

**TARTISAN NICKEL CORP.**

1102 – 44 Victoria Street  
Toronto, Ontario M5C 1Y2

**INFORMATION CIRCULAR**  
**(As of September 8, 2020 except as indicated)**

Tartisan Nickel Corp. (the “**Corporation**”) is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) that came into effect on February 11, 2013 under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) for distribution of this Circular to both registered and non-registered (or beneficial) shareholders of the Corporation (collectively, the “**Shareholders**”). Further information on notice-and-access is contained below under the heading *General Information Respecting the Meeting – Notice-and-Access* and Shareholders are encouraged to read this information for an explanation of their rights.

**GENERAL INFORMATION RESPECTING THE MEETING**

**Solicitation of Proxies**

This information circular (the “Circular”) is provided in connection with the solicitation of proxies by the management (the “Management”) of Tartisan Nickel Corp. (the “Company”). The form of proxy which accompanies this Circular (the “Proxy”) is for use at the annual general meeting of the shareholders of the Company to be held on Monday, October 19, 2020 (the “Meeting”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

**VIRTUAL ONLY MEETING**

The Company is having a virtual only meeting this year, which will be conducted by telephone conference call, as a result of the serious public health impact of the global COVID-19 pandemic, and in response to the recent public health measures enacted by the federal and provincial governments and public health officials to prudently protect the health and well-being of our communities, shareholders, employees and other stakeholders.

The Meeting will be held in a virtual only format by telephone conference call commencing at 10:30 a.m. (Toronto time) for the purposes set forth in the accompanying notice of Meeting (the “Notice of Meeting”).

**Details of Telephone Conference**

Toll-free dial in number: 1-833-333-2588 (North America)  
Participant code: 6595

Shareholders will have an equal opportunity to participate at the Meeting regardless of their geographic location. Participants should dial in 5-10 minutes prior to the scheduled start time and ask to join the call. Shareholders will not be able to vote through the conference call.

**APPOINTMENT AND REVOCATION OF PROXY**

The persons named in the Proxy are directors and/or officers of the Company. A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person's name in the blank space provided. The completed Proxy should be delivered to Capital Transfer Agency Inc. ("Capital Transfer") by 10:30 a.m. (local time in Toronto, Ontario) on Thursday, October 15, 2020 or before 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

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 Capital Transfer, or by transmitting a revocation by telephonic or electronic means, to Capital Transfer, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

### **Provisions Relating to Voting of Proxies**

The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the Management of the Company knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

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

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common 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 common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder's name. Such common 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. Common 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 common 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 instrument of 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 common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common 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 common 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 common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common 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 Capital Transfer. Please complete and return the VIF to Capital Transfer in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found on the VIF. Capital Transfer 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 as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO's intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:30 a.m. (Toronto time) on the day which is at least three business days prior to the Meeting. A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company as maintained by the registrar and transfer agent of the Company, Capital Transfer, unless specifically stated otherwise.

## **Financial Statements**

The audited financial statements of the Company for the years ended March 31, 2019 and March 31, 2020, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

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

As at September 8, 2020, the Company's authorized capital consists of an unlimited number of common shares of which 101,603,550 common shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

As the Meeting is a virtual only Meeting, which will be conducted by telephone conference call, Shareholders registered as at September 3, 2020, are encouraged to complete, date and sign the form of proxy and return it to Capital Transfer Agency ULC as set forth in the accompanying Notice of Meeting. Shareholders will not be able to vote through the conference call.

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, no persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the

issued and outstanding common shares of the Company, other than D. Mark Appleby who holds 19,672,250 common shares, representing 19.67% of the issued and outstanding shares.

## **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 Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors of the Company was previously set at five. Shareholders will be asked at the Meeting to pass an ordinary resolution to set the number of directors for the ensuing year at four.

Pursuant to the advance notice policy adopted by the Board of Directors (the "Board") on March 19, 2014, any additional director nominations for the Meeting must have been received by the Company in compliance with the advance notice policy no later than the close of business on September 8, 2020. As of September 8, 2020, no such nominations were received by the Company.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

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

Other than as disclosed herein, no director or executive officer of the Corporation who has held such position at any time since the beginning of the Corporation's last financial year, each proposed nominee for election as a director of the Corporation, and associates or affiliates of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting.

### Principal Shareholders

To the knowledge of the directors and executive officers of the Corporation, as of the Record Date, no person or Corporation beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Corporation, other than D. Mark Appleby who holds 19,672,250 common shares, representing 19.67% of the issued and outstanding shares. The directors and officers of the Corporation, as a group, directly or indirectly, beneficially own 20,834,250 Common Shares of the Corporation, representing approximately 20.5% of the issued and outstanding Common Shares of the Corporation on an undiluted basis.

## **DATE OF INFORMATION**

Unless otherwise specified herein, the information contained in this Circular is given as of September 8, 2020.

## MATTERS TO BE ACTED UPON AT THE MEETING

### FINANCIAL STATEMENTS

The Corporation's audited consolidated financial statements of Tartisan Nickel Corp. for the years ended March 31, 2019 and March 31, 2020, together with the auditor's report thereon will be presented at the Meeting, provided, however, that no vote with respect thereto is required. These financial statements have been filed on SEDAR at [www.sedar.com](http://www.sedar.com) and accompany this Circular for those Shareholders who have requested a copy.

### APPOINTMENT OF AUDITORS

It is proposed that Clearhouse LLP, Chartered Professional Accountants, be re-appointed as auditors of the Corporation to hold such office until the next annual meeting of Shareholders or until their successors are elected or appointed and that the board of directors (the "Board of Directors" or the "Board") of the Corporation be authorized to fix the remuneration of the Auditors.

**Unless the Shareholder directs that his or her Common Shares are to be withheld from voting in connection with the appointment of auditors, the persons named in the enclosed form of proxy intend to vote FOR the reappointment of Clearhouse LLP, Chartered Professional Accountants, to serve as the auditor of the Corporation until the next annual meeting of the Shareholders and to authorize the directors of the Corporation to fix the auditor's remuneration.**

### 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 Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors of the Company was previously set at five. Shareholders will be asked at the Meeting to pass an ordinary resolution to set the number of directors for the ensuing year at four.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Shareholders have the option to (i) vote for all of the directors of the Corporation listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors. Unless expressly directed to the contrary in the Proxy, the persons named therein will vote FOR the election of each of the four proposed nominees whose names appear below as directors or proposed directors of the Corporation.

Management of the Corporation ("Management") does not contemplate that any of the nominees will be unable to serve as a director, however, if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the Proxy to vote for the election of

any other person or persons in place of any nominee or nominees who are unable to serve in such capacity. Each elected director will hold office until the next annual meeting of Shareholders of the Corporation or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the by-laws of the Corporation.

The following table contains certain information in connection with the persons proposed for nomination as directors. The principal occupation and Common Shares beneficially owned or over which control or direction is exercised by the nominees for election as directors is in each instance based upon information provided by the person to whom such information relates.

In accordance with the certificate of incorporation of the Corporation, the Board consists of a minimum of one and a maximum of 11 directors. The directors have been authorized by a special resolution passed by the Shareholders to set the number of directors within such minimum and maximum. The directors have determined that the number of directors to be elected at the Meeting is three.

