

**YORK HARBOUR METALS INC.**  
**3012 Murray Street, Port Moody, BC, V3H 1X2**  
**Tel: 604 341-6870**

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

NOTICE IS HEREBY GIVEN THAT the annual general and special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of common shares of York Harbour Metals Inc. (the "**Company**") will be held at 700 – 595 Burrard Street, Vancouver, British Columbia, on July 10, 2024 at 10:30 am (Vancouver time), for the following purposes:

1. to receive the Company's audited financial statements for the financial years ended January 31, 2024, and 2023, together with the report of the auditors thereon;
2. to fix the number of directors to be elected at the Meeting at four (4);
3. to elect the directors of the Company until the next annual general meeting of the Company, as more particularly described in the accompanying management information circular dated June 11, 2024 (the "**Circular**");
4. to re-appoint MS Partners LLP, as the Company's auditor for the ensuing year, and to authorize the directors of the Company to fix the remuneration to be paid to the auditor;
5. to approve the Company's 10% "rolling" stock option plan, as more particularly described in the accompanying Circular;
6. to approve the Company's restricted share unit plan, as more particularly described in the accompanying Circular; and
7. to transact any other business that may properly come before the Meeting and any adjournment(s) or postponement(s) thereof.

A management information circular and a form of proxy ("**Proxy**") accompany this Notice. The Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice. Only Shareholders of record at the close of business on June 5, 2024, will be entitled to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxyholder to attend and vote in his or her place. If you are unable to attend the Meeting or any adjournment in person, please read the instructions accompanying the enclosed form of Proxy and then complete, sign, and date the Proxy and then return it within the time and to the location set out in the instructions. The Company's management is soliciting the enclosed form of Proxy; however, as set out in the instructions, you may amend the Proxy if you wish by striking out the names listed thereon and inserting in the space provided the name of the person you want to represent you at the Meeting.

Please advise the Company of any change in your address.

DATED as of this 11<sup>th</sup> day of June, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) "Blair L. Naughty"*

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Blair L. Naughty, President & CEO

**YORK HARBOUR METALS INC.**  
**3012 Murray Street, Port Moody, BC, V3H 1X2**  
**Tel: 604 341-6870**

**MANAGEMENT INFORMATION CIRCULAR**  
**as of June 11, 2024**

**MANAGEMENT SOLICITATION OF PROXIES**

**This Management Information Circular (the "Circular") is furnished to you in connection with the solicitation of proxies by management of York Harbour Metals Inc. ("we", "us" or the "Company") for use at the annual general & special meeting (the "Meeting") of shareholders of the Company to be held on Wednesday July 10, 2024 at 10:30 a.m. (Vancouver time), and at any adjournment of the Meeting.** We will conduct the solicitation by mail and our officers, directors and employees may, without receiving special compensation, contact shareholders by telephone, electronic means or other personal contact. We will not specifically engage employees or soliciting agents to solicit proxies. We do not reimburse shareholders, nominees or agents (including brokers holding shares on behalf of clients) for their costs of obtaining authorization from their principals to sign forms of proxy. We will pay the expenses of this solicitation.

**APPOINTMENT OF PROXY HOLDER**

The persons named as **proxy holders** in the enclosed form of proxy are our directors or officers. **As a shareholder, you have the right to appoint a person (who need not be a shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

**VOTING BY PROXY**

**The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.**

**The enclosed form of proxy gives the persons named as proxy holders discretionary authority regarding amendments or variations to matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Circular, our management is**

not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. **However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgement.**

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an "X" in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. **In that case, the proxy holders nominated by management will vote the shares represented by your proxy in accordance with their judgment.**

### RETURN OF PROXY

You must deliver the completed form of proxy to the office of our registrar and transfer agent, Computershare Investor Services Inc., by fax to +1-888-453-0330 or by hand or mail to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or to the Company's head office at the address listed on the cover page of this Management Information Circular, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Meeting or any adjournment thereof. You may also vote by telephone and by online voting. Please see the form of proxy for instructions for telephone and online voting.

### ADVICE TO NON-REGISTERED SHAREHOLDERS

Only shareholders whose names appear on our records or validly appointed proxyholders are permitted to vote at the Meeting. Most of our shareholders are "non-registered" shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee, or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a "Nominee"). If you purchased your shares through a broker, you are likely a non-registered shareholder.

These security holder materials are being sent to both registered 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 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 request for voting instructions.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as "NOBOs". Those non-registered Holders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as "OBOs".

