

**NEW TECH LITHIUM CORP.**

**Notice of Annual General and Special Meeting of Shareholders of New Tech Lithium Corp.**

**to be held on  
March 12, 2019**

**and**

**Management Information Circular**

**February 12, 2019**

**NEW TECH LITHIUM CORP.**  
880-580 Hornby Street  
Vancouver, BC V6C 3B6

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING**

NOTICE IS HEREBY GIVEN that an annual general and special meeting (“**Meeting**”) of the holders of common shares (“**Shares**”) of New Tech Lithium Corp. (“**New Tech**” or the “**Company**”) will be held at Suite 390 – 825 Homer Street, Vancouver, British Columbia, V6B 2W2 on Tuesday, March 12, 2019 at 11:30 a.m. (Pacific Standard Time) for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the year ended July 31, 2018, together with the auditor’s report thereon;
2. to set the number of directors at six:
3. to elect directors to the Company for the ensuing year;
4. to re-appoint Dale Matheson Carr-Hilton Labonte LLP as auditor of the Company for the ensuing year and authorize the directors to determine the remuneration to be paid to the auditor;
5. to consider and, if thought advisable, to pass, with or without amendment, an ordinary resolution to replace the current Stock Option Plan of the Company, as more particularly described in the section of the information circular entitled “Particulars of Matters to be Acted Upon – Adoption of New Stock Option Plan.”; and
6. to transact such other business as may properly come before the Meeting and any adjournment thereof.

The Company’s shareholders (“**Shareholders**”) are referred to the information circular for more detailed information regarding the foregoing matters to be considered at the Meeting.

Registered New Tech Shareholders who are unable to attend the Meeting in person are requested to vote (i) by mail or personal delivery by dating, signing and returning the enclosed form of proxy to Computershare Investor Services Inc., Attention Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1; (ii) by fax to 1-866-249-7775 within Canada and the United States or 416-263-9524 from all other countries; or (3) by online voting at [www.investorvote.com](http://www.investorvote.com), in any case, prior to 11:30 am (Vancouver time) on Friday, March 8, 2019 or, if the Meeting is adjourned or postponed, not less than two business days, excluding Saturdays, Sundays and holidays prior to such adjourned or postponed meeting. Non-registered Shareholders receiving these materials through their broker or other intermediary should complete and return the voting instruction form provided to them by their broker or other intermediary in accordance with the instructions provided therein. Failure to do so may result in a holder’s New Tech shares not being voted at the Meeting.

Only Shareholders of record at the close of business on February 4, 2019 will be entitled to vote at the Meeting.

DATED at Vancouver, British Columbia, the 12<sup>th</sup> day of February, 2019.

**ON BEHALF OF THE BOARD**

*(signed) “Jonathan George”*

Jonathan George,  
Chief Executive Officer and President

## NEW TECH LITHIUM CORP.

### MANAGEMENT INFORMATION CIRCULAR (as at February 12, 2019 except as otherwise indicated)

#### GENERAL PROXY MATTERS

##### Solicitation of Proxies

This information circular (“**Circular**”) is provided in connection with the solicitation of proxies by the management of New Tech Lithium Corp. (“**New Tech**” or the “**Company**”) for use at the annual general and special meeting of the holders (“**Shareholders**”) of common shares (“**Shares**”) of the Company to be held on Tuesday, March 12, 2019 (“**Meeting**”), at the time and place set out in the accompanying notice of annual general and special meeting (“**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

##### Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy (“**Proxy**”) are directors and/or officers of the Company. **A registered Shareholder may appoint another person to represent them at the Meeting by either striking out the printed names or inserting such person's name in the blank space provided or by completing another form of proxy.**

To be valid, the completed Proxy must be delivered to Computershare Investor Services Inc. (“**Computershare**”) (i) by mail or personal delivery to Computershare, Attention Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1; (ii) by fax to 1-866-249-7775 within Canada and the United States or 416-263-9524 from all other countries; or (3) by online voting at [www.investorvote.com](http://www.investorvote.com), in any case, prior to 11:30 am (Vancouver time) on Friday, March 8, 2019 or, if the Meeting is adjourned or postponed, not less than two business days, excluding Saturdays, Sundays and holidays prior to such adjourned or postponed meeting.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to 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. If the Shareholder is an individual, the notice of revocation must be signed by the Shareholder or his or her legal personal representative or trustee in bankruptcy. If the Shareholder is a corporation or other entity, the notice of revocation must be signed by the corporation or other entity or by the proxyholder appointed by such entity; or
- (c) attending the Meeting or any adjournment or postponement of the Meeting and registering with the scrutineer as a Shareholder present in person.

##### Voting of Proxies

The Shares represented by proxy in the enclosed form will be voted or withheld from voting by the persons named therein in accordance with the instructions of the registered Shareholder appointing them. If there is no direction by the registered Shareholder, Shares represented by valid proxies executed in favour of management will be voted FOR the approval of all resolutions set out in the Proxy. The Proxy confers

discretionary authority to the person named in it to vote as such person sees fit on any amendments or variations to the matters identified in the Notice of Meeting, and any other matters which may properly come before the Meeting or any adjournment or postponement thereof. At the time of printing of this Circular, the management of the Company knows of no other matter which may come before the Meeting other than those referred to in the Notice of Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, the Shares represented by proxies in favour of management will be voted on such matters in accordance with the best judgment of the proxyholder.

### **Advice to Beneficial Holders of Shares**

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders **do not hold Shares in their own name**. Shareholders who hold their Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only Proxies deposited by Shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of Shares will be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those Shares will, in all likelihood, not be registered in the Shareholder’s name. Such Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form (“**VIF**”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”).

Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Shares on your behalf.

Pursuant to the provisions of NI 54-101, the Company is providing the Notice of Meeting, Circular and Proxy or VIF, as applicable, to both registered owners of the securities and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF. As a result, if you are a non-registered owner of the securities, you can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found on the VIF. Computershare will tabulate the results of the VIFs received from the Company’s NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents. The Company will assume the costs associated with the delivery of the Notice of Meeting, Circular and VIF, as set out above, to OBOs by intermediaries.

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

Other than as disclosed elsewhere in this Circular, no person who has been a director or executive officer of the Company at any time since the beginning of the Company’s last financial year, no proposed nominee for election as a director of the Company and no associate or affiliate or any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

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

As of the date of this Circular, the Company’s authorized capital consists of an unlimited number of Shares of which 64,349,998 Shares are issued and outstanding. All Shares carry the right to one vote at the Meeting.

Shareholders registered as at February 4, 2019, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, there are no persons that beneficially own, directly or indirectly, or exercise control or direction over, directly or indirectly, 10% or more of the issued and outstanding common shares of the Company.

