrance after the property has been purchased.

Little Granite

On December 14, 2022, we announced that the Company acquired 100% interest of Little Granite Claims. In accordance with the terms and conditions of the underlying Little Granite purchase agreement, the Optionors agreed to sell and convey Little Granite for the purchase price of $500,000 USD of which US$434,000 remained owing to Silver Rose Corporation ("Silver Rose") upon closing on May 17, 2017. During the year ended March 31, 2024, the Company negotiated a final cash payment $75,000 USD to exercise the option through the issuance a non-interest-bearing promissory note. The promissory note was due on October 15, 2023, and was fully paid by the Parent on behalf of the Company during the year ended March 31, 2024. Prior to closing on the revised final cash payment, the Company had paid a total aggregate of $111,000 USD to Silver Rose towards the purchase The Little Granite Property was acquired for an aggregate consideration of $186,000 USD, versus aggregate consideration of $434,000 USD under the original terms. There are no encumbrances on the 4 unpatented Little Granite lode claims. Prior to March 31, 2024, the Company staked additional claims, resulting in an aggregate total of 147 lode mining claims and 2 patented claims.

NI 43-101 Technical Report

Foremost has an updated NI 43-101 technical report with an effective date of November 4, 2024 titled "Technical Report for the Winston Gold-Silver Project: Sierra County, New Mexico, USA", in compliance with the Canadian Securities Administrators revised regulations NI 43-101, Form 43-101F1 and the Companion Policy NI 43-101CP and CIM definitions "Standards for Mineral Resources and Mineral Reserves" (May 19, 2014).

RESULTS OF OPERATIONS

Expenses incurred for the three-month period ended September 30, 2024 as compared to 2023

During the three-month period ended September 30, 2024, the Company had a net loss of $28,393 (2023 - $33,405). Significant fluctuations included $30,000 in professional fees in 2024 compared to $Nil in 2023. The increase was due to accounting and

audit fees related to preparing financial statements in the current period. The remaining comparative net loss is comprised of income tax penalties relating to the late filing of yearly corporate tax returns in the USA adjusted for foreign exchange.

Expenses incurred for the six-month period ended September 30, 2024 as compared to 2023

During the six-month period ended September 30, 2024, the Company had a net loss of $35,639 (2023 - $33,732). Significant fluctuations included $30,000 in professional fees in 2024 compared to $Nil in 2023. The increase was due to accounting and audit fees related to preparing financial statements in the current period. The remaining comparative net loss is comprised of income tax penalties relating to the late filing of yearly corporate tax returns in the USA adjusted for foreign exchange

SUMMARY OF QUARTERLY RESULTS

A summary of selected financial information for the eight most recently completed quarters is set out below and should be read in conjunction with the Company's Financial Statements and related notes for such periods:

	Three Months Ended Sept 30, 2024	Three Months Ended June 30, 2024	Three Months Ended Mar 31, 2024	Three Months Ended Dec 31, 2023	Three Months Ended Sep 30, 2023	Three Months Ended June 30, 2023	Three Months Ended Mar 31, 2023	Three Months Ended Dec 31, 2022
Expenses	$ 28,393	$ 6,976	$ 327	$ 327	$ 33,405	$ 327	$ 2,827	$ 2,827
Total comprehensive loss	$ 28,393	$ 6,976	$ 327	$ 327	$ 33,405	$ 327	$ 2,827	$ 2,827
Loss) per share – basic and diluted	$(2.84)	$(0.70)	$(0.03)	$(0.03)	$ (3.34)	$(0.03)	$ (0.28)	$ (0.28)

Net loss in the quarter ended September 30, 2024 was comprised primarily of $30,000 in professional fees related to the preparation of financial statements. The loss in the prior quarter, June 30, 2024, was comprised of foreign exchange loss and interest.

Net loss in the quarter ended June 30, 2024 was comprised of $4,925 in income tax penalty interest and a $2,051 foreign exchange loss relating to fair valuing the US$ debt at June 30, 2024. Net loss during the quarters ended September 30, 2023 and September 30, 2022 are comprised of income tax penalties relating to the late filing of yearly corporate tax returns in the USA adjusted for foreign exchange. For the purposes of the quarter by quarter analysis, yearly foreign exchange adjustments have been expensed equally over the quarterly periods. US corporate taxes are due 3.5 months after year end.

LIQUIDITY AND GOING CONCERN

The condensed interim financial statements were prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at September 30, 2024, the Company had working capital deficiency of $1,743,927 (March 31, 2024 - $1,974,335). In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the long-term (non-current) loans from the Parent. The Company continues to seek capital through various means including the issuance of equity and/or debt. These material uncertainties cast substantial doubt as to the ability of the Company to continue as a going concern. The condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Any such adjustments may be material.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

CASH FLOWS

The Company's operations were funded in full by Foremost Lithium therefore there were no cash flows in any of the periods presented.

CAPITAL RESOURCES

During the period ended September 30, 2024, the Company did not issue any common shares.

TRANSACTIONS WITH RELATED PARTIES

During the period ended September 30, 2024, there were no transactions with related parties.

CHANGES IN ACCOUNTING POLICIES

Please refer to the condensed interim financial statements for the period ended September 30, 2024.

FINANCIAL AND OTHER INSTRUMENTS

Capital and Financial Risk Management

Capital management.

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e., capital stock and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares. The Company is not exposed to any externally imposed capital requirements. The Company's overall strategy remains unchanged from the year ended March 31, 2024.

Fair value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - Inputs that are not based on observable market data.

The carrying value of royalty payable and income tax penalty payable approximate their fair value because of the short-term nature of these instruments.
The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consists primarily of royalty payable and income tax penalty payable.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2024, the Company had current liabilities of $1,743,927 (March 31, 2024 - $1,974,335). All of the

Company's financial liabilities, except shareholder's loans payable, have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company is exposed to liquidity risk and is dependent on obtaining regular loans from the Parent in order to continue as a going concern. Despite previous success in acquiring these loans, there is no guarantee of obtaining future loans.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk
The Company has income tax penalties payable that accrues interest. The Company's liabilities do not have significant exposure to interest rate risk.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to income tax penalty payable and royalty payable. A 10% change in the USD/CAD foreign exchange rate would result in a $53,028 foreign exchange gain or loss. The Company has not hedged its exposure to currency fluctuations.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Other MD&A Requirements

Disclosure of Outstanding Security Data

As at January 31, 2025, the Company has 10,000 common shares outstanding without par value.

Risks and Uncertainties

Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge and careful evaluation may fail to overcome. These risks may be even greater in the Company's case given its formative stage of development.

Exploration activities are expensive and seldom result in the discovery of a commercially viable resource. There is no assurance that the Company's exploration will result in the discovery of an economically viable mineral deposit. The Company has generated losses to date and anticipates that it will require additional funds to further explore its properties. There is no assurance such additional funding will be available to the Company on commercially reasonable terms or at all. Additional equity financing may result in substantial dilution thereby reducing the marketability of the Company's shares. The Company's activities are subject to the risks normally encountered in the mining exploration business. The economics of exploring, developing and operating resource properties are affected by many factors including the cost of exploration and development operations, variations of the grade of any ore mined and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects. The Company's mineral resource properties have not been surveyed and may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. In addition, the Company may become subject to liability for hazards against which it is not insured. The mining industry is highly competitive in all its phases and the Company competes with other mining companies, many with greater financial and technical resources, in the search for, and the acquisition of, mineral resource properties and in the marketing of minerals. Additional risks include the lack of an active market for the Company's securities and the present intention of the Company not to pay dividends. Certain of the Company's directors and officers also serve as directors or officers of other public and private resource companies, and to the extent that such other companies may participate in ventures in which the Company may participate, such directors and officers of the Company may have a conflict of interest. Finally, the

Company has no history of earnings, and there is no assurance that any of its current or future mineral properties will generate earnings, operate profitably or provide a return on investment in the future. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered considering its early stage of operations. There is also no assurance that the conditions to the Arrangement will be met.