You can vote for all of the three persons nominated by Management whose names are set forth below, vote for some of them and withhold your vote for others, or withhold your vote for all of them.

**The Management Designees, if not expressly directed to the contrary in the form of proxy, will vote such proxies for the election as directors of the Corporation of the three persons nominated by Management whose names are set forth below.** Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Management Nominees reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next annual meeting or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Corporation.

The Board has adopted a policy for the majority voting for the election of each nominated director at the meetings of its shareholders.

As of the date of this Circular, the following table sets forth the name and municipality of residence of each of the persons proposed to be nominated for election as director, all of the positions and offices with the Corporation now held by him, his present principal occupation, the date that he was elected as a director and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, by him. The Directors of the Corporation are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Pursuant to the Advance Notice Policy of the Corporation, any additional Director nominations for the Meeting must have been received by the Corporation in compliance with the Advance Notice Policy no later than the close of business on September 8, 2020.

The Corporation is required to have an audit committee. Members of this committee are as set out below. Management of the Corporation proposes to nominate each of the following persons for election as a Director.

Information concerning such persons, as furnished by the individual nominees, is as follows:

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5 Years</i>	<i>Previous Service as a Director</i>	<i>Number of Shares Beneficially Owned, Controlled or Directed, <sup>(2)</sup> Directly or Indirectly <sup>(2)</sup></i>
D. Mark Appleby <sup>(1)</sup> <i>President, CEO and Director</i> Toronto, ON,	President and Chief Executive Officer of the Tartisan Nickel Corp	Since December 21, 2010	19,672,250 shares <sup>(3)</sup>
Yves Pierre Clement <sup>(1)</sup> Director New Westminister, BC	P. Geo. V.P, Exploration Xtra-Gold Resources Corp. since 2006.	Since January 14, 2016	290,000 shares
Douglas Flett (1)(4) Director Toronto, ON	Chairman, KWG Resources Inc.	Since June 14, 2011	872,000 Shares

- (1) Member of the audit committee.
- (2) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at September 8, 2020, based upon information furnished to the Corporation by individual Directors. Unless otherwise indicated, such shares are held directly.
- (3) Including shares owned by D. M. Appleby Holdings Inc.
- (4) Including shares held by Catherine Flett.

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Corporation acting solely in such capacity.

### **Corporate Cease Trade Orders**

Save as set forth hereinbelow, to the knowledge of the Corporation, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a Director, chief executive officer (“CEO”) or chief financial officer (“CFO”) of any company (including the Corporation) that:
  - (i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
  - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed Director ceased to be a Director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or



- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a Director or executive officer of any company (including the Corporation) 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; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

Mr. Flett a director of FLETCHER NICKEL INC. (“FNI”) at the time that a cease trade order was issued on May 20, 2015 that all trading in the securities of FNI cease for failure to file financial statements, the related Management Discussion and Analysis and certification of the same.

The following Directors of the Corporation hold Directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
D. Mark Appleby	None
Douglas Flett	KWG Resources Inc., Fletcher Nickel In.
Yves Pierre Clement	P. Geo. V.P, Exploration, Xtra-Gold Resources Corp. since 2006.

**D. Mark Appleby**  
**President & Chief Executive Officer, Director**

Mr. Appleby was appointed President and Chief Executive Officer and a member of the Board of Directors of Tartisan Nickel Corp. in December 2010. Mr. Appleby has over 30 years of experience in a variety of disciplines relating to investment banking, corporate finance and the capital markets. Mr. Appleby's career began in 1983, where he served as an intern at Manulife in the equity and fixed income departments. In 1987 he joined First Boston Canada Ltd., where he reached the position of Vice-President-Bond Trading. Subsequently, Mr. Appleby has worked as an investment executive with Scotia Mcleod Inc., and is cofounder of The Atlantis Group, a Company specializing in a variety of disciplines including the resource sector. Mr. Appleby was also a Director of Guyana Goldfields Inc. [TSX: GUY] for five years.

**Douglas M. Flett, J.D.**  
**Director**

Douglas M. Flett, J.D., graduated from the University of Windsor Law School in 1972 and was called to the (Ontario) Bar in 1974. He practiced in his own corporate-commercial law firm until 1996 when he retired from practising law for a career in the resource industry. He continues to be a member of the Law Society of Upper Canada. He has been a Director of KWG Resources Inc. (KWG:CNSX) since 2006. He is a past Director of Kenora Prospectors & Miners Ltd., and is past President and currently a Director of Fletcher Nickel Inc. Mr. Flett is a member of the Compensation and Audit Committees for Tartisan Nickel Corp. He has completed the Rotman Institute of Corporate Directors SME Program.

**Mr. Yves P. Clement, P.Geo.**  
**Director**

Mr. Clement is a professional geologist with over 30 years' experience in the generation, evaluation and development of a wide variety of mineral resources hosted by a broad spectrum of geological environments in Canada, South America, and West Africa. He has held Exploration Manager and VP, Exploration positions in several countries, and has extensive joint venture generation / project management experience and hands-on exploration experience in Archean / Proterozoic greenstone and Andean Cordillera settings, including: greenstone - hosted lode / shear gold, volcanogenic massive sulphide (VMS), magmatic Ni-Cu-PGM, low & high sulphidation epithermal Au – Ag, porphyry Cu - Mo & Au - Cu, Cu-Au skarn, Fe Oxide Cu–Au (IOCG), stratabound volcanic redbed copper (Manto-type), intrusion – related gold, and lateritic terranes.

Mr. Clement is currently VP, Exploration of Xtra-Gold Resources Corp. (TSX: XTG), a junior mineral exploration company focused on gold exploration in Ghana, West Africa. Yves is fluent in Spanish and has extensive exploration / project management experience in Latin American countries, including: Peru, Chile, Colombia, Ecuador, Venezuela, and Mexico. Prior to joining Xtra-Gold, he was VP, Exploration of Ginguero Exploration Inc. (TSX-V: GEG) and VP, Corporate Development of Golden Sierra Resources Corp. (Private Issuer), where he was responsible for the generation of precious and base metal exploration opportunities in Chile and Ecuador. Mr. Clement was the Exploration Manager for Aurora Platinum Corp. for the prolific Sudbury Ni-Cu-PGM camp and played an integral role in the successful buy-out of Aurora Platinum by FNX Mining in 2005. Mr. Clement received a Geological Engineering Technology diploma from Cambrian College of Applied Arts and Technology, Sudbury, Ontario; and is a member of the Association of Professional Geoscientists of Ontario (“APGO”).

#### **4. Approval of Stock Option Plan**

At the Meeting, the Shareholders of the Corporation will be asked to consider and, if thought fit, to pass an ordinary resolution (the “Stock Option Plan Resolution”) approving the Corporation’s existing stock option plan, the 2011 Stock Option Plan, (the “Stock Option Plan”).

#### **Background of Stock Option Plan Resolution**

The Canadian Securities (the “CSE”) requires all listed companies that have a stock option plan in place to have such plan approved by the shareholders of the Corporation on an annual basis. Accordingly, the Corporation is again seeking shareholder approval at the Meeting for, and to renew, the Stock Option Plan.