#### **FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company for the fiscal period ended July 31, 2018 and report of the auditor thereon will be placed before the Meeting. These documents have been filed with the

securities commissions or similar regulatory authorities in British Columbia, Alberta and Ontario. Copies of the documents may be obtained by a Shareholder upon request without charge from the Company at Suite 880 - 580 Hornby Street, Vancouver, British Columbia, or by telephone: (604) 803-5838. These documents are also available through the internet on SEDAR at [www.sedar.com](http://www.sedar.com). No vote by Shareholders with respect to this matter is required.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to pass an ordinary resolution to re-appoint Dale Matheson Carr-Hilton Labonte LLP (“**DMCL**”) as auditor of the Company to hold office until the close of the next annual meeting of the Shareholders at remuneration to be fixed by the directors. DMCL was first appointed as the auditor for the Company effective July 19, 2013.

Unless otherwise instructed, the instruments of Proxy accompanying this Circular will be voted FOR the re-appointment of Dale Matheson Carr-Hilton Labonte LLP as the auditors of the Company to hold office for the ensuing year at remuneration to be fixed by the Board of Directors of the Company.

### **NUMBER OF DIRECTORS**

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at six (6). The Company is nominating five (5) directors for election at the Meeting and anticipates appointing a sixth director in the ensuing year.

Management recommends the approval of the resolution to set the number of directors of the Company at six. Unless otherwise instructed, the instruments of Proxy accompanying this Circular will be voted FOR the resolution to set the number of directors of the Company at six.

### **ELECTION OF DIRECTORS**

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected or appointed. The five persons named below will be presented for election at the Meeting as management’s nominees and unless otherwise directed, this Circular will be voted FOR the election of these nominees in the absence of instructions to the contrary. Management does not contemplate that any of the nominees will be unable to serve as a director. Each director elected will hold office until the next annual meeting of the Company or until a successor is duly elected or appointed or unless his office is earlier vacated in accordance with the Articles of the Company, or with the provisions of the *Business Corporations Act* (British Columbia). No class of shareholders of the Company has the right to elect a specified number of directors or to cumulate their votes for directors.

### Advance Notice Provisions

Pursuant to Part 27 of the Company's current Articles, any additional director nominations for an annual general meeting must be received by the Company, not less than 35 days, nor more than 65 days prior to the date of the Meeting. As no nominations were received by February 5, 2019 being the date which is 35 days prior to the Meeting, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

### Summary of Directors' Biographical Information and Security Holdings

The following table sets out, for each nominee, their name, province or state, and country of residence, the offices they hold within the Company, their present principal occupation, business or employment and (if applicable) within the five preceding years, the period(s) during which they have served as a director of the Company, and the number of Shares and its subsidiaries which each beneficially owns, or over which control or direction is exercised, directly or indirectly, as of the date of this Circular:

<b>Name, province or state and country of residence and positions, current and former, if any, held in the Company</b>	<b>Principal occupation for last five years</b>	<b>Served as director since</b>	<b>Number of Shares beneficially owned, directly or indirectly, or controlled or directed at present<sup>(1)</sup></b>
<b>JONATHAN GEORGE<sup>(2)</sup></b> <i>Chief Executive Officer, President and Director</i>	Self-employed consulting geologist.	June 26, 2018	300,000
<b>RUDY DE JONGE</b> British Columbia, Canada <i>Director</i>	Self-employed, President of St. Cloud Mining Services Inc.; Director and CEO of Kaneh Bosm Biotechnology Inc.	June 5, 2006	3,081,754 <sup>(3)</sup>
<b>JOHN A. GREIG<sup>(2)</sup></b> British Columbia, Canada <i>Director</i>	Self-employed.	November 21, 2006	4,501,033 <sup>(4)</sup>
<b>KENNETH HOLMES<sup>(2)</sup></b> British Columbia, Canada <i>Director</i>	Director of Confederation Minerals Ltd.; Director and chairman of Velocity Minerals Ltd.; Director of Capstream Ventures Inc. and Director of New Carolin Gold Corp.	January 19, 2011	55,959 <sup>(5)</sup>
<b>DR. KENT AUSBURN<sup>(5)</sup></b> Washington, USA <i>Director</i>	Managing Member of American Potash LLC, a Nevada-based company wholly-owned by New Tech and Director of Kaneh Bosm Biotechnology Inc.	January 19, 2011	507,200 <sup>(6)</sup>

Notes:

- (1) The information as to Shares beneficially owned or controlled has been provided by the directors themselves.
- (2) Member of the audit committee.

- (3) Rudy de Jonge holds 3,019,254 common shares directly and 62,500 common shares indirectly through St. Cloud Mining Company Ltd., a private company controlled by Rudy de Jonge.
- (4) John A. Greig holds 1,501,033 common shares directly and 3,000,000 common shares indirectly through Jag Holdings Ltd., a private company controlled by John A. Greig.
- (5) Kenneth Holmes holds 20,102 common shares directly and 35,857 common shares indirectly through Primarius Capital Corporation, a private company controlled by Kenneth Holmes.
- (6) Kent Ausburn holds 507,200 common shares directly.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company except the directors and executive officers of the Company acting solely in such capacity.

### **Corporate Cease Trade Orders or Bankruptcies**

No proposed director of the Company is, or has been, within the ten years prior to the date of this Circular, a director or chief executive officer or chief financial officer of any company, including the Company, that:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days that was issued while that person was acting in that capacity; or
- (b) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued after that person ceased acting in that capacity and which resulted from an event that occurred while that person was acting in that capacity.

No proposed director of the Company is, or has been, within the ten years prior to the date of this Circular, a director or executive officer of any company, including the Company, that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### **Individual Bankruptcies**

No proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or 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.

### **Penalties or Sanctions**

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

## **ADOPTION OF NEW STOCK OPTION PLAN**

The Company proposes to replace its current rolling 10% Stock Option Plan with a new rolling 10% plan approved by the directors on February 7, 2019. Shareholders will be asked at the Meeting to approve an ordinary resolution adopting the new plan.



The purpose of the Stock Option Plan is to provide for the acquisition of Shares by officers, employees, directors and consultants (“**Optionees**”) of the Company for the purpose of advancing the interests of the Company through the motivation, attraction and retention of officers, employees, directors and consultants of the Company and its affiliates and to secure for the Company and its shareholders the benefits inherent in the ownership of Shares by such persons, it being generally recognized that share incentive plans aid in attracting, retaining and encouraging such people due to the opportunity offered to them to acquire a proprietary interest in the Company.