For a more detailed discussion of the risk factors affecting the Company and its exploration activities, please refer to Foremost filings on www.sedarplus.ca.

SIERRA GOLD & SILVER LTD.

Financial Statements

Expressed in Canadian Dollars

For the years ended March 31, 2024, 2023 and 2022

Corporate Head Office
250 – 750 West Pender Street
Vancouver, BC
V6C 2T7

DAVIDSON & COMPANY LLP ——— Chartered Professional Accountants ———

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Sierra Gold & Silver Ltd.

Opinion

We have audited the accompanying financial statements of Sierra Gold & Silver Ltd. (the "Company"), which comprise the statements of financial position as at March 31, 2024, 2023 and 2022, and the statements of loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024, 2023 and 2022, and its financial performance and its cash flows for the years then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company had a working capital deficiency of $1,974,335 at March 31, 2024 and has not generated revenues from operations. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Telephone (604) 687-0947 Davidson-co.com

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

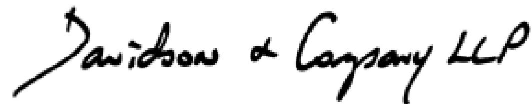
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Vancouver, Canada

Chartered Professional Accountants

November 12, 2024

SIERRA GOLD & SILVER LTD.
Statements of Financial Position
As at March 31, 2024, 2023 and 2022
(Expressed in Canadian Dollars)

	2024	2023	2022
ASSETS			
Non-Current			
Exploration and evaluation assets (Note 4)	$ 1,791,086	$ 1,706,458	$ 1,444,803
Total Assets	$ 1,791,086	$ 1,706,458	$ 1,444,803
LIABILITIES AND SHAREHOLDER'S DEFICIENCY			
Current			
Royalty payable (Note 4)	$ 335,027	$ 312,781	$ 258,823
Income tax penalty payable (Note 8)	183,249	148,863	106,216
Short-term loan payable (Note 4)	-	67,717	-
Shareholder payable (Note 5)	1,456,059	1,325,960	1,185,980
Total Liabilities	1,974,335	1,855,321	1,551,019
Shareholder's Deficiency			
Deficit	(183,249)	(148,863)	(106,216)
Total Shareholder's Deficiency	(183,249)	(148,863)	(106,216)
Total Liabilities and Shareholder's Deficiency	$ 1,758,086	$ 1,706,458	$ 1,444,803

Nature and continuance of operations and going concern (Note 1)
Subsequent event (Note 9)

Approved and authorized on behalf of the Board on November 12, 2024:

(Signed) *"Jason Barnard"*
Jason Barnard, Director

The accompanying notes are an integral part of these financial statements.

SIERRA GOLD & SILVER LTD.
Statements of Loss and Comprehensive Loss
For the years ended March 31, 2024, 2023 and 2022
(Expressed in Canadian Dollars)

		2024		2023		2022
Other Expenses						
Foreign exchange gain (loss)	$	(1,308)	$	(11,306)	$	2,279
Income tax penalties (Note 8)		(33,078)		(31,341)		(33,045)
Net Loss and Comprehensive Loss for the Year	$	(34,386)	$	(42,647)	$	(30,766)
Basic and diluted loss per common share	$	(3.44)	$	(4.26)	$	(3.08)
Weighted average shares outstanding		10,000		10,000		10,000

The accompanying notes are an integral part of these financial statements.

SIERRA GOLD & SILVER LTD.
Statements of Changes in Shareholder's Deficiency
For the years ended March 31, 2024, 2023 and 2022
(Expressed in Canadian Dollars)

	Number of Shares	Capital Stock	Deficit	Total Shareholder's Deficiency
Balance, March 31, 2021	10,000	$ -	$ (75,450)	$ (75,450)
Net Loss and Comprehensive Loss for the Year	-	-	(30,766)	(30,766)
Balance, March 31, 2022	10,000	-	(106,216)	(106,216)
Net Loss and Comprehensive Loss for the Year	-	-	(42,647)	(42,647)
Balance, March 31, 2023	10,000	-	(148,863)	(148,863)
Net Loss and Comprehensive Loss for the Year	-	-	(34,386)	(34,386)
Balance, March 31, 2024	10,000	$ -	$ (183,249)	$ (183,249)

The accompanying notes are an integral part of these financial statements.

SIERRA GOLD & SILVER LTD.
Statements of Cash Flows
For the years ended March 31, 2024, 2023 and 2022
(Expressed in Canadian Dollars)

	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss and comprehensive loss for the year	$ (34,386)	$ (42,647)	$ (30,766)
Changes in non-cash working capital items:			
Income tax penalty payable	34,386	42,647	30,766
Net cash used in operating activities	-	-	-
Change in cash for the year	-	-	-
Cash, beginning of year	-	-	-
Cash, end of year	$ -	$ -	$ -
Cash paid for interest	$ -	$ -	$ -
Cash paid for tax	$ -	$ -	$ -

Non-cash items

	2024	2023	2022
Change in exploration and evaluation assets in royalty payable	$ 22,246	$ 53,958	$ (24,900)
Change in exploration and evaluation assets in shareholder payable	$ 62,382	$ 207,697	$ 405,469

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN

Sierra Gold & Silver Ltd. (the "Company" or "Sierra") which was incorporated under the laws of the State of Nevada, is a wholly owned subsidiary of Foremost Clean Energy Ltd. (Formerly Foremost Lithium Resource & Technology Ltd.) ("Foremost" or "Parent") which is listed on the Canadian Securities Exchange (the "CSE") under the symbol FAT and on the NASDAQ Capital Market ("NASDAQ") under the symbols FMST and FMSTW. The Company's head office is located at 250 - 750 West Pender Street, Vancouver, BC, V6C 2T7.

The Company is an exploration company focused on the identification and development of mineral assets in the United States of America.

Going concern of operations

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at March 31, 2024, the Company had working capital deficiency of $1,974,335 (March 31, 2023 - $1,855,321 and March 31, 2022 - $1,551,019). In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the long-term (non-current) loans from the Parent. The Company continues to seek capital through various means including the issuance of equity and/or debt. These material uncertainties cast substantial doubt as to the ability of the Company to continue as a going concern. These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Any such adjustments may be material.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

2. BASIS OF PRESENTATION

a) Basis of measurement

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss or fair value through other comprehensive loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied in these financial statements are based on IFRS issued and effective as of March 31, 2024. The Board of Directors approved these financial statements for issue on November 12, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

Material accounting judgments and critical accounting estimates

Material accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not Limited to, the following:

i) Assessment of any indicators of impairment of the carrying value of the Company's exploration and evaluation assets;

ii) The ability of the Company to continue as a going concern; and

Foreign currency translation

The functional currency for the Company is the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate in existence at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the period end date exchange rates.

The functional currency of the Company is the Canadian dollar, which is also the presentation currency of the financial statements.

Financial instruments

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset.

The classification of debt instruments is driven by the business model for managing the financial assets, liabilities and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest.

If the business model is not to hold the debt instrument, it is classified as fair value through profit or loss ("FVTPL"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

The Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, and on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income ("FVTOCI").