### Summary of the Principal Terms of the Stock Option Plan

The following is a summary of the principal terms of the Stock Option Plan (the “Plan”), which is qualified in its entirety by the full text of the Stock Option Plan, a copy of which is attached hereto as Appendix “B”, and can be obtained prior to the Meeting by requesting a copy to be sent by post by contacting the Corporation’s secretary.

The Stock Option Plan is a “rolling” stock option plan under which options may be granted to “Eligible Persons” in respect of authorized and unissued Common Shares provided that, the aggregate number of Common shares reserved by the Corporation for issuance and which may be purchased upon the exercise of all options shall not exceed 10% of the issued and outstanding Common Shares of the Corporation at the time of granting of options (on a non-diluted basis). An Eligible Person means any director, officer, employee (part-time or full-time), service provider or consultant of the Corporation or any of its subsidiaries. If any option granted under the Stock Option Plan is surrendered, terminated, expires or is exercised, the Common shares reserved for issuance, or issued, pursuant to such option shall be available for new options granted under the Stock Option Plan.

The Board of Directors of the Corporation implemented effective as of September 7, 2011. The number of shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to insiders as a group is 10%, to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Stock Option Plan which sets the number of shares issuable under the plan at a maximum of 10% of the issued and outstanding shares is approved and ratified by shareholders on an annual basis.

Therefore, at the Meeting, shareholders will be asked to pass a resolution substantially in the following form:

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The Stock Option Plan of the Corporation as described in this management information circular of the Corporation dated September 8, 2020 be and it is hereby approved by the shareholders of the Corporation.
2. the number of common shares of the Corporation issuable pursuant to the Stock Option Plan shall continue to be set at a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Corporation’s issued and outstanding shares being reserved to any one person on a yearly basis issued and outstanding from time to time, subject to any limitations imposed by applicable regulations, laws, rules and policies; and
3. Any director or officer of the Corporation be and is authorized, instructed and empowered, acting for, in the name of and on behalf of the Corporation, to do or to cause to be done all such other acts and things in the opinion of such director or officer of the Corporation as may be necessary or desirable to satisfy securities and corporate regulators and in order to fulfill the intent of this foregoing resolution.”

The purpose of the Plan is to allow the Corporation to grant options to Directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Corporation. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to five years as determined by the Board of Directors of the Corporation and are required to have an exercise price no less than the closing market price of the Corporation's shares prevailing on the day that the option is granted. Pursuant to the Plan, the Board of Directors may from time to time authorize the issue of options to Directors, officers, employees and consultants of the Corporation and its subsidiaries or employees of companies providing management or consulting services to the Corporation or its subsidiaries. The Plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion. The Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

If the optionee ceases to be an eligible person as a result of termination for cause of such optionee by the Corporation any outstanding option held by such optionee on the date of such termination, whether in respect of option shares that are vested or not, shall be cancelled as of that date. If the optionee ceases to be an eligible person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Corporation's retirement policy then in force, or due to his or her termination by the Corporation other than for cause, or due to his or her voluntary resignation, the option then held by the optionee shall be exercisable to acquire unissued option shares at any time up to but not after the earlier of the expiry date and the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee or, the Board of Directors of the Corporation may, in its sole discretion if it determines such is in the best interests of the Corporation, extend the expiry date of the option of an optionee to a later date within a reasonable period.

The full text of the Plan will be available for review at the Meeting.

### **Approval of Stock Option Plan Resolution**

**In order to be approved, the Stock Option Plan Resolution must be passed by a simple majority of the votes cast at the Meeting by the Corporation's shareholders who vote in person or by proxy.**

**Unless otherwise directed, the management designees named in the accompanying Instrument of Proxy intend to vote in favour of the Stock Option Plan Resolution, approving and authorizing the Stock Option Plan. The Board recommends that the Shareholders vote FOR the Stock Option Plan Resolution at the Meeting.**

## **STATEMENT OF EXECUTIVE COMPENSATION**

### *Compensation Discussion and Analysis*

The Corporation's compensation philosophy for its "Named Executive Officer" or "NEO" is designed to attract well qualified individuals in what is essentially an international market by paying competitive base management fees plus short and long term incentive compensation in the form of stock options or other suitable long term incentives. The Board of Directors meets to discuss and determine executive compensation without reference to formal objectives, criteria or analysis. In making its determinations regarding the various elements of executive compensation, the Board of Directors does not benchmark its executive compensation program, but from time to time does review compensation practices of companies

of similar size and stage of development to ensure the compensation paid is competitive within the Corporation's industry and geographic location while taking into account the financial and other resources of the Corporation.

The duties and responsibilities of the President and CEO are typical of those of a business entity of the Corporation's size in a similar business and include direct reporting responsibility to the Board, overseeing the activities of all other executive and management consultants, representing the Corporation, providing leadership and responsibility for achieving corporate goals and implementing corporate policies and initiatives.

#### *Elements of Compensation*

The Corporation's executive compensation policy consists of an annual base salary and long term incentives in the form of stock options granted under the Corporation's Stock Option Plan.

The base salaries paid to officers of the Corporation are intended to provide fixed levels of competitive pay that reflect each officer's primary duties and responsibilities and the level of skill and experience required to successfully perform their role. The Corporation intends to pay base salaries to officers that are competitive with those for similar positions in the mining industry to attract and retain executive talent in the market in which the Corporation competes for talent. Base salaries of officers are reviewed annually by the Board of Directors.

The incentive component of the Corporation's compensation program is the potential longer term reward provided through the grant of stock options. The Corporation's Stock Option Plan is intended to attract, retain and motivate officers and Directors of the Corporation in key positions, and to align the interests of those individuals with those of the Corporation's shareholders. The Stock Option Plan provides such individuals with an opportunity to acquire a proprietary interest in the Corporation's value growth through the exercise of stock options. Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Corporation. The number of options granted to an individual is based on such considerations. Stock options are granted at an exercise price of not less than the prevailing market price of the Corporation's shares at the time of the grant, and for a term of exercise not exceeding ten years.

The Corporation has not currently identified specific performance goals or benchmarks as such relate to executive compensation, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the Corporation's industry. The stage of the Corporation's development and the small size of its specialized management team allow frequent communication and constant management decisions in the interest of developing shareholder value as a primary goal. As the Corporation progresses toward a revenue-producing entity, and performance goals are more apt to be delegated, particular performance goals will become more complex and measurable, and included in the compensation structure accordingly.

#### *Compensation Policies and Risk Management*

The Board of Directors considers the implications of the risks associated with the Corporation's compensation policies and practices when determining rewards for its officers. The Board of Directors intends to review at least once annually the risks, if any, associated with the Corporation's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Corporation's Stock Option Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Corporation and the shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Corporation or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Corporation and the current level of the Corporation's activity, the Board of Directors is able to closely monitor and consider any risks which may be associated with the Corporation's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Corporation are reviewed. No risks have been identified arising from the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

#### *Hedging of Economic Risks in the Corporation's Securities*

The Corporation has not adopted a policy prohibiting Directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Corporation's securities granted as compensation or held, directly or indirectly, by Directors or officers. However, the Corporation is not aware of any Directors or officers having entered into this type of transaction.

#### **Option-Based Awards**

The Corporation's Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Corporation. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Canadian Securities Exchange, and closely align the interests of the executive officers with the interests of shareholders.

The Board of Directors as a whole has the responsibility to administer the compensation policies related to the executive management of the Corporation, including option-based awards.