Under the Stock Option Plan, the Company can issue up to 10% of the issued and outstanding Shares as incentive Stock Options to Optionees of the Company. The Stock Option Plan limits the number of Stock Options which may be granted to any one individual to not more than 5% of the total issued Shares of the Company in any 12 month period. The number of Stock Options granted to any one Optionee to provide investor relations activities in any 12 month period must not exceed 2% of the total issued Shares of the Company. As well, Stock Options granted under the Stock Option Plan may be subject to vesting provisions as determined by the Board of Directors. Other terms of the Stock Option Plan are:

- (a) a condition that Stock Options are non-assignable, non-transferable and cannot be amended;
- (b) the term of a Stock Options cannot exceed ten years from the date of grant;
- (c) a condition that no more than 5% of the issued Shares may be granted to any one individual in any 12 month period unless disinterested shareholder approval is obtained;
- (d) a condition that no more than 2% of the issued Shares may be granted to any one consultant in any 12 month period;
- (e) there is no vesting period except for Stock Options issued to consultants performing investor relations activities;
- (f) a condition that no more than an aggregate of 2% of the Shares may be granted to a person conducting investor relations activities in any 12 month period and shall vest over 12 months with no more than 25% of the Stock Options vesting in any three month period;
- (g) the period in which an Optionee's heirs or administrators can exercise any portion of their outstanding Stock Options is the earlier of: (a) one year from the Optionee's death, or (b) the expiration of the option period;
- (h) in the event of termination of an employee (excluding directors) or consultant, the Stock Options held by that employee or consultant will expire 90 days after the Termination date; provided however that if the termination is for cause, the Options will expire on the Termination Date;
- (j) in the event a director ceases to act, the Options will expire 90 days thereafter with the addition of one additional month to exercise the Option, for every year a director served as a director, to a maximum of 12 months for exercise of the options; provided however that if a director is convicted of a criminal or securities offence (a “Conviction”), is declared bankrupt or is terminated arising from a court order or shareholder resolution), the Option shall terminate on the date of such Conviction, date of bankruptcy, court order or shareholder resolution
- (j) the price per Share at which any Common Share which is the subject of an Option may be purchased shall be determined by the Board of Directors of the Company at the time the Option is granted, provided however, that such price shall not be lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the Stock Options; and (b) the date of grant of the Stock Options.

The Stock Option Plan will be administered by the Board of Directors of the Company, or delegated to a committee of three directors of the Company which will have full and final authority with respect to the granting of all Stock Options thereunder. No such committee has been set up.

The above details of the new Stock Option Plan are qualified in their entirety by the full text of the Stock Option Plan, which is attached to this Circular as Schedule “B”. If approved by the shareholders at the Meeting the Stock Option Plan will be posted on [www.sedar.com](http://www.sedar.com).

## STATEMENT OF EXECUTIVE COMPENSATION

### Named Executive Officers

During the financial year ended July 31, 2018, the Company had two “Named Executive Officers”, being Rudy de Jonge, the Chief Executive Officer and President (“CEO”) and Anthony Jackson, the Chief Financial Officer (“CFO”).

For this purpose, “Named Executive Officer” means: (a) each Chief Executive Officer, (b) each Chief Financial Officer, (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year.

### Compensation Discussion & Analysis

The Company is listed on Canadian Securities Exchange (“CSE”) and its primary business is the acquisition and exploration of mineral properties. The CEO and CFO are compensated for their services to the Company and the compensation to the Named Executive Officers is comprised of management fees and they may be granted incentive stock options from time to time. The Company grants incentive stock options for the purposes of assisting the Company in compensating, attracting, retaining and motivating its Named Executive Officers.

As the Company does not currently have a compensation committee, the Board of Directors of the Company (the “Board”) has the responsibility to administer compensation policies related to executive management of the Company, including option based awards. The Board recognizes in the future it may need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation of each executive’s level of responsibility. However, at the Company’s present stage of development, such a package is not necessary.

The Board has not formally considered the risks associated with the Company’s compensation policies and practices. The Company has attempted to minimize those compensation practices and policies that expose the Company to inappropriate or excessive risks.

The Company’s Named Executive Officers and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

### Option-Based Awards

The following information is intended as a brief description of the Company’s current Stock Option Plan dated July 26, 2007 and is qualified in its entirety by the full text of the Stock Option Plan. The Company will put forward a motion at the Meeting to replace this Stock Option Plan with a new Stock Option Plan attached as Schedule “B” to this Circular.

1. The current Stock Option Plan provides that options may be granted to any officer or director of the Company or any employee, consultant or service provider of the Company or a subsidiary of the Company.
2. Options granted under the Stock Option Plan will be granted for a term not to exceed 5 years from the date of their grant.
3. The maximum number of Shares to be reserved for issuance under the Stock Option Plan, including options currently outstanding, will not exceed 10% of the number of Shares issued and outstanding on the applicable date of grant.
4. Options under the Stock Option Plan will be subject to such vesting schedule as the Compensation Committee or when no Compensation Committee has been appointed, the Board may determine.
5. If an optionee ceases to be an Officer, Director, Employee, Consultant or Service Provider (as defined in the Stock Option Plan) for any reason other than such optionee's death or disability, all options held by such optionee will be exercisable, to the extent that such options were exercisable on the date the optionee ceased to fall under one of the foregoing categories for a period of thirty days.
6. If an optionee ceases to be an Officer, Director, Employee, Consultant or Service Provider (as defined in the Stock Option Plan) because of an optionee's death or disability, all options held by the optionee will be exercisable for a period of 12 months. Options are non-assignable and non-transferable. In the event of an optionee's death prior to the end of the term of an option, any option may be exercised by the personal representative of the optionee's estate or by the person(s) to whom the option is transferred pursuant to the optionee's will or in accordance with the laws of descent and distribution.

Stock option grants are made on the basis of the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors, employees and consultants of the Company and to closely align the personal interest of such persons to the interest of the Shareholders.

The recipients of incentive stock options and the terms of the stock options granted are determined from time to time by the Board. The exercise price of the stock options granted is generally determined by the market price at the time of grant.

### **Pension Benefits**

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

### **Termination and Change of Control Benefits**

The Company has no compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive more than \$100,000 (including periodic payments or instalments) to compensate such executive officer in the event of resignation, retirement or other termination of the Named Executive Officer's employment with the Company or its subsidiaries, a change of control of the Company, or a change in responsibilities of the Named Executive Officer following a change in control.

### Summary Compensation Table

Set out below is a summary of compensation paid during the Company's three most recently completed financial year to the Company's Named Executive Officers:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Rudy de Jonge, CEO, President and Director	2018	141,585 <sup>(1)</sup>	Nil	Nil	N/A	N/A	N/A	Nil	141,585
	2017	76,125 <sup>(1)</sup>	Nil	Nil	N/A	N/A	N/A	Nil	76,125
	2016	60,620 <sup>(1)</sup>	Nil	Nil	N/A	N/A	N/A	Nil	60,620
Anthony Jackson CFO	2018	25,000 <sup>(2)</sup>	Nil	Nil	N/A	N/A	N/A	Nil	25,000
	2017	25,200 <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A	N/A	25,500
	2016	14,000 <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A	N/A	14,000

Notes:

- (1) Represents management fees paid to St. Cloud Mining Services, a company wholly owned by Mr. de Jonge, as well as amounts paid to him individually.
- (2) Represents management fees paid to Bridgemark Financial Corp., a company wholly-owned by Anthony Jackson.