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

FVTPL - Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

FVTOCI - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost using the effective interest method if the objective of the business model is to hold the financial asset for the collection of contractual cash flows and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or noncurrent assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

The following table shows the classification and measurement of the Company’s financial instruments under IFRS 9:

Financial assets/liabilities	Classification and measurement
Royalty payable	at amortized cost
Income tax penalty payable	at amortized cost
Short-term loan payable	at amortized cost
Shareholder loans payable	at amortized cost

Financial liabilities other than derivative liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

Impairment of financial assets at amortized cost

The Company recognizes the expected credit losses (“ECL”) model on a forward-looking basis on financial assets that are measured at amortized cost, contract assets and debt instruments carried at FVTOCI.

At each reporting date, the Company measures the ECL for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the ECL for the financial asset at an amount equal to twelve month expected credit losses. The Company applies the simplified method and measures a loss allowance equal to the lifetime expected credit losses for trade receivables.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Mineral properties - exploration and evaluation assets

Pre-exploration costs

Pre-exploration costs are expensed in the year in which they are incurred.

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of the property are capitalized. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors, and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as “mines under construction”. Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Exploration and evaluation assets are classified as intangible assets.

Provision for environmental rehabilitation

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company’s estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

Decommissioning obligations:

The Company’s activities may give rise to dismantling, decommissioning and site disturbance re-mediation activities. A provision is made for the estimated cost of site restoration and capitalized in the relevant asset category.

Decommissioning obligations are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the reporting date. Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized as finance costs whereas increases due to changes in the estimated future cash flows are capitalized. Actual costs incurred upon settlement of the decommissioning obligations are charged against the provision to the extent the provision was established.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the Company's long-lived assets, including mineral property interests, are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Derecognition of financial assets and financial liabilities

A financial asset is derecognized when the contractual right to the asset's cash flows expire; or if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

The Company derecognizes a financial liability when its obligations are discharged, cancelled or expired.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affects neither accounting nor taxable loss, or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Basic and Diluted Earnings (Loss) Per Share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Share issue costs

Share issue costs are deferred and charged directly to capital stock on completion of the related financing. If the financing is not completed, share issue costs are charged to operations. Costs directly identifiable with the raising of capital will be charged against the related capital stock.

New accounting standards issued and effective

A number of new standards, and amendments to standards and interpretations, are not effective and have not been early adopted in preparing these financial statements. The following accounting standards and amendments are effective for reporting periods beginning on or after January 1, 2024:

> Classification of Liabilities as Current or Non-current (Amendments to IAS 1) - The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

The adoption of this new accounting standard is not expected to have a material impact on the Company's financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively. The Company has not yet determined the impact of these amendments on its financial statements.

4. EXPLORATION AND EVALUATION ASSETS

During the years ended March 31, 2024, 2023 and 2022, the following expenditures were incurred on the exploration and evaluation of the Company's assets:

Winston Property	March 31, 2024	March 31, 2023	March 31, 2022
Acquisition costs			
Balance, beginning of year	$ 1,334,548	$ 1,200,586	$ 1,121,057
Additions	37,305	133,962	79,529
Balance, end of year	1,371,853	1,334,548	1,200,586
Exploration costs			
Balance, beginning of year	371,910	244,217	174,732
Assay	-	-	4,712
Geological, consulting, and other	47,323	127,693	64,773
Balance, end of year	419,233	371,910	244,217
Total Balance – End of Year	$ 1,791,086	$ 1,706,458	$ 1,444,803

Winston Property

In October 2014, the Company entered into an option agreement with Redline Minerals Inc. and its US subsidiaries (collectively, the "Optionors") to acquire up to an 80% interest in 102 unpatented lode mining claims in the Winston Property, in addition to the four Little Granite Gold Claims ("Little Granite") and Ivanhoe and Emporia claims ("Ivanhoe/Emporia"). In April 2017, the Company entered into a definitive purchase agreement with the Optionors to acquire all of the Optionors' rights, title and interest in and to the Winston Property. The terms of this agreement closed on May 17, 2017, thereby extinguishing any remaining obligations to Redline Minerals Inc. and its US subsidiaries. Prior to closing, for total consideration of Little Granite and Ivanhoe/Emporia, the Parent paid the Optionors $240,000 on behalf of the Company and the Parent issued 88,000 common shares on behalf of the Company (valued at $341,500). Prior to March 31, 2024, the Company staked additional claims, resulting in an aggregate total of 147 lode mining claims and 2 patented claims.

Ivanhoe/Emporia claims

In accordance with the terms and conditions of the underlying Ivanhoe/Emporia purchase agreement, the Optionors agreed to sell and convey Ivanhoe/Emporia Claims for the purchase price of $500,000 USD of which US$361,375 remained owing to the Robert Howe Educational Trust ("RHET") upon closing on May 17, 2017. The Buyer agreed to pay RHET a monthly royalty equal to the greater of the Minimum Monthly Royalty or Production Royalty determined in accordance with the following table:

Ivanhoe / Emporia - Royalty Schedule

Monthly Average Silver Price/oz	Minimum Monthly Royalty	Production Royalty %
Less than $5.00	$125	3%
$5.00 ~ $6.99	$250	4%
$7.00 ~ $8.99	$500	5%
$9.00 ~ $10.99	$1,000	6%
$11.00 ~ $14.99	$1,500	7%
$15 or greater	$2,000	8%

All royalty payments made to RHET under the Minimum Monthly Royalty or Production Royalty of the agreement will be credited upon the purchase price. The accrued minimum monthly royalty payments outstanding as of March 31, 2024 was $335,027 (US$246,725), as of March 31, 2023 was $312,781 (US$231,125) and as of March 31, 2022 was $258,823 (US$207,125). Only the permanent production royalty of 2% of NSR on all ore mined on the Ivanhoe and Emporia lode claims, will remain as an encumbrance after the property has been purchased.

4. EXPLORATION AND EVALUATION ASSETS (Continued)

Winston Property (Continued)

Little Granite Claims

In accordance with the terms and conditions of the underlying Little Granite purchase agreement, the Optionors agreed to sell and convey Little Granite for the purchase price of $500,000 USD of which US$434,000 remained owing to Silver Rose Corporation ("Silver Rose") upon closing on May 17, 2017. During the year ended March 31, 2024, the Company negotiated a final cash payment $75,000 USD to exercise the option through the issuance of a non-interest-bearing promissory note. $25,000 USD was repaid by Foremost during the year ended March 31, 2024. As at March 31, 2023, $67,717 ($50,000 USD) remained payable. The promissory note was due on October 15, 2023, and the remaining $50,000 USD was paid by the Parent on behalf of the Company during the year ended March 31, 2024. Prior to closing on the revised final cash payment of $75,000 USD, the Company had paid a total aggregate of $111,000 USD to Silver Rose towards the purchase. The Little Granite Property was acquired for an aggregate cash consideration of $186,000 USD, versus aggregate consideration of $434,000 USD under the original terms. There are no encumbrances on the 4 unpatented Little Granite lode claims.

5. SHAREHOLDER'S LOANS PAYABLE

Advances from the Parent are non-interest bearing and have no fixed terms of repayment.

6. CAPITAL STOCK

Authorized capital stock - 75,000 common shares without par value.

Issued capital stock

During the years ended March 31, 2024, 2023 and 2022 there were no capital stock transactions.

7. FINANCIAL RISK MANAGEMENT

Capital management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e., capital stock and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares. The Company is not exposed to any externally imposed capital requirements. The Company's overall strategy remains unchanged from the years ended March 31, 2023 and 2022.

Fair value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The carrying value of royalty payable and income tax penalty payable approximate their fair value because of the short-term nature of these instruments.