#### **Compensation Governance**

Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Corporation. The number of options granted to an individual is based on such considerations.

#### **Summary Compensation Table**

The following table (presented in accordance with National Instrument Form 51-102F6 (“Statement of Executive Compensation”) (the “Form 51-102F6”)) sets forth all annual and long term compensation for services in all capacities to the Corporation for the three most recently completed financial years of the Corporation in respect of each of the individuals comprised of each CEO and CFO who acted in such capacity for all or any portion of the most recently completed financial year, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (other than the CEO and the CFO), as at March 31, 2020, whose total compensation was, individually, more than \$150,000 for the financial year, and any individual who would have satisfied these criteria but for the fact that individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year (collectively the “Named Executive Officers” or “NEOs”).

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)(1)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
D. Mark Appleby President, CEO	2020	169,000	N/A	Nil <sup>(1)</sup>	N/A	N/A	N/A	Nil <sup>1</sup>	169,000
	2019	161,000	N/A	Nil	N/A	N/A	N/A	Nil	161,000
	2018	100,000	N/A	Nil	N/A	N/A	N/A	Nil	100,000
Dan Fuoco CFO	2020	Nil	N/A	Nil (1)	N/A	N/A	N/A	N/A	Nil
	2019	62,950	N/A	Nil	N/A	N/A	N/A	N/A	62,950
	2018	48,000	N/A	Nil	N/A	N/A	N/A	N/A	48,000
Aamer Siddiqui CFO <sup>(2)</sup>	2020	37,549	N/A	Nil (1)	N/A	N/A	N/A	N/A	37,549
	2019	6,780	N/A	Nil	N/A	N/A	N/A	N/A	6,780
	2018	Nil	N/A	Nil	N/A	N/A	N/A	N/A	Nil

- (1) The Corporation used the Black-Scholes pricing model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for each calculation: under the following assumptions: (i) risk free interest rate of 1.11%; (ii) expected dividend yield of Nil%; (iii) expected volatility of 100%; and (iv) an expected term of five years. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.
- (2) Mr. Siddiqui was appointed as CFO effective January 1, 2019.

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

The following table sets out all the option-based and share-based awards outstanding as at September 8, 2020 for each NEO:

<i>Name</i>	<i>Option-Based Awards</i>				<i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i>	<i>Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)</i>	<i>Market or payout value of vested share-based awards not paid out or distributed (\$)</i>
	<i>Number of Securities Underlying Unexercised Options (#)</i>	<i>Option Exercise Price (\$)</i>	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options <sup>(1)</sup> (\$)</i>			
D. Mark Appleby President, CEO	Nil	N/A	N/A	Nil (1)	Nil	Nil	Nil
Aamer Siddiqui CFO	Nil	N/A	N/A	Nil (1)	Nil	Nil	Nil

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

<i>Name</i>	<i>Option-Based Awards - Value Vested During The Year (\$)</i>	<i>Share-Based Awards - Value Vested During The Year (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
D. Mark Appleby, CEO	Nil	Nil	Nil
Aamer Siddiqui, CFO	Nil	Nil	Nil

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

The Corporation does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the NEOs.

## Pension Plan Benefits

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



## Termination and Change of Control Benefits

The Corporation has no compensatory plan, contract or agreement with any NEO.

## Director Compensation

From April 2017, the Corporation has paid NEO directors \$500 per month. The following table sets forth all amounts of compensation provided to the Directors, who are each not also an NEO, for the Corporation's most recently completed financial year:

<i>Director Name</i>	<i>Fees Earned (\$)</i>	<i>Share-Based Awards (\$)</i>	<i>Option-Based Awards<sup>(1)</sup> (\$)</i>	<i>Non-Equity Incentive Plan Compensation (\$)</i>	<i>Pension Value (\$)</i>	<i>All Other Compensation (\$)</i>	<i>Total (\$)</i>
Yves Pierre Clement	6,000	N/A	N/A	N/A	N/A	N/A	6,000
Douglas Flett	6,000	N/A	N/A	N/A	N/A	N/A	6,000

The Corporation has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Corporation for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Corporation has a Stock Option Plan for the granting of incentive stock options to the officers, employees and Directors. The purpose of granting such options is to assist the Corporation in compensating, attracting, retaining and motivating the Directors of the Corporation and to closely align the personal interests of such persons to that of the shareholders.

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

The following table sets forth information concerning all awards outstanding under incentive plans of the Corporation at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Directors who are not Named Executive Officers:

<i>Director Name</i>	<i>Option-Based Awards</i>				<i>Share-Based Awards</i>	
	<i>Number of Securities Underlying Unexercised Options (#)</i>	<i>Option Exercise Price (\$)</i>	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options <sup>(1)</sup> (\$)</i>	<i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i>	<i>Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)</i>
Yves Pierre Clement	500,000	0.07	June 8, 2021	\$50,000	Nil	Nil
Douglas Flett	500,000	0.07	June 8, 2021	\$50,000	Nil	Nil

(1) The value of unexercised in-the-money options is calculated based on the difference between the market value of the Corporation's shares as at September 3, 2020 and the exercise price of the options. The closing price of the Corporation's shares on the CSE on September 3, 2020 was \$0.17.

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

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

<i>Director Name</i>	<i>Option-Based Awards - Value Vested During The Year (\$)</i>	<i>Share-Based Awards - Value Vested During The Year (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
Yves Pierre Clement	Nil	N/A	N/A
D. Mark Appleby	Nil	N/A	N/A
Douglas Flett	Nil	N/A	N/A

The Corporation does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Directors.

## Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Corporation's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights (b)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i>
<i>Equity compensation plans approved by</i>	1,700,000	\$0.07	8,460,355
<i>Equity common share plans not approved by shareholders</i>	Nil	Nil	Nil
<i>Total holders</i>	1,700,000	\$0.07	8,460,355

## CORPORATE GOVERNANCE DISCLOSURE

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Corporation has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Corporation's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Corporation at its current stage of development and, therefore, these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

### Independence of Members of Board

The Corporation's current Board consists of four Directors, three of whom are independent based upon the tests for independence set forth in National Instrument 52-110 ("NI 52-110"). Yves Pierre Clement and Douglas Flett are independent. If appointed, Yves Pierre Clement would also be independent. D. Mark Appleby is not independent as he is the President and CEO of the Corporation.

### Management Supervision by Board

The operations of the Corporation do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Corporation's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors being present. Further supervision is performed through the use of special

committees as required and through the audit committee which is composed of a majority of independent Directors who meet with the Corporation's auditors without management being in attendance. The independent Directors also have access to the Corporation's outside legal counsel as required, and its officers.

### **Risk Management**

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Corporation under applicable securities laws and regulations.

The audit committee is responsible for the risk management items set out in the audit committee charter.

### **Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

### **Orientation and Continuing Education**

While the Corporation does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board of Directors, committees and copies of the Corporation's corporate governance policies;
2. access to recent, publicly filed documents of the Corporation, technical reports and the Corporation's internal financial information;
3. access to management and technical experts and consultants; and
4. summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Corporation's operations. Board members have full access to the Corporation's records.

### **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Corporation and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code.

### **Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates.

## **Compensation of Directors and the CEO**

The independent Directors are Yves Pierre Clement and Douglas Flett. These Directors have the responsibility for determining compensation for the Directors and senior management.