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the outstanding share-based awards and option-based awards held by the Named Executive Officers of the Company at the end of the most recently completed financial year:

#### Outstanding Share-Based Awards and Option-Based Awards

##### Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price <sup>(2)</sup> (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Rudy de Jonge, CEO, President and Director	100,000 <sup>(1)</sup>	0.50 <sup>(1)</sup>	January 16, 2018	Nil	Nil	N/A
	500,000	0.10	March 23, 2022	Nil	Nil	N/A
	1,340,000	0.05	August 7, 2023	Nil	Nil	N/A
Anthony Jackson CFO	100,000	0.10	March 23, 2022	Nil	Nil	N/A

Notes:

- (1) Effective January 25, 2016, the Company consolidated its capital on a 5 old common shares to 1 new common share basis.
- (2) "In-the-Money Options" means the excess of the market value of the Company's shares on July 31, 2018 over the exercise price of the options. The market price for the Company's common shares on July 31, 2018, was \$0.04.

### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each Named Executive Officer:

#### Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Rudy de Jonge, CEO, President and Director	78,591	Nil	Nil
Anthony Jackson, CFO	Nil	Nil	Nil

Note:

- (1) All options granted to the Named Executive Officers vested on the date of grant and the exercise price of such options was equal to the closing price of the Company's shares as of the date of grant.

## DIRECTOR COMPENSATION

Other than compensation paid to the Named Executive Officers, and except as noted below, no compensation was paid to directors in their capacity as directors of the Company in their capacity as members of a committee of the Board or of a committee of the Board of Directors, or as consultants or experts, during the Company's most recently completed financial year.

The following table sets forth the details of compensation provided to the directors, other than the Named Executive Officers during the Company's most recently completed financial year:

**Director Compensation Table**

Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
John A. Greig	Nil	Nil	Nil	N/A	N/A	Nil	Nil
Kenneth Holmes <sup>(1)</sup>	15,000	Nil	Nil	N/A	N/A	Nil	15,000
Dr. Kent Ausburn	64,750	Nil	Nil	N/A	N/A	Nil	64,750
Dr. Lawrence Dick	Nil	Nil	Nil	N/A	N/A	Nil	Nil

Note:

(1) Kenneth Holmes was paid consulting services through his wholly-owned private company, Primarius Capital Corporation.

## INCENTIVE PLAN AWARDS

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the outstanding share-based awards and option-based awards held by the directors of the Company (excluding directors who are otherwise Named Executive Officers) at the end of the most recently completed financial year:

The following table sets forth the outstanding share-based awards and option-based awards held by the directors of the Company (excluding directors who are otherwise Named Executive Officers) at the end of the most recently completed financial year:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$) <sup>(1)</sup>	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
John A. Greig	400,000	0.10	March 23, 2022	Nil	N/A	N/A
	600,000	0.05	August 7, 2023	Nil	N/A	N/A
Kenneth Holmes	200,000	0.05	August 7, 2023	Nil	N/A	N/A
Dr. Kent Ausburn	300,000	0.10	March 23, 2022	Nil	N/A	N/A
	400,000	0.05	August 7, 2023	Nil	N/A	N/A
Jonathan George	400,000	0.05	August 7, 2023	Nil	N/A	N/A

Notes:

- (1) Effective January 25, 2016, the Company consolidated its capital on a 5 old common share to 1 new common share basis.
- (2) "In-the-Money Options" means the excess of the market value of the Company's shares on July 31, 2018 over the exercise price of the options. The market price for the Company's common shares on July 31, 2018 was \$0.04.

### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year by each director of the Company (excluding directors who are otherwise Named Executive Officers):

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John A. Greig	35,190	N/A	N/A
Kenneth Holmes	11,730	N/A	N/A
Dr. Kent Ausburn	23,460	N/A	N/A
Jonathan George	23,460	N/A	N/A
Dr. Lawrence Dick	Nil	N/A	N/A

Note:

- (1) All options granted to the directors vested on the date of grant and the exercise price of such options was equal to the closing price of the Company's shares as of the date of grant.

### Value Vested or Earned for Incentive Plan Awards during the Most Recently Completed Financial Year

#### EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	73,997,038	0.10	4,649,489
Equity compensation plans not approved by the securityholders	Nil	Nil	Nil
<b>Total</b>	73,997,038	0.10	4,649,489

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the current or former directors, executive officers, employees of the Company or its subsidiaries, or their respective associates, are as of the date of this Circular, or have been since the beginning of the last completed financial year of the Company, indebted to the Company or any of its subsidiaries (or another entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries).

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than disclosed elsewhere in this Circular or as set forth below, no director or executive officer of the Company, no proposed nominee for election to the Board, no person or company who beneficially owns, exercises control or direction over (or a combination of both), directly or indirectly, more than 10% of the issued and outstanding Shares, no director or officer of such shareholder and or no associate or affiliate of any of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of the last completed financial year of the Company or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

## **MANAGEMENT CONTRACTS**

Other than as disclosed elsewhere in this Circular, there are no management functions of the Company or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company or its subsidiaries.

## **AUDIT COMMITTEE**

National Instrument 52-110 *Audit Committees*, (“**NI 52-110**”) requires the Company to disclose annually certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

### **Audit Committee Charter**

The text of the audit committee’s charter is attached as Schedule “A” to this Circular.

### **Composition of Audit Committee and Independence**

As of the date of this Circular, the audit committee is composed of Kenneth Holmes, John A. Greig and Jonathan George. As required by the policies of the CSE and *Business Corporations Act* (British Columbia), a majority of the members of the Company’s audit committee are not officers or executive employees of the Company and each of the members of the audit committee is “financially literate” within the meaning of NI 52-110. All members of the audit committee are independent, as that term is defined in NI 52-110.

### **Relevant Education and Experience**

Kenneth Holmes has extensive management experience and is a director of several public companies.

Since 1970, Mr. Greig has been a founder/co-founder, senior officer and director of several successful exploration/mining companies listed on Canadian and US exchanges. These companies include Cumberland Resources Ltd., Eurozinc Mining Corporation and Sutton Resources Ltd.



Jonathan George is a self-employed consulting geologist.

All three members of the audit committee understand financial statements and are financially literate as that term is defined in NI 52-110.

**Audit Committee Oversight**

Since the commencement of the Company’s most recently completed financial year, the audit committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board of Directors of the Company.

**Reliance on Certain Exemptions**

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110;
- (b) subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) subsection 6.1.1(5) (*Events Outside Control of Member*);
- (d) subsection 6.1.1(6) (*Death, Incapacity or Resignation*); or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

**Pre-Approval Policies and Procedures**

The audit committee has not adopted any specific policies and procedures for the engagement of non-audit services.

**Audit Fees**

The following table sets forth the fees paid by the Company to DMCL LLP, for services rendered in each of the last two fiscal years:

	<u>2018</u>	<u>2017</u>
Audit fees <sup>(1)</sup> .....	\$18,500	\$14,000
Audit-related fees .....	Nil	Nil
Tax fees .....	\$2,500	\$2,500
All other fees <sup>(2)</sup> .....	Nil	Nil
<b>Total</b> .....	<b><u>\$21,000</u></b>	<b><u>\$16,500</u></b>

Notes:

- (1) “Audit fees” include aggregate fees billed by the Company’s external auditor in each of the last two fiscal years for audit fees.
- (2) “All other fees” include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company’s external auditor, other than “Audit fees”, “Audit related fees” and “Tax fees” above.