7. FINANCIAL RISK MANAGEMENT (Continued)

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consists primarily of royalty payable and income tax penalty payable.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, the Company had current liabilities of $1,974,335 (March 31, 2023 - $1,855,321, March 31, 2022 - $1,551,019). All of the Company's financial liabilities, except shareholder's loans payable and short-term loan payable, have contractual maturities of less than 30 days or are due on demand and are subject to normal trade terms. The Company is exposed to liquidity risk and is dependent on obtaining regular loans from the Parent in order to continue as a going concern. Despite previous success in acquiring these loans, there is no guarantee of obtaining future loans.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company has income tax penalties payable that accrues interest. The Company's liabilities do not have significant exposure to interest rate risk.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to income tax penalty payable and royalty payable. A 10% change in the USD/CAD foreign exchange rate would result in a $51,828 foreign exchange gain or loss. The Company has not hedged its exposure to currency fluctuations.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

8. INCOME TAXES

The actual income tax provisions differ from the expected amounts calculated by applying the USA combined federal and state corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	Year Ended March 31, 2024	Year Ended March 31, 2024	Year Ended March 31, 2023
Income (loss) before taxes for the year	$ (34,386)	$ (42,647)	$ (30,766)
Canadian federal and provincial income tax rates	27%	27%	27%
Expected income tax recovery based on above rates	(9,000)	(12,000)	(8,000)
Permanent difference	9,000	12,000	8,000
Deferred income tax recovery	$ -	$ -	$ -

During the year ended March 31, 2024, the Company late filed corporate tax returns for the fiscal years ending 2017 through 2022 resulting in the following income tax penalties for late filing.

As at March 31, 2024, $183,249 (US$135,000) in income tax penalties was payable. The penalty incurred during the year ended March 31, 2024 was US$25,000.

- As at March 31, 2023, $148,863 (US$110,000) in income tax penalties was payable. The penalty incurred during the year ended March 31, 2023 was US$25,000.
- As at March 31, 2022, $106,216 (US$85,000) in income tax penalties was payable. The penalty incurred during the year ended March 31, 2022 was US$25,000.

9. SUBSEQUENT EVENT

On July 29, 2024, Foremost entered into an Arrangement Agreement, which was amended and restated on November 4, 2024, to spin out 100% of the shares of its wholly owned subsidiary, Sierra, into the newly incorporated Rio Grande Resources Ltd. ("Rio Grande" or "RGR") by way of a plan of arrangement (the "Arrangement"). It is a condition to the completion of the Arrangement that: (i) Rio Grande will issue a $677,450 promissory note to a related party, namely Jason Barnard and Christina Barnard, due for payment on or before November 5, 2027. The promissory note will bear interest of 8.95% per annum, starting 4 months from the Effective Date (the "Barnard Promissory Note"). The full amount of the Barnard Promissory Note must be settled by Rio Grande using funds from its first and, as necessary, subsequent post-closing financing(s). The Barnard Promissory Note is secured by a general security agreement; and (ii) Rio Grande will issue a $520,000 promissory note to a related party, namely Foremost, due for repayment on or before November 5, 2027. The promissory note will bear interest of 8.95% per annum, starting 4 months from the Effective Date (the "Foremost Promissory Note"). The Foremost Promissory Note is unsecured.

Pursuant to the terms of the Arrangement, Foremost will (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outhandling from Sierra to Foremost as at the Effective Date and (ii) assign and transfer to Rio Grande all of the issued and outstanding Sierra Shares in consideration for Rio Grande issuing to Foremost such number of Rio Grande Common Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the Effective Time by two (2).

Notwithstanding the Foremost Incentive Plan, each Foremost Option to acquire one (1) Foremost Share outstanding immediately prior to this shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost Optionee thereof to Foremost (free and clear of any Encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost Option held by a Foremost Optionee immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) new Foremost Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this divided by the total fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Common Shares determined immediately prior to this; and

9. SUBSEQUENT EVENT (Continued)

ii) 0.0864 of each Foremost Option held by a Foremost Optionee immediately prior to the Effective Time shall be transferred and exchanged for two Rio Grande Options, with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Common Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Common Share determined immediately prior to this divided by the total of the fair market value of a New Foremost Share and the fair market value of two (2) Rio Grande Common Shares at the Effective Time.

Notwithstanding the Foremost Incentive Plan, each Foremost RSU to acquire one (1) Foremost Share outstanding immediately prior to this shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost RSU holder thereof to Foremost (free and clear of any Encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

ii) 0.0864 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for two (2) Rio Grande RSUs to acquire such number of Rio Grande Common Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU.

Foremost and Rio Grande acknowledge and agree that:

i) from and after the Effective Date, each Foremost Warrant shall entitle the holder to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:
   - one new Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and
   - two (2) Rio Grande Common Shares for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time, and Rio Grande hereby covenants that it shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Common Shares as may be required to satisfy the foregoing;

ii) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Common Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Common Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Common Shares at the Effective Time;

iii) and the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

The Arrangement will be subject to shareholder, court, Canadian Securities Exchange ("CSE"), NASDAQ and regulatory approvals, as well as management's discretion. Subsequent to the completion of the Arrangement, the Company intends to list the shares of RGR on the CSE. Foremost will remain listed on the CSE and the NASDAQ. In order to appropriately capitalize RGR to pursue its business objectives immediately following the completion of the Arrangement, it is anticipated that RGR will borrow certain funds from Foremost and Jason and Christina Barnard and issue the Foremost Promissory Note and the Barnard Promissory Note in connection therewith.

Shareholders are cautioned that there can be no assurance that the Arrangement will be completed on the terms described herein or at all, or that the Listing on the CSE will occur.

DATE

This MD&A is dated as of November 12, 2024.

This management's discussion and analysis of financial position and results of operations ("MD&A") is prepared as of November 12, 2024 and should be read in conjunction with the financial statements of Sierra Gold & Silver Ltd. ("Sierra" or "Company") for the year ended March 31, 2024 with the related notes thereto. Those financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This MD&A contains forward-looking statements that are based on the beliefs of management, as well as assumptions made by, and information currently available to, our management. Actual results could differ materially from those discussed in or implied by forward-looking statements because of various factors. See also "Introductory Notes – Forward-Looking Information."

Further information regarding the Company and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR+) in Canada and can be obtained from www.sedarplus.ca.

DESCRIPTION OF BUSINESS

Sierra Gold & Silver Ltd. (the "Company" or "Sierra") which was incorporated under the laws of the State of Nevada, is a wholly owned subsidiary of Foremost Clean Energy Ltd. (Formerly Foremost Lithium Resource & Technology Ltd.) ("Foremost" or "Parent") which is listed on the Canadian Securities Exchange (the "CSE") under the symbol FAT and on the NASDAQ Capital Market ("NASDAQ") under the symbols FMST and FMSTW. The Company's head office is located at 250 - 750 West Pender Street, Vancouver, BC, V6C 2T7.

The Company is an exploration company focused on the identification and development of mineral assets in the United States of America.

PROPOSED TRANSACTIONS

On July 29, 2024, Foremost entered into an Arrangement Agreement, which was amended and restated on November 4, 2024, to spin out 100% of the shares of its wholly owned subsidiary, Sierra, into the newly incorporated Rio Grande Resources Ltd. ("Rio Grande" or "RGR") by way of a plan of arrangement (the "Arrangement"). It is a condition to the completion of the Arrangement that: (i) Rio Grande will issue a $677,450 promissory note to a related party, namely Jason Barnard and Christina Barnard, due for payment on or before November 5, 2027. The promissory note will bear interest of 8.95% per annum, starting 4 months from the Effective Date (the "Barnard Promissory Note"). The full amount of the Barnard Promissory Note must be settled by Rio Grande using funds from its first and, as necessary, subsequent post-closing financing(s). The Barnard Promissory Note is secured by a general security agreement; and (ii) Rio Grande will issue a $520,000 promissory note to a related party, namely Foremost, due for repayment on or before November 5, 2027. The promissory note will bear interest of 8.95% per annum, starting 4 months from the Effective Date (the "Foremost Promissory Note"). The Foremost Promissory Note is unsecured.