To determine compensation payable, the independent Directors review compensation paid for Directors and CEOs of companies of similar size and stage of development in the mineral exploration industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Corporation. In setting the compensation the independent Directors annually review the performance of the CEO in light of the Corporation's objectives and consider other factors that may have impacted the success of the Corporation in achieving its objectives.

## **Board Committees**

The Corporation has an Audit Committee comprised of Douglas Flett, D. Mark Appleby and Yves Clement. Special Committee's comprised of independent and non-conflicted Directors are formed to review any proposed non-arms length transactions. The Directors are actively involved in the operations of the Corporation and the size of the Corporation's operations does not warrant a larger board of Directors. The Board has determined that additional committees beyond the audit committee and special committee are not necessary at this stage of the Corporation's development.

## **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Corporation's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees. To assist in its review, the Board conducts informal surveys of its Directors.

## **Expectations of Management**

The Board expects management to operate the business of the Corporation in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Corporation's business plan and to meet performance goals and objectives.

## **Director Term Limits and Other Mechanisms of Board Renewal**

The Board is concerned that imposing inflexible director term limits or mandatory retirement ages would discount the value of experience of the Corporation's history and culture and the importance of continuity, and risk the loss of key directors. The Board has therefore elected not to adopt term limits or mandatory retirement policies, but rather relies on the collective experience and judgment of its members to determine when changes in the Board are appropriate. Shareholder feedback and voting results are also considered by the Board in this regard.

## **Diversity Policy**

The members of the Board have diverse backgrounds and expertise and were selected on the belief that the Corporation and its stakeholders would benefit from such a broad range of talent and experience. The Board

considers merit as the key requirement for board appointments. The Corporation has not adopted a written diversity policy and has sought to attract and maintain diversity at the Board level informally through the recruitment efforts of Management in discussion with directors prior to proposing nominees to the Board as a whole for consideration.

### **Consideration of the Representation of Women on the Board and in Executive Officer Appointments**

In identifying suitable Board nominees or in selecting and assessing candidates for executive positions, candidates will be considered on merit against objective criteria regarding business experience, skill sets, competencies, technical expertise, sector specific knowledge and with due regard for the benefit of diversity including the level of representation of women in these capacities. As the need for new directors or executive officers arises, the Board assesses candidates on the basis of industry experience and business acumen with specific knowledge of mineral exploration and development or other areas (such as finance, market experience in other areas) as desired at that particular time by the Corporation and the Board. Board candidates are also evaluated against the area of expertise of existing members so new appointments may contribute to expanding the Board's breadth of experience.

### **AUDIT COMMITTEE**

The Audit Committee Charter is attached as Appendix "A" to this information circular.

#### **Composition of the Audit Committee**

The following are the members of the Committee:

D. Mark Appleby	Non-Independent (1)	Financially literate <sup>(1)</sup>
Douglas Flett	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Yves Pierre Clement	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

<sup>(1)</sup> As defined by NI 52-110 – Audit Committee

#### **Audit Committee Member Education and Experience**

**Douglas Flett** is the Chairman of the Audit Committee. He has completed the Rotman Institute of Corporate Directors SME Program. Mr. Flett is experienced as a corporate director and is currently the chairman of KWG Resources Ltd. Mr. Flett's business knowledge and experience has provided him with an understanding of financial reporting to enable him to act as a member of the Audit Committee.

**D. Mark Appleby** has been involved in public companies for over 30 years. Through his involvement with public companies, Mr. Appleby has developed an understanding of financial reporting sufficient to enable him to act as a member of the Audit Committee.

**Yves Pierre Clement** has corporate experience as a director and officer of Canadian public companies. He was responsible for reviewing and vetting assets from a technical perspective and providing valuation estimates, analyzing and summarizing technical reports on resources, feasibility and corporate financial statements. Through his involvement with public companies, Mr. Clement has developed an understanding of financial reporting sufficient to enable him to act as a member of the Audit Committee.

## Audit Committee Oversight

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

## Reliance on Certain Exemptions

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

## Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

## Exemption in Section 6.1 of NI 52-110

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

## External Auditor Service Fees (By Category)

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

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
March 31, 2020	\$24,000	Nil	\$2,500	Nil
March 31, 2019	\$24,000	Nil	\$2,500	Nil

### 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) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years or assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

- (4) “All other fees” include 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.

### **Compensation Committee**

The Compensation Committee is a committee comprised of three directors whose primary purpose is to enable the Company to recruit, retain and motivate employees and ensure conformity between compensation and other corporate objectives and review and recommend for Board consideration, all compensation packages, both present and future, for the Company’s Management and directors (including annual retainer, meeting fees, bonuses and option grants) including any severance packages. A majority of the members shall not be officers or employees of the Company and shall be unrelated, independent directors.

Members of the Compensation Committee shall be appointed or reappointed at the meeting of the Board following the Company’s annual general meeting and from among the appointees to the Compensation Committee, the Board shall appoint a chairperson (the “Compensation Committee Chairperson”). The duties of the Compensation Committee Chairperson include overseeing the proper functioning of the Compensation Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Board.

The Compensation Committee will meet as often as may be necessary or appropriate in its judgment.

In exercising its mandate, the Compensation Committee sets the standards for the compensation of directors, employees and officers based on industry data and with the goal to attract, retain and motivate key persons to ensure the long term success of the Company. Compensation generally includes the three (3) following components: base salary, annual bonus based on performance and grant of stock options. The Compensation Committee takes into account the context of its activities and increased competition in the market for its key personnel while also taking into account the performance and objectives set forth for the Company.

The Compensation Committee is accountable to the Board and reports to the Board at its next regular meeting all deliberations and actions it has taken since any previous report. Minutes of Compensation Committee meetings will be available for review by any member of the Board on request to the Compensation Committee Chairperson.

The members of the Compensation Committee are D. Mark Appleby, Douglas Flett and Yves Pierre Clement.

### **Assessments**

The Board annually 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 stated 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 monitors the adequacy of information given to directors, communication between Board and Management and the strategic direction and processes of the Board and its committees.



The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

### **Other Board Committees**

Other than the Audit Committee and the Compensation Committee, the Board has no other committees. The directors are regularly informed of or are actively involved in the operations of the Corporation. The scope and size of the Corporation's operations and development does not currently warrant an increase in the size of the Board or the formation of additional committees, however, the Board periodically examines its size and constitution and may from time to time establish ad hoc committees to deal with specific situations.

### **Assessments**

The Board, as a whole, conducts informal annual assessments of its effectiveness and the effectiveness of individual directors and from time to time reviews and updates existing mandates or charters.

## **ADDITIONAL INFORMATION**

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

As at March 31, 2020, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Corporation which is owing to the Corporation or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Corporation, no proposed nominee for election as a Director of the Corporation and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation, in relation to a securities purchase program or other program.

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

Except as set out herein, no person who has been a Director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, no proposed nominee of management of the Corporation for election as a Director of the Corporation and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

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

Except as set out below, no informed person or proposed Director of the Corporation and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Corporation.

## **MANAGEMENT CONTRACTS**

No management functions of the Corporation are performed to any substantial degree by a person other than the Directors or executive officers of the Corporation.