### **Exemption in Section 6.1**

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

### **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all companies to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (“**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Company’s approach to corporate governance is set out below.

#### **Board of Directors**

The Board of Directors of the Company consists of six individuals.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. John A. Greig and Kenneth Holmes are considered “independent” within the meaning of NI 52-110. Jonathan George, President and CEO, is not considered to be independent.

#### **Directorships**

The following directors of the Company are directors of other reporting issuers:

<b>Name</b>	<b>Name of Reporting Issuer</b>
Kenneth Holmes	New Carolin Gold Corp.
Dr. Kent Ausburn	ICC International Cannabis Corp.

#### **Orientation and Continuing Education**

The Board does not have any formal policies with respect to the orientation of new directors nor does it take any measures to provide continuing education for the directors. At this stage of the Company’s development the Board does not feel it necessary to have such policies or programs in place.

#### **Ethical Business Conduct**

To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current size of the Company’s operations, and the small number of officers and consultants, allow the Board to monitor on an ongoing basis the activities of management to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

### **Nomination and Assessment**

The Board does not have a formal process in place with respect to the appointment of new directors. The Board expects that when the time comes to appoint new directors to the Board that the nominees would be recruited by the current Board members, and the recruitment process would involve both formal and informal discussions among Board members and the senior officers of the Company.

The Board monitors, but does not formally assess, the performance of individual Board members and their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time.

### **Compensation**

The quantity and quality of the compensation for the directors and CEO is reviewed on an annual basis. At present, the Board is satisfied that the current compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. At this time, the Company does not believe its size and limited scope of operations requires a formal compensation committee.

### **Other Board Committees**

At the present time, the only standing committee is the Audit Committee. The written charter of the Audit Committee, as required by NI 52-110, is contained in Schedule "A" to this Circular. As the Company grows, and its operations and management structure become more complex, the Board expects it will constitute formal standing committees, such as a Corporate Governance Committee, a Compensation Committee and a Nominating Committee, and will ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

### **Assessments**

The Board reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with objectives. The contributions of individual directors are informally monitored by other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations.

## **General Matters**

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided by the Company's comparative audited consolidated annual financial statements for the year ended July 31, 2018, a copy of which, together with Management's Discussion and Analysis for that period, can be found on SEDAR at [www.sedar.com](http://www.sedar.com) or by contacting the Company at 604.803.5838.

## **BOARD APPROVAL**

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

DATED at Vancouver, British Columbia, the 12<sup>th</sup> day of February, 2019.

## **ON BEHALF OF THE BOARD**

*(signed) "Jonathan George"*

Jonathan George,  
Chief Executive Officer and President

## **SCHEDULE "A"**

### **NEW TECH LITHIUM CORP. (the "Company")**

#### **AUDIT COMMITTEE CHARTER Charter of the Audit Committee of the Board of Directors of the Company**

##### **Mandate**

The primary function of the Audit Committee ("**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the following: (a) the financial reports and other financial information provided by the Company to regulatory authorities and shareholders; (b) the Company's systems of internal controls regarding finance and accounting; and (c) the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements; (ii) review and appraise the performance of the Company's external auditors; (iii) provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors; and (iv) to ensure the highest standards of business conduct and ethics.

##### **Composition**

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

##### **Meetings**

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

## **Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

### Documents/Reports Review

Review and update this Charter annually.

Review the Company's financial statements, MD&A, any annual and interim earning statements and press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors.

### **External Auditors**

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

Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company.

Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

Take or recommend that the full Board of Directors take appropriate action to oversee the independence of the external auditors.

Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

- (a) the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

such services were not recognized by the Company at the time of the engagement to be non-audit services;  
and

such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

### Financial Reporting Processes

In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.

Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management,

Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

Review certification process.

Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### Other

Review any related party transactions.

Review reports from persons regarding any questionable accounting, internal accounting controls or auditing matters ("**Concerns**") relating to the Company such that:

- an individual may confidentially and anonymously submit their Concerns to the Chairman of the Committee in writing, by telephone, or by e-mail;
- the Committee reviews as soon as possible all Concerns and addresses same as they deem necessary; and
- the Committee retains all records relating to any Concern reported by an individual for a period the Committee judges to be appropriate.

All of the foregoing in a manner that the individual submitting such Concerns shall have no fear of adverse consequences.



## SCHEDULE “B”

### New Tech Lithium Corp.

### STOCK OPTION PLAN

#### DEFINITIONS AND INTERPRETATION

Section 1.01 **Definitions:** For purposes of the Plan, unless such word or term is otherwise defined herein or the context in which such word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings:

- (a) “Act” means the British Columbia *Business Corporations Act* or its successor, as amended from time to time;
- (b) “Black Out Period” means the period during which designated persons cannot trade Common Shares pursuant to any policy of the Corporation respecting restrictions on trading which is in effect at that time (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Corporation, or in respect of an insider, that insider, is subject);
- (c) “Business Day” means each day other than a Saturday, Sunday or statutory holiday in the Province of British Columbia;
- (d) “Committee” means the Directors or, if the Directors so determine in accordance with Section 2.03 of the Plan, the committee of the Directors authorized to administer the Plan, which includes any compensation committee of the board;
- (e) “Common Shares” means the Common Shares of the Corporation, as adjusted in accordance with the provisions of Section 5.06 of the Plan;
- (f) “Consultant” means a person, other than an employee or a director of the Corporation or of any Designated Affiliate of the Corporation, that:
  - (i) is engaged to provide services to the Corporation or any Designated Affiliate of the Corporation, other than services provided in relation to a distribution;
  - (ii) provides the services under a written contract with the Corporation or any Designated Affiliate of the Corporation;
  - (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or any Designated Affiliate of the Corporation; and
  - (iv) has a relationship with the Corporation or any Designated Affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Issuer.

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner;

- (g) “Consulting Contract” means any contract between the Corporation or any Designated Affiliate of the Corporation and any Eligible Consultant relating to, or entered into in connection with, services to be provided to the Corporation or a Designated Affiliate by the Eligible Consultant;
- (h) “Corporation” means New Tech Lithium Corp., a corporation incorporated under the Act and its successors and assigns;
- (i) “Designated Affiliate” means the affiliates of the Corporation designated by the Committee for purposes of the Plan from time to time;
- (j) “Directors” means the board of directors of the Corporation from time to time;
- (k) “Eligible Consultants” means Consultants of the Corporation or any Designated Affiliate of the Corporation;
- (l) “Eligible Directors” means the Directors or the directors of any Designated Affiliate of the Corporation from time to time;
- (m) “Eligible Employees” means employees and officers, whether Directors or not, and including both full-time and part-time employees, of the Corporation or any Designated Affiliate of the Corporation;
- (n) “Employment Contract” means any contract between the Corporation or any Designated Affiliate of the Corporation and any Eligible Employee relating to, or entered into in connection with, the employment of the Eligible Employee or between the Corporation or a Designated Affiliate and an Eligible Director with respect to his or her directorship or resignation therefrom;
- (o) “Market Price” means, in the event the Corporation is trading on a Stock Exchange, the last closing trading price of the Common Shares on the Stock Exchange, or another stock exchange where the majority of the trading volume and value of the Common Shares occurs;
- (p) “Option” means an option to purchase Common Shares granted pursuant to, or governed by, the Plan;
- (q) “Optionee” means a Participant to whom an Option has been granted pursuant to the Plan;
- (r) “Option Period” means the period of time during which the particular Option may be exercised and commences on the date of the grant of the Option, unless otherwise specified by the Committee;
- (s) “Participant” means each Eligible Employee, Eligible Director and Eligible Consultant;
- (t) “Plan” means this stock option plan; and
- (u) “Stock Exchange” means a public exchange upon which the Common Shares are listed for trading.