Pursuant to the terms of the Arrangement, Foremost will (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outstanding from Sierra to Foremost as at the Effective Date and (ii) assign and transfer to Rio Grande all of the issued and outstanding Sierra Shares in consideration for Rio Grande issuing to Foremost such number of Rio Grande Common Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the Effective Time by two (2).

Notwithstanding the Foremost Incentive Plan, each Foremost Option to acquire one (1) Foremost Share outstanding immediately prior to this shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost Optionee thereof to Foremost (free and clear of any Encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost Option held by a Foremost Optionee immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) new Foremost Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this divided by the total fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Common Shares determined immediately prior to this; and

ii) 0.0864 of each Foremost Option held by a Foremost Optionee immediately prior to the Effective Time shall be transferred and exchanged for two Rio Grande Options, with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Common Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Common Share determined immediately prior to this divided by the total of the fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Common Shares at the Effective Time.

Notwithstanding the Foremost Incentive Plan, each Foremost RSU to acquire one (1) Foremost Share outstanding immediately prior to this shall be, and shall be deemed to be, simultaneously surrendered and transferred by the Foremost RSU holder thereof to Foremost (free and clear of any Encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of new Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

ii) 0.0864 of each Foremost RSU held by a Foremost RSU holder immediately prior to the Effective Time shall be transferred and exchanged for two (2) Rio Grande RSUs to acquire such number of Rio Grande Common Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU.

Foremost and Rio Grande acknowledge and agree that:

i) from and after the Effective Date, each Foremost Warrant shall entitle the holder to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:
   - one new Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and
   - two (2) Rio Grande Common Shares for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time, and Rio Grande hereby covenants that it shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Common Shares as may be required to satisfy the foregoing;

ii) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Common Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Common Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Common Shares at the Effective Time;

iii) and the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

The Arrangement will be subject to shareholder, court, Canadian Securities Exchange ("CSE"), NASDAQ and regulatory approvals, as well as management's discretion. Subsequent to the completion of the Arrangement, the

Company intends to list the shares of RGR on the CSE. Foremost will remain listed on the CSE and the NASDAQ. In order to appropriately capitalize RGR to pursue its business objectives immediately following the completion of the Arrangement, it is anticipated that RGR will borrow certain funds from Foremost and Jason and Christina Barnard and issue the Foremost Promissory Note and the Barnard Promissory Note in connection therewith.

Shareholders are cautioned that there can be no assurance that the Arrangement will be completed on the terms described herein or at all, or that the Listing on the CSE will occur.

FORWARD-LOOKING STATEMENTS

Except for statements of historical facts relating to the Company, this MD&A contains "forward-looking statements" within the meaning of applicable securities legislation. These forward-looking statements are made as of the date of this MD&A and the Company does not intend and does not assume any obligation to update these forward-looking statements, except as required by applicable securities laws.

Forward-looking statements may include, but are not limited to, statements with respect to the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of future exploration programs, capital expenditures, success of exploration activities, permitting timelines, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, the completion of transactions and future listings and regulatory approvals. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this MD&A includes, among other things, disclosure regarding: the Company's mineral properties as well as its outlook, statements with respect to the success of exploration activities, permitting timelines, costs and expenditure requirements for additional capital, regulatory approvals, as well as the information under the headings "Overall Performance", "Liquidity" and "Capital Resources".

In making the forward looking statements in this MD&A, the Company has applied certain factors and assumptions that it believes are reasonable, including that there is no material deterioration in general business and economic conditions; that the timing, costs and results of the Company's proposed exploration programs are consistent with the Company's current expectations; that the Company receives regulatory and governmental approvals and permits for its properties on a timely basis; that the Company is able to obtain financing for its properties on reasonable terms and on a timely basis; that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis; that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions; that any environmental and other proceedings or disputes are satisfactorily resolved.

However, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors may include, among others, actual results of current and proposed exploration activities; actual results of reclamation activities; future metal prices; accidents, labor disputes, adverse weather conditions, unanticipated geological formations and other risks of the mining industry; delays in obtaining governmental or regulatory approvals or financing or in the completion of exploration activities, as well as those factors discussed in the section entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

The technical information in this MD&A has been reviewed by Michael Feinstein, PHd, CPG , who is a Qualified Persons as defined by Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43- 101").

MINERAL PROPERTIES

Winston Gold/Silver Property

During the years ended March 31, 2024, 2023 and 2022, the following expenditures were incurred on the exploration and evaluation of the Company's assets:

Winston Property	March 31, 2024	March 31, 2023	March 31, 2022
Acquisition costs			
Balance, beginning of year	$ 1,334,548	$ 1,200,586	$ 1,121,057
Additions	37,305	133,962	79,529
Balance, end of year	1,371,853	1,334,548	1,200,586
Exploration costs			
Balance, beginning of year	371,910	244,217	174,732
Assay	-	-	4,712
Geological, consulting, and other	47,323	127,693	64,773
Balance, end of year	419,233	371,910	244,217
Total Balance – End of Year	$ 1,791,086	$ 1,706,458	$ 1,444,803

During the year ended March 31, 2024, the Exploration and Evaluation additions consisted of:

i) Acquisition costs of $37,305 consisted primarily of royalty amounts accrued or paid (as detailed below).
ii) Exploration costs of $47,324 consisted of Geological and Consulting fees of $14,486 and BLM fees of $32,838.

During the year ended March 31, 2023, the Exploration and Evaluation additions consisted of:

i) Acquisition costs of $133,962 consisted of payment on the Little Granite agreement of $102,221 (see details below). The remainder consisted of royalty amounts accrued or paid (as detailed below).
ii) Exploration costs of $127,693 consisted of Geological and Consulting fees relating to a magnetic survey of $58,990, BLM fees of $42,057 and staking fees of $26,646 of staking costs.

During the year ended March 31, 2022, the Exploration and Evaluation additions consisted of:

i) Acquisition costs of $37,305 consisted of primarily of BLM fees of $27,387 of BLM fees, $49,398 of payments on the Little Granite agreement, and royalty amounts accrued of paid (as detailed below).
ii) Exploration costs of $69,484 consisted of Assaying of $4,712, Geological and Consulting fees of $28,930 and BLM fees of $35,842.

In October 2014, the Company entered into an option agreement with Redline Minerals Inc. and its US subsidiaries (collectively, the "Optionors") to acquire up to an 80% interest in 102 unpatented lode mining claims in the Winston Property, in addition to the four Little Granite Gold Claims ("Little Granite") and Ivanhoe and Emporia claims ("Ivanhoe/Emporia"). In April 2017, the Company entered into a definitive purchase agreement with the Optionors to acquire all of the Optionors' rights, title and interest in and to the Winston Property. The terms of this agreement closed on May 17, 2017, thereby extinguishing any remaining obligations to Redline Minerals Inc. and its US subsidiaries. Prior to closing, for total consideration of Little Granite and Ivanhoe/Emporia, the Parent paid the Optionors $240,000 on behalf of the Company and the Parent issued 88,000 common shares on behalf of the Company (valued at $341,500). Prior to March 31, 2024, the Company staked additional claims, resulting in an aggregate total of 147 lode mining claims and 2 patented claims.