Additional information relating to the Corporation is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Corporation at 1102 – 44 Victoria Street, Toronto, Ontario, M5C 1Y2, to request copies of the Corporation's financial statements and MD&A.

Financial information is provided in the Corporation's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

## **OTHER MATTERS**

Management of the Corporation is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 8<sup>th</sup> day of September, 2020.

## **BY ORDER OF THE BOARD OF DIRECTORS**

*"D. Mark Appleby"*

D. Mark Appleby, President and  
Chief Executive Officer

## APPENDIX “A”

### AUDIT COMMITTEE CHARTER FOR TARTISAN NICKEL CORP.

#### **Purpose for the Audit Committee**

The role of the Audit Committee (the “Committee”) is to oversee the policies and practices of Tartisan Nickel Corp. (the “Corporation”) relating to strategic and business planning, risk assessment and mitigation, the integrity of financial and regulatory reporting, the assurance that internal controls of the Corporation properly safeguard the assets of the Corporation, the reliability of financial information and the Corporation’s compliance with policies and legislation.

#### **Composition and Establishment of the Audit Committee**

The Audit Committee shall be comprised of at least three members, the majority of whom shall not be employees, control persons or officers of the Corporation or any of its associates or affiliates. The appointment or re-appointment of members of the Audit Committee shall occur each year following the Corporation’s annual general meeting. Each member shall hold such position until his or her successor is appointed. The removal or replacement of any member may occur at any time at the discretion of the board of directors (the “Board”).

Each member of the Audit Committee shall possess financial knowledge, comprehension and experience with respect to financial statements.

#### **Chair and Secretary**

The Chair of the Audit Committee shall be appointed by the Board and shall serve in such capacity until the earlier occurrence of:

1. his/her successor being appointed;
2. his/her resignation; or
3. his/her removal by the Board.

If the Chair is unable to attend a meeting of the Audit Committee, an alternate Chair may be designated by majority vote of the members present at such meeting. The Secretary- Treasurer of the Corporation shall act as Secretary for meetings of the Audit Committee. If the Secretary-Treasurer of the Corporation is unable to attend a meeting, the Chair may appoint an alternate secretary from the other members of the Audit Committee present at such meeting.

#### **Meetings of the Audit Committee**

The Committee shall meet on no less than four occasions. The date, time and location for each meeting shall be provided to each member not less than 48 hours prior to when the meeting is to be held. A notice of meeting may be delivered to a member in person, by mail or electronic communication. A member may,

in any manner, waive notice of or otherwise consent to a meeting. The calling of and procedures at such meetings shall be determined by the Chair of the Committee in consultation with Management. An agenda for a meeting may be contained in the notice of meeting and shall be provided to each member of the Committee prior to such meeting in order to permit adequate preparation time by each member. A member may participate in a meeting in person or by way of telephone provided all members can communicate with each other simultaneously and instantaneously. If a member participates by way of telephone, that member shall be deemed to be present at such meeting. A quorum for meetings of the Committee shall be a majority of the members.

The Chair shall ensure the preparation of the minutes of any meeting held by the Audit Committee which shall then be distributed and reviewed by all members of the Audit Committee. The minutes shall be executed by the Chair and Secretary of the meeting following which such minutes shall be inserted into the corporate minute book of the Corporation.

Resolutions of the Audit Committee may be passed in writing in lieu of a meeting and following execution will be inserted into the corporate minute book of the Corporation.

### **Resources and Authority of the Audit Committee**

The Committee shall have the authority to:

1. engage independent counsel and other advisors and experts as it deems necessary in order to carry out its duties;
2. set or approve the compensation of any of the advisors referred to in paragraph 1 above which costs shall be borne by the Corporation;
3. communicate directly with and have unrestricted access to the internal and external auditors of the Corporation without Management being present;
4. conduct any investigation that it deems necessary or appropriate in order to fulfill its responsibilities, including the inspection of all of the books and records of the Corporation and its subsidiaries;
5. request the attendance of the external or internal auditors or an officer, employee or consultant to the Corporation at any meeting of the Audit Committee; and
6. delegate its authority and duties to individual members or subcommittees of the Committee as it considers appropriate.

### **Responsibilities of the Audit Committee**

The Committee has adopted this written charter setting out its overall mandate and responsibilities as prescribed in Multilateral Instrument 52-110 which include, but is not necessarily to be limited to, the following:

1. identifying principal risks to the business and ensuring appropriate risk management processes are in place;

2. charging Management of the Corporation (“Management”) with responsibility for developing and implementing procedures that:
  - (a) ensure internal financial controls are appropriately designed, implemented and monitored; and
  - (b) ensure reporting and disclosure of financial information is complete, accurate and timely;
3. assisting the Board with fulfilling its oversight responsibilities relating to:
  - (a) strategic planning and annual business planning;
  - (b) identification of business risk and mitigation techniques;
  - (c) accounting policies, procedures and financial reporting controls and processes;
  - (d) the quality and integrity of the financial statements of the Corporation to be provided to the public and other third parties;
  - (e) The qualifications and performance of the external auditors of the Corporation; and
  - (f) compliance with applicable regulatory policies and legal requirements with respect to financial reporting.
4. providing improved communication between the Board and the external auditor and managing their relationship by:
  - (a) strengthening the role of the Board by facilitating in-depth discussions amongst the Board, Management and the external auditors;
  - (b) considering the selection, nomination, retention, termination and compensation of the external auditor;
  - (c) making recommendations to the Board with respect to items relating to financial and regulatory reporting and the system of internal controls;
  - (d) overseeing the scope of services provided by the external auditor including, but not limited to, the preparation or issuance of an auditor’s report or performing other audit, review and attest services for the Corporation including the resolution of any disagreements which may arise between Management and the external auditor with respect to financial reporting;
  - (e) requiring the external auditors to report directly to the Audit Committee;
  - (f) reviewing the audit plan of the external auditor and the integration of the external audit with  
the Corporation’s internal control program;

- (g) periodically reviewing and discussing with Management and the external auditor the quality and acceptability of the Corporation's accounting policies and practices, material accounting treatments and written communications, i.e. Management representation letters; and
  - (h) approving all non-audit services to be provided to the Corporation by the external auditor. The Audit Committee has delegated to the Chair the authority to pre-approve non-audit services up to an amount of \$10,000 with such pre-approval services presented at the next scheduled Audit Committee meeting following such pre-approval.
5. reviewing the Corporation's annual financial statements and management's discussion and analysis of financial and operating results ("MD&A") and recommending the annual financial statements to the Board for approval prior to filing with the securities regulatory authorities and delivery of same to the Corporation's shareholders;
  6. overseeing the preparation and filing of a reporting package when a change of the external auditor occurs;
  7. reviewing the Corporation's quarterly financial statements and MD&A prior to such information becoming publicly disclosed;
  8. reviewing and discussing with Management the Corporation's annual and interim earnings press releases;
  9. satisfying itself that adequate procedures of the Corporation's internal controls are in place for the review of the Corporation's public disclosure of financial information extracted or derived from its financial statements and periodically assessing the adequacy of those procedures;
  10. reviewing and approving the Corporation's hiring policies regarding partners, employees and former partners and employees of the external auditor of the Corporation;
  11. evaluating annually the external auditor's independence and performance and reporting to the Board;
  12. ensuring that a record is maintained listing the registered holders and beneficial owners of shares of the Corporation who have requested provision of a copy of the Corporation's financial statements or MD&A and ensuring timely delivery of same;
  13. reviewing and assessing the Committee's charter on an annual basis and recommending any proposed changes to the Corporate Governance Committee, upon its formation, and/or the Board for approval; and
  14. reviewing and assessing annually, the Committee's effectiveness as well as the effectiveness and contributions of each of its members.