Section 1.02 **Securities Definitions:** In the Plan, the terms “affiliate”, “associate” and “insider” shall have the meanings given to such terms in the *Securities Act* (British Columbia). The term “affiliate” shall include those issuers that are similarly related, whether or not any of the issuers are corporations, companies, partnerships, limited partnership, trusts, income trusts or investment trusts or any other organized entity issuing securities. The term “insider” shall include associates and affiliates of the insider.

Section 1.03 **Headings:** The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.

Section 1.04 **Context, Construction:** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.

Section 1.05 **References to this Plan:** The words “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.

Section 1.06 **Canadian Funds:** Unless otherwise specifically provided, all references to dollar amounts in the Plan are references to lawful money of Canada.

## ARTICLE TWO

### PURPOSE AND ADMINISTRATION OF THE PLAN

Section 2.01 **Purpose of the Plan:** The Plan provides for the acquisition of Common Shares by Participants for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of employees, officers, directors and consultants of the Corporation and the Designated Affiliates of the Corporation and to secure for the Corporation and the shareholders of the Corporation the benefits inherent in the ownership of Common Shares by employees, officers, directors and consultants of the Corporation and Designated Affiliates of the Corporation, it being generally recognized that share incentive plans aid in attracting, retaining and encouraging employees, officers, directors and consultants due to the opportunity offered to them to acquire a proprietary interest in the Corporation.

Section 2.02 **Administration of the Plan:** The Plan shall be administered by the Committee and the Committee shall have full authority to administer the Plan including the authority to interpret and construe any provision of the Plan and to adopt, amend and rescind such rules and regulations for administering the Plan as the Committee may deem necessary in order to comply with the requirements of the Plan. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shall be binding on the Participants and the Corporation. No member of the Committee shall be personally liable for any action taken or determination or interpretation made in good faith in connection with the Plan and all members of the Committee shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Corporation with respect to any such action taken or determination or interpretation made. The appropriate officers of the Corporation are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of the Plan and of the rules and regulations established for administering the Plan. All costs incurred in connection with the Plan shall be for the account of the Corporation.

Section 2.03 **Delegation to Committee:** All of the powers exercisable hereunder by the Directors may, to the extent permitted by applicable law and as determined by resolution of the Directors, be exercised by a committee of the Directors comprised of not less than three Directors or in the absence of a committee of

the Directors, by the full board of Directors, including any compensation committee of the board of directors, which delegation may be revoked at any time.

**Section 2.04 Record Keeping:** The Corporation shall maintain a register in which shall be recorded:

- (a) the name and address of each Optionee;
- (b) the number of Common Shares subject to Options granted to each Optionee; and
- (c) the aggregate number of Common Shares subject to Options.

**Section 2.05 Determination of Participants and Participation:** The Committee shall from time to time determine the Participants who may participate in the Plan. The Committee shall from time to time determine the number of Common Shares to be issued to the Participants to whom Options shall be granted, the number of Common Shares to be made subject to and the expiry date of each Option granted to each Participant and the other terms of each Option granted to each Participant, all such determinations to be made in accordance with the terms and conditions of the Plan, and the Committee may take into consideration the present and potential contributions of and the services rendered by the particular Participant to the success of the Corporation and any other factors which the Committee deems appropriate and relevant.

**Section 2.06 Number of Shares Available under the Plan:** There shall be available at all times for issuance under the Plan that number of Common Shares as is equal to 10% (on a non-diluted basis) of the number of issued and outstanding Common Shares of the Corporation from time to time. For greater certainty, the number of Common Shares available for issuance under the Plan shall not be decreased as a result of the issuance of Common Shares upon the exercise of Options nor increased upon the surrender, termination or expiry of Options unexercised in whole or in part. If the Corporation repurchases for cancellation Common Shares such that the foregoing percent test is not met following such repurchase, this shall not constitute non-compliance under the Plan.

**Section 2.07 Further Limitations to the Issuance of Shares under the Plan:**

- (a) The aggregate number of Common Shares that may be reserved for issuance pursuant the Plan shall not exceed 5% of the issued shares of the Corporation (determined at the date the option was granted) to any one individual in a 12 month period, unless the Corporation has obtained the requisite disinterested shareholder approval.
- (b) The number of options granted to any one Consultant in a 12 month period shall not exceed 2% of the issued shares of the Corporation, calculated at the date the option was granted to the Consultant.
- (c) The aggregate number of options granted to persons employed to provide Investor Relations Activities (as defined in the policies of the Stock Exchange, if any) must not exceed 2% of the issued shares of the Corporation in any 12 month period, calculated at the date the option was granted.

## STOCK OPTION PLAN

**Section 3.01 The Stock Option Plan and Participants:** A stock option plan is hereby established for Eligible Employees, Eligible Directors and Eligible Consultants.

**Section 3.02 Exercise Price:** The price per share at which any Common Share which is the subject of an Option may be purchased shall be determined by the Committee at the time the Option is granted, provided however, that such price shall not be lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options.

**Section 3.03 Term of Option:**

- (a) The Option Period for each Option shall be such period of time as shall be determined by the Committee, subject to any Employment Contract or Consulting Contract, provided that no Option Period shall exceed 10 years.
- (b) Should the expiration date for an Option fall within a Black Out Period or within nine Business Days following the expiration of a Black Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Black Out Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan, provided that in no event shall the Option Period exceed 10 years. Notwithstanding Section 5.02, the ten Business Day period referred to in this Section 3.04(b) may not be extended by the Committee.

**Section 3.04 Limit on Options to be Exercised:** Unless otherwise determined by the Committee, Options may be exercised (in each case to the nearest full share), during the Option Period at any time during the Option Period.

**Section 3.05** Notwithstanding the foregoing, Options issued to Consultants performing Investor Relations Activities shall vest over 12 months with no more than 25% of the Options vesting in any three month period.

**Section 3.06 Eligible Participants on Exercise:** An Option may be exercised by the Optionee in whole at any time, or in part from time to time, during the Option Period as specified in Section 3.04, provided however that, except as otherwise specifically provided in Section 3.09 or Section 3.10 hereof or in any Employment Contract or Consulting Contract, no Option may be exercised unless the Optionee at the time of exercise thereof is:

- (a) in the case of an Eligible Employee, an officer of the Corporation or a Designated Affiliate or in the employment of the Corporation or a Designated Affiliate and has been continuously an officer or so employed since the date of grant of such Option, provided however that a leave of absence with the approval of the Corporation or such Designated Affiliate shall not be considered an interruption of employment for purposes of the Plan;
- (b) in the case of an Eligible Director who is not also an Eligible Employee, a director of the Corporation or a Designated Affiliate and has been such a director continuously since the date of grant of such Option; and

- (c) in the case of an Eligible Consultant, a Consultant of the Corporation or a Designated Affiliate and has been a such a Consultant continuously since the date of grant of such Option.