Ivanhoe/Emporia

In accordance with the terms and conditions of the underlying Ivanhoe/Emporia purchase agreement, the Optionors agreed to sell and convey Ivanhoe/Emporia Claims for the purchase price of $500,000 USD of which US$361,375 remained owing to the Robert Howe Educational Trust ("RHET") upon closing on May 17, 2017. The Buyer agreed to pay RHET a monthly royalty equal to the greater of the Minimum Monthly Royalty or Production Royalty determined in accordance with the following table:

Ivanhoe / Emporia - Royalty Schedule		
Monthly Average Silver Price/oz	Minimum Monthly Royalty	Production Royalty %
Less than $5.00	$125	3%
$5.00 ~ $6.99	$250	4%
$7.00 ~ $8.99	$500	5%
$9.00 ~ $10.99	$1,000	6%
$11.00 ~ $14.99	$1,500	7%
$15 or greater	$2,000	8%

All royalty payments made to RHET under the Minimum Monthly Royalty or Production Royalty of the agreement will be credited upon the purchase price. The accrued minimum monthly royalty payments outstanding as of March 31, 2024 was $335,027 (US$246,725), as of March 31, 2023 was $312,781 (US$231,125) and as of March 31, 2022 was $258,823 (US$207,125). Only the permanent production royalty of 2% of NSR on all ore mined on the Ivanhoe and Emporia lode claims, will remain as an encumbrance after the property has been purchased.

Little Granite

On December 14, 2022, we announced that the Company acquired 100% interest of Little Granite Claims. In accordance with the terms and conditions of the underlying Little Granite purchase agreement, the Optionors agreed to sell and convey Little Granite for the purchase price of $500,000 USD of which US$434,000 remained owing to Silver Rose Corporation ("Silver Rose") upon closing on May 17, 2017. During the year ended March 31, 2024, the Company negotiated a final cash payment $75,000 USD to exercise the option through the issuance of a non-interest-bearing promissory note. $25,000 USD was repaid by Foremost during the year ended March 31, 2024. As at March 31, 2024, $67,717 ($50,000 USD) remained payable. The promissory note was due on October 15, 2023, and the remaining $50,000 USD was paid by the Parent on behalf of the Company during the year ended March 31, 2024. Prior to closing on the revised final cash payment, the Company had paid a total aggregate of $111,000 USD to Silver Rose towards the purchase. The Little Granite Property was acquired for an aggregate consideration of $186,000 USD, versus aggregate consideration of $434,000 USD under the original terms. There are no encumbrances on the 4 unpatented Little Granite lode claims. Prior to March 31, 2024, the Company staked additional claims, resulting in an aggregate total of 147 lode mining claims and 2 patented claims.

NI 43-101 Technical Report

Foremost has an updated NI 43-101 compliant technical report with an effective date of November 04, 2024 titled "Technical Report for the Winston Gold-Silver Project: Sierra County, New Mexico, USA" but there is no current or up-to-date mineral resource estimate for the property as there is no current sufficient work to date to identify mineral history.

RESULTS OF OPERATIONS

Expenses incurred for the year ended March 31, 2024 as compared to 2023 and 2022

During the year ended March 31, 2024, the Company had a net loss of $34,386 (2023 - $42,647, 2022 - $30,766). There were no significant fluctuations year to year. Net loss is comprised of income tax penalties relating to the late filing of yearly corporate tax returns in the USA adjusted for foreign exchange.

SUMMARY OF QUARTERLY RESULTS

A summary of selected financial information for the eight most recently completed quarters is set out below and should be read in conjunction with the Company's Financial Statements and related notes for such periods:

	Three Months Ended Mar 31, 2024	Three Months Ended Dec 31, 2023	Three Months Ended Sep 30, 2023	Three Months Ended June 30, 2023	Three Months Ended Mar 31, 2023	Three Months Ended Dec 31, 2022	Three Months Ended Sep 30, 2022	Three Months Ended June 30, 2022
Expenses	$ 327	$ 327	$ 33,405	$ 327	$ 2,827	$ 2,827	$ 34,167	$ 2,826
Total comprehensive loss	$ 327	$ 327	$ 33,405	$ 327	$ 2,827	$ 2,827	$ 34,167	$ 2,826
Loss) per share – basic and diluted	$(0.03)	$(0.03)	$ (3.34)	$(0.03)	$ (0.28)	$ (0.28)	$ (3.42)	$ (0.28)

Net loss during the quarters ended September 30, 2023 and September 30, 2022 are comprised of income tax penalties relating to the late filing of yearly corporate tax returns in the USA adjusted for foreign exchange. For the purposes of the quarter by quarter analysis, yearly foreign exchange adjustments have been expensed equally over the quarterly periods. US corporate taxes are due 3.5 months after year end.

LIQUIDITY AND GOING CONCERN

The financial statements were prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at March 31, 2024, the Company had working capital deficiency of $183,249 (March 31, 2023 - $148,863 and March 31, 2022 - $106,216). In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the long-term (non-current) loans from the Parent. The Company continues to seek capital through various means including the issuance of equity and/or debt. These material uncertainties cast substantial doubt as to the ability of the Company to continue as a going concern. These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Any such adjustments may be material.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

CASH FLOWS

The Company's operations were funded in full by its parent company, Foremost Lithium, therefore there were no cash flows in any of the year presented.

CAPITAL RESOURCES

During the year ended March 31, 2024, the Company did not issue any common shares.

TRANSACTIONS WITH RELATED PARTIES

During the year ended March 31, 2024, there were no transactions with related parties.

CHANGES IN ACCOUNTING POLICIES

Please refer to the financial statements for the year ended March 31, 2024.

FINANCIAL AND OTHER INSTRUMENTS

Capital and Financial Risk Management

Capital management.

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e., capital stock and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares. The Company is not exposed to any externally imposed capital requirements. The Company's overall strategy remains unchanged from the years ended March 31, 2023 and 2022.

Fair value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - Inputs that are not based on observable market data.

The carrying value of royalty payable and income tax penalty payable approximate their fair value because of the short-term nature of these instruments.
The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consists primarily of royalty payable and income tax penalty payable.
Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, the Company had current liabilities of $1,974,335 (March 31, 2023 - $1,855,321, March 31, 2022 - $1,551,019). All of the Company's financial liabilities, except shareholder's loans payable and short-term loan payable, have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company is exposed to liquidity risk and is dependent on obtaining regular loans from the Parent in order to continue as a going concern. Despite previous success in acquiring these loans, there is no guarantee of obtaining future loans.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk
The Company has income tax penalties payable that accrues interest. The Company's liabilities do not have significant exposure to interest rate risk.

Foreign currency risk
The Company is exposed to foreign currency risk on fluctuations related to income tax penalty payable and royalty payable. A 10% change in the USD/CAD foreign exchange rate would result in a $51,828 foreign exchange gain or loss. The Company has not hedged its exposure to currency fluctuations.

Price risk
The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Other MD&A Requirements

Disclosure of Outstanding Security Data

As at November 12, 2024, the Company has 10,000 common shares outstanding without par value.

Risks and Uncertainties

Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge and careful evaluation may fail to overcome. These risks may be even greater in the Company's case given its formative stage of development.