### **Limitations on the Oversight Role of the Audit Committee**

Management is responsible for the preparation of the Corporation's financial statements. The external auditor of the Corporation is responsible for the auditing the financial statements and is accountable to the Committee as representatives of the shareholders of the Corporation. The Committee is responsible for overseeing the activities of Management and the external auditor with respect to the preparation of financial statements. The Board recognizes that the members of the Committee are not full-time employees and that, with the exception of the Chair, none of them represents themselves to be an accountant or experienced in the preparation of financial statements. None of the Committee members, including the Chair, are auditors by profession, nor expert in the field of accounting or auditing. It is not the duty or responsibility of the Committee to conduct field work or other types of auditing or accounting review.

Each member of the Audit Committee is entitled to rely on the integrity of those persons and organizations within and outside of the Corporation from whom each member receives information and the accuracy of the financial or other information provided to them by such persons or organizations. It is not the duty of the Committee to plan or conduct audits or determine that the financial statements of the Corporation are complete and accurate and in accordance with generally accepted accounting principles or applicable rules and regulations.

## APPENDIX “B”

### TARTISAN NICKEL CORP. STOCK OPTION PLAN

#### 1. PURPOSE OF PLAN

1.1 The purpose of the Plan is to attract, retain and motivate persons as directors, officers, key employees and consultants of the Corporation and its Subsidiaries and to advance the interests of the Corporation by providing such persons with the opportunity, through share options, to acquire an increased proprietary interest in the Corporation.

#### 2. DEFINED TERMS

Where used herein, the following terms shall have the following meanings, respectively:

- 2.1 “**Board**” means the board of directors of the Corporation or, if established and duly authorized to act, the Executive Committee or another Committee appointed for such purpose by the board of directors of the Corporation;
- 2.2 “**Business Day**” means any day, other than a Saturday or a Sunday, on which the Exchange is open for trading and if the Corporation is not listed on any exchange, any day when the major chartered banks in Toronto are open for business;
- 2.3 “**Consultant**” means an individual (including an individual whose services are contracted through a personal holding corporation) with whom the Corporation or any Subsidiary has a contract for substantial services;
- 2.4 “**Corporation**” means Tartisan Nickel Corp. and includes any successor corporation thereto and any subsidiary thereof;
- 2.5 “**Eligible Person**” means any director, officer, employee (part-time or full-time), service provider or Consultant of the Corporation or any Subsidiary;
- 2.6 “**Exchange**” means the CSE Exchange while listed on the CSE Exchange;
- 2.7 “**Expiry Date**” means a date not later than 3 years from the date of grant of an option;
- 2.8 “**Insider**” means:(a)an Insider as defined under Section 1 (1) of the *Securities Act (Ontario)*, other than a person who falls within that definition solely by virtue of being a director or senior officer of a Subsidiary; and(b)an associate as defined under Section 1 (1) of the *Securities Act(Ontario)* of any person who is an insider by virtue of (a) above;
- 2.9 “**Option**” means an option to purchase Shares granted under the Plan;
- 2.10 “**Option Price**” means the price per Share at which Shares may be purchased under the Option, as the same may be adjusted from time to time in accordance with Article 8;
- 2.11 “**Optionee**” means an Eligible Person to whom an Option has been granted;



- 2.12 “**Person**” means an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual and an associate or affiliate of any thereof as such terms are defined in the *Business Corporations Act (Ontario)*;
- 2.13 “**Plan**” means the Tartisan Nickel Corp. Stock Option Plan, as the same may be amended or varied from time to time;
- 2.14 “**Share Compensation Arrangement**” means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- 2.15 “**Shares**” means the common shares of the Corporation or, in the event of an adjustment contemplated by Article 8, such other shares or securities to which an Optionee may be entitled upon the exercise of an Option as a result of such adjustment; and
- 2.16 “**Subsidiary**” means any corporation which is a subsidiary as such term is defined in the *Business Corporations Act (Ontario)* (as such provision is from time to time amended, varied or re-enacted) of the Corporation.
- 2.17 “**Tartisan**” means “Tartisan Nickel Corp.”

### 3. **ADMINISTRATION OF THE PLAN**

- 3.1 The Plan shall be administered in accordance with the rules and policies of the Exchange in respect of employee stock option plans by the Board. The Board shall receive recommendations of management and shall determine and designate from time to time those directors, officers, employees and Consultants of the Corporation or its Subsidiaries to whom an Option should be granted and the number of Shares, which will be optioned from time to time to any Eligible Person and the terms and conditions of the grant.
- 3.2 Subject to compliance with Exchange policy, the Board shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan:
- (a) to establish policies and to adopt, prescribe, amend or vary rules and regulations for carrying out the purposes, provisions and administration of the Plan and make all other determinations necessary or advisable for its administration;
  - (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Option granted pursuant to the Plan and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;
  - (c) to determine which Eligible Persons are granted Options and to grant Options;
  - (d) to determine the number of Shares covered by each Option;
  - (e) to determine the Option Price;
  - (f) to determine the time or times when Options will be granted and exercisable;

- (g) to determine if the Shares which are subject to an Option will be subject to any restrictions upon the exercise of such Option; and
- (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of Options.

#### **4. SHARES SUBJECT TO THE PLAN**

- 4.1 Options may be granted in respect of authorized and unissued Shares provided that, the maximum aggregate number of Shares reserved by the Corporation for issuance and which may be purchased upon the exercise of all Options, subject to adjustment of such number pursuant to the provisions of Section 8 hereof, shall not exceed 10% of the then issued and outstanding Shares of the Corporation. Shares in respect of which Options are not exercised shall be available for subsequent Options under the Plan. No fractional Shares may be purchased or issued under the Plan.
- 4.2 The terms of an option may not be amended once issued. If an option is cancelled prior to its expiry date, TARTISAN 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.

#### **5. ELIGIBILITY; GRANT; TERMS OF OPTIONS**

- 5.1 Options may be granted to Eligible Persons. The Corporation covenants that all employees, service providers, Consultants or individuals employed by companies providing management services to the Corporation shall be bona fide employees, service providers, Consultants or employees of such Consultants or service providers of the Corporation or its subsidiaries.
- 5.2 Options may be granted by the Corporation pursuant to the recommendations of the Board from time to time provided and to the extent that such decisions are approved by the Board.
- 5.3 Subject to the provisions of this Plan, the number of Shares subject to each Option, the Option Price, the expiration date of each Option, the extent to which each Option is exercisable from time to time during the term of the Option and other terms and conditions relating to each such Option shall be determined by the Board. At no time shall the period during which an Option shall be exercisable exceed 5 years.
- 5.4 In the event that no specific determination is made by the Board with respect to any of the following matters, the period during which an Option shall be exercisable shall be 5 years from the date the Option is granted to the Optionee and the Options shall vest on the date of the grant save and except that Options granted to persons employed in Investor Relations Activities (as defined in the policies of the Exchange) shall vest in stages over 12 months with no more than  $\frac{1}{4}$  of the Options vesting in any three month period from the date of grant.
- 5.5 TARTISAN shall not grant stock options with an exercise price 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.
- 5.6 The maximum number of Shares which may be reserved for issuance to any one Optionee under this Plan or under any other Share Compensation Arrangement shall not exceed 5% of the Shares

outstanding at the date of the grant (on a non-diluted basis) in any 12 month period.