### Section 3.07 **Payment of Exercise Price**

- (a) **Direct Exercise:** The issue of Common Shares on exercise of any Option shall be contingent upon receipt by the Corporation of payment of the aggregate purchase price for the Common Shares in respect of which the Option has been exercised plus any amount the Corporation determines, in its discretion, is required to satisfy the Corporation's withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Common Shares, and payment of such amounts to the Corporation is in cash or by certified cheque delivered to the registered office of the Corporation together with a validly completed notice of exercise. No Optionee or legal representative, legatee or distributee of any Optionee will be, or will be deemed to be, a holder of any Common Shares with respect to which such Optionee was granted an Option, unless and until certificates for such Common Shares are issued to such Optionee, or them, under the terms of the Plan. Subject to Section 3.11 hereof, upon an Optionee exercising an Option and paying the Corporation the aggregate purchase price for the Common Shares in respect of which the Option has been exercised and any amount required to satisfy withholding tax and source deduction requirements, the Corporation shall as soon as practicable issue and deliver a certificate representing the Common Shares so purchased.
- (b) **Broker Assisted Exercise:** If the Common Shares are listed and posted for trading on a stock exchange or market, an Optionee may elect a broker assisted exercise in its notice of exercise if the Common Shares issuable on the exercise are to be immediately sold. In such case, the Optionee will not be required to deliver to the Corporation a certified cheque as referred to in Subsection 3.07(a) above. Instead the following procedure will be followed:
  - (i) The Optionee will, directly or through an intermediary, instruct a broker selected by the Optionee to sell through the stock exchange or market on which the Common Shares are listed or quoted, the Common Shares issuable on the exercise of vested Options, as soon as possible at the then applicable bid price of the Common Shares.
  - (ii) On the trade date, the Optionee will deliver a validly completed notice of exercise, including details of the trades, to the Corporation electing the broker assisted exercise and the Corporation will direct its registrar and transfer agent to issue a certificate in the name of the broker (or as the broker may otherwise direct) for the number of Common Shares issued on the exercise of the vested Options, against payment by the broker to the Corporation of (i) the aggregate purchase price for such Common Shares; and (ii) the amount the Corporation determines, in its discretion, is required to satisfy the Corporation's withholding tax and source deduction remittance obligations in respect of the exercise of the vested Options and issuance of Common Shares.
  - (iii) The broker will deliver to the Optionee the remaining proceeds of sale, net of the brokerage commission.

**Section 3.08 Acceleration on Take-over Bid:** If there is a take-over bid (within the meaning of the *Securities Act* (British Columbia)) made for all or any of the issued and outstanding Common Shares, then all Options outstanding become immediately exercisable, notwithstanding Section 3.04 hereof, in order to permit Common Shares issuable under such Options to be tendered to such bid.

**Section 3.09 Effect of Death:** If a Participant dies while an Optionee, any Option held by such Optionee at the date of death shall become immediately exercisable notwithstanding Section 3.04 hereof, and shall be exercisable in whole or in part only by the person or persons to whom the rights of the Optionee under the Option shall pass by the will of the Optionee or the laws of descent and distribution for a period of twelve months after the date of death of the Optionee or prior to the expiration of the Option Period in respect of the Option, whichever is sooner. This Section 3.09 is subject to any Employment Agreement, Consulting Agreement or any other agreement to which the Corporation or its Designated Affiliates is a party with respect to the rights of such Participant upon Termination or change in control of the Corporation.

**Section 3.10 Effect of Termination:**

3.10.1 If a Participant who is not a director;

- (a) ceases to be employed by, or be an officer of, the Corporation and any of its Designated Affiliates (and is not or does not continue to be a director thereof),
- (b) ceases to be engaged by, or be a Consultant of the Corporation and any of its Designated Affiliates, for any reason (other than death), including circumstances involving receipt of notice from the Corporation or any of its Designated Affiliates of the termination of his, her or its Consulting Contract;

such Participant may, within 90 days next succeeding such cessation, exercise his or her Options to the extent that such Participant was entitled to exercise such options at the date of cessation, provided that in no event shall such right extend beyond the Option Period. This Section 3.100.1 is subject to any Employment Agreement, Consulting Agreement or any other agreement to which the Corporation or its Designated Affiliates is a party with respect to the rights of such Participant upon Termination or change in control of the Corporation, provided however that if the Termination is for cause, the Options will expire on the Termination Date. It shall be at the discretion of the directors as to any extension of the Option period depending on the particular circumstances of any Termination;

3.10.2 If a director ceases to be a director of the Corporation or any of its Designated Affiliates and is not or does not continue to serve in that capacity

the director will, within 90 days after his or her cessation in that capacity, have the right to exercise his or her options, and furthermore, for each year a director has served as a director they will have the right to exercise their Options for a further 30 days for each year of having served as a director of the Company, with the understanding that the right to exercise such option will not extend for more than one year from the Participant's cessation; provided however, that in the event a director of the Corporation and any of its Designated Affiliates (and is not or does not continue to be an employee thereof) is convicted of a criminal or securities offence (a "Conviction"), is declared bankrupt or is terminated arising from a court order or shareholder resolution, the Options shall terminate on the date of such Conviction, date of bankruptcy, court order or shareholder resolution.

**Section 3.11 Necessary Approvals:** The obligation of the Corporation to issue and deliver any Common Shares in accordance with the Plan shall be subject to any necessary approval of any stock exchange or regulatory authority having jurisdiction over the securities of the Corporation. If any Common

Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Common Shares shall terminate and any Option exercise price paid to the Corporation shall be returned to the Participant.

Section 3.12 **No Amendment of Option Terms:** The terms of an option may not be amended once issued. If an option is cancelled prior to its expiry date, the Corporation must post notice of the cancellation and shall not grant new options to the same person until 30 days have elapsed from the date of cancellation.

## ARTICLE FOUR

### WITHHOLDING TAXES AND SECURITIES LAWS OF THE UNITED STATES OF AMERICA

Section 4.01 **Withholding Taxes:** The Corporation or any Designated Affiliate may take such steps as it considers necessary or appropriate for the deduction and withholding of any taxes and other required source deductions which the Corporation or the Designated Affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit in connection with this Plan, any Options, the exercise or surrender by an Optionee of any Options or any issuance of any Common Shares. Without limiting the generality of the foregoing, the Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit from any cash remuneration or other amount payable to the Optionee, whether or not related to the Plan, any Options, the exercise or surrender by an Optionee of any Options or the issuance of any Common Shares; (ii) allow the Optionee to make a cash payment to the Corporation equal to the amount required to be remitted, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Optionee; or (iii) sell, on behalf of the Optionee, that number of Common Shares to be issued upon the exercise of Options such that the amount withheld by the Corporation from the proceeds of such sale will be sufficient to satisfy any taxes required to be remitted by the Corporation for the account of the Optionee. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to an Optionee on the exercise of Options may be made conditional upon the Optionee (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment in a timely manner of all taxes required to be remitted for the account of the Optionee.