Exploration activities are expensive and seldom result in the discovery of a commercially viable resource. There is no assurance that the Company's exploration will result in the discovery of an economically viable mineral deposit. The Company has generated losses to date and anticipates that it will require additional funds to further explore its properties. There is no assurance such additional funding will be available to the Company on commercially reasonable terms or at all. Additional equity financing may result in substantial dilution thereby reducing the marketability of the Company's shares. The Company's activities are subject to the risks normally encountered in the mining exploration business. The economics of exploring, developing and operating resource properties are affected by many factors including the cost of exploration and development operations, variations of the grade of any ore mined and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects. The Company's mineral resource properties have not been surveyed and may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. In addition, the Company may become subject to liability for hazards against which it is not insured. The mining industry is highly competitive in all its phases and the Company competes with other mining companies, many with greater financial and technical resources, in the search for, and the acquisition of, mineral resource properties and in the marketing of minerals. Additional risks include the lack of an active market for the Company's securities and the present intention of the Company not to pay dividends. Certain of the Company's directors and officers also serve as directors or officers of other public and private resource companies, and to the extent that such other companies may participate in ventures in which the Company may participate, such directors and officers of the Company may have a conflict of interest. Finally, the Company has no history of earnings, and there is no assurance that any of its current or future mineral properties will generate earnings, operate profitably or provide a return on investment in the future. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered considering its early stage of operations.

For a more detailed discussion of the risk factors affecting the Company and its exploration activities, please refer to Foremost filings on www.sedaplus.com.

SCHEDULE "I"
RIO GRANDE PRO FORMA FINANCIAL STATEMENTS

(See attached)

RIO GRANDE RESOURCES LTD.

Pro Forma Consolidated Financial Statements

October 31, 2024

(Unaudited)

(Expressed in Canadian Dollars, unless otherwise stated)

RIO GRANDE RESOURCES LTD. ("SPIN CO")
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
October 31, 2024
(Unaudited) - (Expressed in Canadian Dollars)

	RIO GRANDE RESOURCES LTD. As at October 31, 2024	SIERRA GOLD & SILVER LTD. As at September 30, 2024	Pro Forma Adjustments	Notes	Consolidated Pro Forma
Assets					
Current					
Cash	$ -	$ -	$ 677,450	2	$ 677,450
Current Assets	-	-	677,450		677,450
Exploration and evaluation assets	-	1,869,202	1,262,212	3(a)	1,839,202
			(1,338,927)	2, 3(a)	
			37,739	3(c)	
			8,976	3(c)	
Total Assets	$ -	$ 1,869,202	$ 647,450		$ 2,516,652
Liabilities					
Current					
Accrued liabilities	$ 483,000	$ 30,000	$(483,000)		$ -
			(30,000)	2	
Income tax penalty payable	-	186,112	-		186,112
Shareholder payable	-	1,527,815	(1,557,815)	2	-
			30,000	2	
Current liabilities	483,000	1,743,927	(2,040,815)		186,112
Long-term royalty payable	-	344,163	-	2(b)	344,163
Long-term promissory note payable	-	-	677,450	2(b)	677,450
Long-term promissory note payable – related	-	-	520,000	3(e),2(b)	520,000
Long term derivative liability	-	-	8,976	3(c)	8,976
Total Liabilities	483,000	2,088,090	(834,389)		1,736,701
Shareholders' equity (deficiency)					
Share capital			1,262,212	3(a)	1,262,212
Reserves			13,500	3(b)	69,879
			37,739	3(c)	
			18,640	3(d)	
Deficit	(483,000)	(218,888)	(13,500)	3(b)	(552,140)
			218,888	2	
			(18,640)	3(d)	
			(520,000)	3(e)	
			483,000	3(e)	
Total Shareholders' Equity (deficiency)	(483,000)	(218,888)	1,481,839		779,951
Total Liabilities and Shareholders' Equity	$ -	$ 1,869,202	$ 647,450		$ 2,516,652

Basis of presentation (Note 1)
Pro forma assumptions and adjustments (Note 3)

The accompanying notes are an integral part of these pro forma consolidated financial statements

RIO GRANDE RESOURCES LTD. ("SPIN CO")
PRO FORMA CONSOLIDATED STATEMENT OF NET LOSS
October 31, 2024
(Unaudited) - (Expressed in Canadian Dollars)

	RIO GRANDE RESOURCES LTD. For the three month period ended October 31, 2024	SIERRA GOLD & SILVER LTD. For the six month period ended September, 2024	Pro Forma Adjustments	Notes	Consolidated Pro Forma
Foreign exchange loss and interest	$ -	$ 5,639	$ -		$ 5,639
Professional fees	483,000	30,000	520,000	3(e)	550,000
			(483,000)	3(e)	
Share-based compensation	-	-	32,140	3(b) & (d)	32,140
Net loss and comprehensive loss	$ 483,000	$ 35,639	$ 69,140		$ 587,779

The accompanying notes are an integral part of these pro forma consolidated financial statements

1. BASIS OF PRESENTATION

The accompanying unaudited pro forma consolidated financial statements have been prepared by the management of Rio Grande Resources Ltd. ("Rio Grande" or the "Company") for inclusion in the Company's Central Securities Exchange ("CSE") Form 2A – Listing Statement, in connection with the Arrangement (as defined herein) and its application to list the common shares of Rio Grande (the "Rio Grande Shares") on the CSE.

The pro forma consolidated financial statements have been prepared assuming the Arrangement had occurred on October 31, 2024.

These pro forma consolidated financial statements have been compiled by combining:

i) the condensed interim statement of financial position of Rio Grande as at October 31, 2024 with the unaudited condensed interim statement of financial position of Sierra as at September 30, 2024.

ii) the condensed interim statement of loss and comprehensive loss of Rio Grande for the three-month period ended October 31, 2024 with the unaudited condensed interim statement of loss and comprehensive loss of Sierra for the six month period ended September 30, 2024.

Intercompany transactions have been eliminated.

It is management's opinion that these pro forma consolidated financial statements include all adjustments necessary for the fair presentation of the Arrangement and are in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board applied on a basis consistent with Rio Grande's accounting policies. These unaudited pro forma consolidated financial statements are not intended to reflect the results of operations or the financial position of the Company which would have actually resulted had the Arrangement been affected on the dates indicated. Furthermore, the unaudited pro forma consolidated financial information is not necessarily indicative of the results of operations that may be obtained in the future. Actual amounts recorded upon consummation of the Arrangement will differ from those recorded in the unaudited pro forma consolidated financial statements and the differences may be material.

2. PLAN OF ARRANGEMENT

On July 29, 2024, Rio Grande entered into an arrangement agreement with Foremost, as amended and restated on November 4, 2024 (the "Arrangement Agreement), to spin-out Foremost Clean Energy Ltd.'s ("Foremost's") Winston Property, being the gold and silver mining property in Sierra County, New Mexico, United States which is currently owned by Sierra Gold & Silver Ltd. ("Sierra"), a wholly owned U.S. subsidiary of Foremost, to Rio Grande by way of plan of arrangement under Section 288 of the *Business Corporations Act* (British Columbia) (the "Arrangement"). Upon completion of the Arrangement, Sierra will be a wholly owned subsidiary of Rio Grande and Rio Grande will indirectly control the Winston Property.

As a condition to the completion of the Arrangement, subsequent to October 31, 2024, Rio Grande issued:

i) A $677,450 promissory note (the "Rio Grande Promissory Note") to a related party, namely Jason Barnard and Christina Barnard, due for payment on or before November 5, 2027. The Rio Grande Promissory Note will bear interest of 8.95% per annum, starting four (4) months from the effective date of the Arrangement (the "Effective Date"). The full amount of the Rio Grande Promissory Note must be settled by Rio Grande using funds from its first and, as necessary, subsequent financing(s) following completion of the Arrangement. The Rio Grande Promissory Note is secured by a general security agreement.

ii) A $520,000 promissory note (the "Foremost Promissory Note") to a related party, namely Foremost, due for repayment on or before November 5, 2027. The Foremost Promissory Note will bear interest of 8.95% per annum, starting four (4) months from the Effective Date. The Foremost Promissory Note is unsecured.