- 5.7 Notwithstanding section 5.6 herein, the maximum number of Shares which may be reserved for issuance to Insiders under the Plan or under any other Share Compensation Arrangement shall be 10% of the Shares outstanding at the date of the grant (on a non-diluted basis).
- 5.8 The maximum number of Shares which may be issued to any one Insider and such Insider's associates under the Plan and any other Share Compensation Arrangement in any 12-month period shall be 5% of the Shares outstanding at the date of the issuance (on a non-diluted basis). The maximum number of Shares which may be issued to any Insiders under the Plan and any other Share Compensation Arrangement in any 12-month period shall be 10% of the Shares outstanding at the date of the issuance (on a non-diluted basis).
- 5.9 The maximum number of shares which may be reserved for issuance to persons employed in Investor Relations Activities under the Plan or under any other Share Compensation Arrangement in any 12 month period shall not exceed 2% of the Shares outstanding at the date of grant (on a non-diluted basis).
- 5.10 The maximum number of shares which may be reserved for issuance to any one person employed as an employee, service provider, or consultant under the Plan or any other Share Compensation Arrangement shall not exceed 2% of the Shares outstanding at the date of the grant (on a non-diluted basis).
- 5.11 Any entitlement to acquire Shares granted pursuant to the Plan or any other Share Compensation Arrangement prior to the Optionee becoming an Insider shall be excluded for the purposes of the limits set out in 5.7 and 5.8 above.
- 5.12 An Option is personal to the Optionee and is non-assignable and non-transferable.

## **6. EXERCISE OF OPTIONS**

- 6.1 Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its registered office of a written notice of exercise addressed to the Secretary of the Corporation specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the Option Price of the Shares to be purchased. Certificates for such Shares shall be issued and delivered to the Optionee within a reasonable period of time following the receipt of such notice and payment.
- 6.2 Notwithstanding any of the provisions contained in the Plan or in any Option, the Corporation's obligation to issue Shares to an Optionee pursuant to the exercise of an Option shall be subject to:
  - (a) completion of such registration or other qualification of such Shares or obtaining approval of such governmental or regulatory authority as counsel to the Corporation shall reasonably determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; and
  - (b) the receipt from the Optionee of such representations, agreements and undertakings, including as to future dealings in such Shares, as the Corporation or its counsel reasonably determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

In this connection the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on the Exchange.

## **7. TERMINATION OF EMPLOYMENT**

- 7.1 Subject to Section 7.2 and any express resolution passed by the Board with respect to an Option, an Option, and all rights to purchase pursuant thereto, shall expire and terminate on the earlier of the Expiry Date or 30 days after the Optionee ceasing to be a director, officer or a part-time or full-time employee or service provider of the Corporation or of any Subsidiary. The entitlement of a Consultant to Options including the termination thereof shall be in accordance with the terms of the consulting agreement entered into between the Corporation or the Subsidiary and the Consultant.
- 7.2 If, before the expiry of an Option in accordance with the terms thereof, the employment of the Optionee with the Corporation or with any Subsidiary shall terminate, in either case by reason of the death of the Optionee, such Option may, subject to the terms thereof and any other terms of the Plan, be exercised by the legal representative(s) of the estate of the Optionee at any time during the first six months following the death of the Optionee (but prior to the expiry of the Option in accordance with the terms thereof) but only to the extent that the Optionee was entitled to exercise such Option at the date of the termination of his employment.
- 7.3 Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director where the Optionee continues to be employed by the Corporation or Subsidiary or continues to be a director of the Corporation or Subsidiary or an officer of the Corporation or any Subsidiary.

## **8. CHANGE IN CONTROL AND CERTAIN ADJUSTMENTS**

- 8.1 Notwithstanding any other provision of this Plan in the event of:
- (a) the acquisition by any Person who was not, immediately prior to the effective time of the acquisition, a registered or a beneficial shareholder in the Corporation, of Shares or rights or options to acquire Shares of the Corporation or securities which are convertible into Shares of the Corporation or any combination thereof such that after the completion of such acquisition such Person would be entitled to exercise 50% or more of the votes entitled to be cast at a meeting of the shareholders; or
  - (b) the sale by the Corporation of all or substantially all of the property or assets of the Corporation; then notwithstanding that at the effective time of such transaction the Optionee may not be entitled to all the Shares granted by the Option, the Optionee shall be entitled to exercise the Options to the full amount of the Shares remaining at that time within 90 days of the close of any such transaction.
- 8.2 If there is any change in the Shares through or by means of a declaration of stock dividends or cash dividends or consolidations, subdivisions or reclassifications of Shares, or otherwise, the number of Shares subject to any Option, and the exercise price thereof and the maximum number of Shares which may be issued under the Plan shall be adjusted appropriately by the Board and such adjustment shall be effective and binding for all purposes of the Plan. An adjustment under 8.2 (the "Adjustment Provisions") will take effect at the time of the event giving rise to the adjustment, and the Adjustment Provisions are cumulative. The Company will not be required to issue fractional

Shares in satisfaction of its obligations hereunder. Any fractional interest in a Share that would, except for this provision, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company. The appropriate adjustment in any particular circumstance shall be conclusively determined by the Board in its sole discretion, subject to approval by the Shareholders of the Corporation and to acceptance by the Exchange respectively, if applicable

## **9. AMENDMENT OR DISCONTINUANCE**

- 9.1 The Board may amend or discontinue the Plan at any time upon receipt of requisite regulatory approval including without limitation, the approval of the Exchange, provided, however, that no such amendment may increase the maximum number of Shares that may be optioned under the Plan.

## **10. MISCELLANEOUS PROVISIONS**

- 10.1 The holder of an Option shall not have any rights as a shareholder of the Corporation with respect to any of the Shares covered by such Option until such holder shall have exercised such Option in accordance with the terms of the Plan (including tendering payment in full of the Option Price of the Shares in respect of which the Option is being exercised) and the issuance of Shares by the Corporation.
- 10.2 Nothing in the Plan or any Option shall confer upon an Optionee any right to continue in the employ of the Corporation or any Subsidiary or affect in any way the right of the Corporation or any Subsidiary to terminate his employment at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Subsidiary to extend the employment of any Optionee beyond the time which he would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.
- 10.3 To the extent required by law or regulatory policy or necessary to allow Shares issued on exercise of an Option to be free of resale restrictions, the Corporation shall report the grant, exercise or termination of the Option to the Exchange and the appropriate securities regulatory authorities.

## **11. SHAREHOLDER AND REGULATORY APPROVAL**

- 11.1 The Plan shall be subject to the approval of the shareholders of the Corporation to be given by a resolution passed at a meeting of the shareholders of the Corporation in accordance with the *Business Corporations Act, (Ontario)* and to acceptance by the Exchange, if applicable. Any Options granted prior to such approval and acceptances shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless such approval and acceptance is given.