Section 4.02 **Securities Laws of the United States of America:** Neither the Options which may be granted pursuant to the provisions of the Plan nor the Common Shares which may be acquired pursuant to the exercise of Options have been registered under the United States Securities Act of 1933, as amended (the "U.S. Act"), or under any securities law of any state of the United States of America. Accordingly, any Participant who is issued Common Shares or granted an Option in a transaction which is subject to the U.S. Act or the securities laws of any state of the United States of America may be required to represent, warrant, acknowledge and agree that:

- (a) the Participant is acquiring the Option and/or any Common Shares as principal and for the account of the Participant;
- (b) in granting the Option and/or issuing the Common Shares to the Participant, the Corporation is relying on the representations and warranties of the Participant to support the conclusion of the Corporation that the granting of the Option and/or the issue of Common Shares do not require registration under the U.S. Act or to be qualified under the securities laws of any state of the United States of America.



## ARTICLE FIVE

### GENERAL

**Section 5.01 Effective Date of the Plan:** The Plan shall become effective upon a date to be determined by the Directors.

**Section 5.02 Amendment or Discontinuance of the Plan:** The Committee may from time to time in the absolute discretion of the Committee amend, modify and change the provisions of the Plan or any Options granted pursuant to the Plan, provided that any amendment, modification or change to the provisions of the Plan or any Options granted pursuant to the Plan shall, where required:

- (a) be subject to any regulatory approvals, including the approval of the Stock Exchange, ;
- (b) be subject to shareholder approval in accordance with the rules of the Stock Exchange in circumstances where the amendment, modification or change to the Plan or Option would increase the fixed maximum percentage of Common Shares which may be issued pursuant to the Plan;
- (c) be subject to disinterested shareholder approval in accordance with the rules of the Stock Exchange if the Optionee is an insider of the Corporation at the time of the amendment;
- (d) not be subject to shareholder approval in any circumstance (other than those listed in (b) and (b) above), including, but not limited to, circumstances where the amendment, modification or change to the Plan or Option would:
  - (i) be of a “housekeeping nature”, including any amendment to the Plan or an Option that is necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange and any amendment to the Plan or an Option to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein;
  - (ii) alter, extend or accelerate any vesting terms or conditions in the Plan other than the vesting terms for an Optionee conducting Investor Relations;
  - (iii) amend or modify any mechanics for exercising any Option;
  - (iv) change the application of Section 5.06 (Adjustment in Number of Shares Subject to the Plan), Section 5.067 (Consolidation, Merger etc.) or Section 5.08 (Securities Exchange Take-over Bid) of the Plan;
  - (v) add a form of financial assistance or amend a financial assistance provision which is adopted; or
  - (vi) change the eligible Participants of the Plan.

The Directors may discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not adversely alter or impair any Option previously granted.

Section 5.03 **Non-Assignable:** No rights under the Plan and no Option awarded pursuant to the provisions of the Plan are assignable or transferable by any Participant other than pursuant to a will or by the laws of descent and distribution.

Section 5.04 **Rights as a Shareholder:** No Optionee shall have any rights as a shareholder of the Corporation with respect to any Common Shares, which are the subject of an Option. No Optionee shall be entitled to receive, and no adjustment shall be made for, any dividends, distributions or other rights declared for shareholders of the Corporation for which the record date is prior to the date of exercise of any Option.

Section 5.05 **No Contract of Employment:** Nothing contained in the Plan shall confer or be deemed to confer upon any Participant the right to continue in the employment of, or to provide services to, the Corporation or any Designated Affiliate nor interfere or be deemed to interfere in any way with any right of the Corporation or any Designated Affiliate to discharge any Participant at any time for any reason whatsoever, with or without cause. Participation in the Plan by a Participant shall be voluntary, however a participant accepting a grant of stock options is deemed to be governed by this Plan.

Section 5.06 **Adjustment in Number of Shares Subject to the Plan:** In the event there is any change in the Common Shares, whether by reason of a stock dividend, consolidation, subdivision, reclassification or otherwise, an appropriate adjustment shall be made by the Committee in:

- (a) the number of Common Shares available under the Plan;
- (b) the number of Common Shares subject to any Option; and
- (c) the exercise price of the Common Shares subject to Options.

If the foregoing adjustment shall result in a fractional Common Share, the fraction shall be disregarded. All such adjustments shall be conclusive, final and binding for all purposes of the Plan.

Section 5.07 **Consolidation, Merger, etc.:** If there is a consolidation, merger or statutory amalgamation or arrangement of the Corporation with or into another corporation, a separation of the business of the Corporation into two or more entities or a transfer of all or substantially all of the assets of the Corporation to another entity, upon the exercise of an Option under the Plan, the holder thereof shall be entitled to receive the securities, property or cash which the holder would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer if the holder had exercised the Option immediately prior to such event, unless the Committee otherwise determines the basis upon which such Option shall be exercisable. The Committee may, in the circumstances of such a transaction, send notice to all Optionees requiring them to surrender their Options within 10 days of the mailing of such notice, and the Optionees shall be deemed to have surrendered such Options on the tenth day after the mailing of such notice without further formality.

Section 5.08 **Securities Exchange Take-over Bid:** In the event that the Corporation becomes the subject of a take-over bid (within the meaning of the *Securities Act* (British Columbia)) pursuant to which 100% of the issued and outstanding Common Shares are acquired by the offeror, either directly or as a result of the compulsory acquisition provisions of the incorporating statute, and where consideration is paid in whole or in part in equity securities of the offeror, the Committee may, in the circumstances of such a transaction, send notice to all Optionees requiring them to surrender their Options within 10 days of the mailing of such notice, and the Optionees shall be deemed to have surrendered such Options on the tenth day after the mailing of such notice without further formality, provided that:

- (a) the offeror delivers with such notice an irrevocable and unconditional offer to grant replacement options to each Optionee entitling the Optionee to acquire, upon exercise of such replacement options either: (i) the number of equity securities of the offeror and, if applicable, cash which the Optionee would have received pursuant to the take-over bid if the holder had exercised the Option immediately prior to such bid; or (ii) if the consideration payable pursuant to the bid is a combination of cash and equity securities of the offeror, the number of equity securities of the offeror, as determined by the Committee acting in good faith, that the Optionee would have received had the consideration pursuant to the bid consisted solely of equity securities; and
- (b) the surrender of Options and the granting of replacement options can be effected on a tax free rollover basis under the *Income Tax Act* (Canada).

**Section 5.09 No Representation or Warranty:** The Corporation makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of the Plans.

**Section 5.10 Compliance with Applicable Law:** If any provision of the Plan or any Option contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.

**Section 5.11 Interpretation:** This Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia.

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