Rio Grande has accounted for the Arrangement using IFRS 2, and as a common control transaction Rio Grande has used the book value to record the assets and liabilities acquired in the acquisition.

Shareholders are cautioned that there can be no assurance that the Arrangement will be completed on the terms described herein or at all, or that the Listing on the CSE will occur.

Shares and receivables

Pursuant to the terms of the Arrangement, Foremost will, among other things: (i) transfer to Rio Grande the right to collect receivables in respect of all amounts outstanding from Sierra to Foremost as at the effective date of the Arrangement (the "Effective Date") and (ii) will assign and transfer to Rio Grande all of the issued and outstanding Sierra shares in consideration for Rio Grande issuing to Foremost such number of Rio Grande Common Shares as is equal to the quotient obtained by dividing by 0.8005 the product obtained by multiplying the number of Foremost Shares issued and outstanding immediately prior to the effective time on the Effective Date (the "Effective Time") by two (2).

Stock Options

Notwithstanding Foremost's equity incentive plan (the "Foremost Incentive Plan"), each stock option of Foremost (the "Foremost Options") entitling the holder thereof to acquire one (1) Foremost Share outstanding immediately prior to the Effective Date shall be simultaneously surrendered and transferred by the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement Option to acquire one (1) Foremost Share issued in connection with the Arrangement (the "New Foremost Shares") having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Foremost Share determined immediately prior to this divided by the total fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Shares determined immediately prior to the Effective Time; and

ii) 0.0864 of each Foremost Option held immediately prior to the Effective Time shall be transferred and exchanged for two options of Rio Grande ("Rio Grande Options"), with each whole Rio Grande Option entitling the holder thereof to acquire one (1) Rio Grande Share having an exercise price (rounded up to the nearest cent) equal to the product of the exercise price of the Foremost Option so exchanged immediately before the exchange of such Foremost Option multiplied by the fair market value of a Rio Grande Share determined immediately prior to this divided by the total of the fair market value of a new Foremost Share and the fair market value of two (2) Rio Grande Shares at the Effective Time.

RSUs

Notwithstanding the Foremost Incentive Plan, each restricted share unit of Foremost (each a "Foremost RSU") to acquire one (1) Foremost Share outstanding as at the Effective Time shall be deemed to be, simultaneously surrendered and transferred by the holder thereof to Foremost (free and clear of any encumbrances) in the following portions and such portions shall be exchanged for, as the sole consideration therefor the following consideration:

i) 0.9136 of each Foremost RSU immediately prior to the Effective Time shall be transferred and exchanged for one (1) Foremost Replacement RSU to acquire such number of New Foremost Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU; and

ii) 0.0864 of each Foremost RSU held immediately prior to the Effective Time shall be transferred and exchanged for two (2) restricted share units of Rio Grande to acquire such number of Rio Grande Shares and on such vesting and other conditions as set forth in the applicable award agreement in respect of such Foremost RSU

Warrants

Concurrently with the exchange of the Foremost Options and Foremost RSU's, each share purchase warrant of Foremost (each a "Foremost Warrant") amended to entitle the holder thereof to receive, upon due exercise thereof, for the exercise price immediately prior to the Effective Time:

i) one (1) New Foremost Share for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time; and

ii) two (2) Rio Grande Shares for each Foremost Share that was issuable upon due exercise of the Foremost Warrant immediately prior to the Effective Time,

Additionally, Foremost and Rio Grande have acknowledged and agreed that:

i) Rio Grande shall forthwith upon receipt of written notice from Foremost from time to time issue, as directed by Foremost, that number of Rio Grande Shares as may be required to satisfy the foregoing;

ii) Foremost shall, as agent for Rio Grande, collect and pay to Rio Grande an amount for each two (2) Rio Grande Shares so issued that is equal to the exercise price under the Foremost Warrant multiplied by the fair market value of two (2) Rio Grande Shares at the Effective Time divided by the total fair market value of a Foremost Share and two (2) Rio Grande Shares at the Effective Time; and

iii) the terms and conditions applicable to the Foremost Warrants, immediately after the Effective Time, will otherwise remain unchanged from the terms and conditions of the Foremost Warrants as they exist immediately before the Effective Time.

The Arrangement will be subject to shareholder, court, CSE, NASDAQ and regulatory approvals, as well as management's discretion. Subsequent to the completion of the Arrangement, the Company intends to list the Rio Grande Shares on the CSE. Foremost will remain listed on the CSE and the NASDAQ.

3. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The following are the pro forma assumptions and adjustments relating to the Arrangement.

a) **Shares**
As part of the Arrangement, Rio Grande will issue 25,827,348 shares and will be obligated to issue up to 9,281,236 warrants (Note 3c) as consideration. As Rio Grande is a private company, the fair value of the 25,827,349 shares and 9,281,236 warrants was $1,292,212 and $46,715 respectively was determined to be $1,338,927, being the book value of the net assets of Sierra acquired by way of the Arrangement.

Net Assets Acquired	
$1,869,202	Exploration and Evaluation Assets
(344,163)	Royalty Payable
(186,112)	Income tax penalty payable
$1,338,927	

b) **Options**
As part of the Arrangement, Rio Grande will grant 944,018 Stock Options. They are fair valued at $13,500 using the Black-Scholes option pricing model using the following weighted average inputs, $0.0329 share price, $0.0604 exercise price, 100% volatility, 0% forfeiture rate, 3.08% discount rate, 2.95 year term and a 0% expected dividend rate.

c) **Warrants**
As part of the Arrangement, Rio Grande will be obligated to issue up to 9,281,236 Rio Grande Shares, assuming the full exercise of Foremost Warrants (Note 2) with a weighted average exercise price of $0.05 per warrant.

- Rio Grande has recorded $37,739 in transaction costs relating to its pro-rata share of the original value of the Foremost Warrants.
- Rio Grande has recorded a $8,976 long term derivative liability relating to its pro-rata share of the value attributed to the Foremost warrants that are exercisable in USD.

d) **RSU's**
As part of the Arrangement, Rio Grande will issue 444,982 RSU's. The RSU's are fair valued at $52,287, based on the Foremost stock price of $2.72 at the date of grant multiplied by Rio's portion of 0.0864. The Company has recorded $18,640 relating to the vested portion at the date of grant.

e) Incur estimated transaction costs in the amount of $520,000, primarily as a result of professional fees paid by Foremost on behalf of Rio Grande. $483,000 was accrued by Rio Grande during the period ended October 31, 2024. See promissory note detailed in Note 2.

4. SHARE CAPITAL

	Common Shares		Options		RSU's		Warrants	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Rio Grande Outstanding at July 31, 2024	1	$ -	-	$ -	-	$ -	-	$ -
To issue as part of the Arrangement:								
- Shares (Note 3a)	25,827,348	1,262,212	-	-	-	-	-	-
- Stock options (Note 3b)	-	-	934,018	13,500	-	-	-	-
- RSU's (Note 3d)	-	-	-	-	444,982	18,640	-	-
- Warrants (Note 3c)	-	-	-	-	-	-	9,281,236	37,739
Consolidated Pro-Forma Outstanding at October 31, 2024	25,827,349	$ 1,262,212	934,018	$ 13,500	444,982	$ 18,640	9,281,236	$ 37,739

5. INCOME TAXES

The pro forma effective tax rate applicable to the consolidated operations will be 27%. Given uncertainty on how and when these taxes can be utilized, no adjustment has been made to these unaudited pro forma financial statements.