## REVOCATION OF PROXY

If you are a registered shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) signing a proxy bearing a later date; or
- (b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy; or
- (c) attending the Meeting in person and registering with the scrutineer as a registered shareholder present in person.

The later proxy or the notice of revocation must be delivered to the office of our registrar and transfer agent or to our head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered shareholder who wishes to revoke a proxy authorization form (voting instructions) or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

## VOTING SHARES AND PRINCIPAL SHAREHOLDERS

We are authorized to issue an unlimited number of common shares without par value, of which 68,529,047 common shares were issued and outstanding as of June 5, 2024.

Persons who are registered shareholders as of the close of business on June 5, 2024 will be entitled to receive notice of, attend, and vote at the Meeting. On a show of hands, every shareholder and proxy holder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each share. In order to approve a motion proposed at the Meeting, a majority of more than 50% of the votes cast will be required to pass an ordinary resolution and a majority of at least 75% of the votes cast will be required to pass a special resolution.

**To the knowledge of our directors and executive officers, no persons, with the exception of the following, beneficially owns or exercises control or direction over, directly or indirectly, common shares of the Company carrying more than 10% of all the voting rights attached to shares of the Company as of June 5, 2024.**

**Mr. Blair Naughty, the Company's President and CEO, beneficially owns 9,449,815 common shares representing 13.79% of the issued and outstanding shares of the Company.**

## FINANCIAL STATEMENTS

The audited financial statements of the Company for the Company's fiscal year ending January 31, 2024, the report of the auditor thereon and the related management's discussion and analysis were filed on SEDAR+ at www.sedarplus.ca and will be tabled at the Meeting and will be available at the Meeting.

## ELECTION OF DIRECTORS

### Fix the Number of Directors

Our directors are elected at each annual general meeting and hold office until the next annual general meeting or until that person sooner ceases to be a director. Shareholders will be asked to pass an ordinary resolution to set the number of directors at four (4) for the next year, subject to any increases permitted by the Company's Articles of Incorporation, by-laws, or the *Business Corporations Act* (British Columbia) ("**BCBCA**").

There are currently six (6) directors of the Company. Management proposes that the number of directors be fixed at four (4). Mr. Bruce Durham and Mr. Roger Baer will not be standing for re-election at the Meeting. Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected to be fixed at four (4). **Unless otherwise directed, it is the intention of management proxyholders to vote proxies, in the accompanying form, FOR the approval of setting the number of directors to be elected at the meeting at four (4).**

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below, all of whom are presently members of the Board of Directors. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the shares represented by the proxy for the election of any other person or persons as directors.

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them:

Name, Province or State and Country of Residence and Present Office Held <sup>(1)</sup>	Periods Served as Director	Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised <sup>(2)</sup>
<b>Blair Naughty</b> <sup>(1)(2)(3)(5)</sup> British Columbia <i>President &amp; CEO &amp; Director</i>	June 3, 2024 to present	9,449,815 <sup>(5)</sup>
<b>Leo P. Power</b> <sup>(1)(2)(4)</sup> Newfoundland and Labrador <i>Director</i>	February 18, 2022 to present	nil

<b>Michael Williams</b> <sup>(1)(2)(3)(4)</sup> British Columbia  <i>Director and Executive Chairman</i>	October 25, 2022 to present	nil
<b>Richard Macey</b> <sup>(1)(2)(4)</sup> Ontario  <i>Director</i>	June 3, 2024 to present	nil

(1) See below for description of principal occupations for past five years.

(2) As of record date June 5, 2024.

(3) Blair Naughty was appointed President & CEO on February 1, 2024; Michael Williams was appointed Executive Chairman and director on October 25, 2022.

(4) Denotes a member of our Audit Committee. Michael Williams is the Chair.

(5) Shares beneficially held by Canal Front Investments Inc., of which Blair Naughty is a principal.

### **Blair Naughty, Director, President & CEO**

Bringing over 35 years of experience in the securities, capital markets, and venture capital sectors, Blair Naughty stands at the forefront of guiding York Harbour Metals through its next growth phase. His career, which spans roles at Midland Walwyn, Sprott Securities, and Yorkton Securities, along with his achievements as a venture capitalist and entrepreneur, has given him an extensive understanding of the mining sector and public market dynamics. This blend of experience positions him ideally to steer the company towards new heights.

### **Leo Power, Director**

Mr. Power has demonstrated leadership within the mining sector and understands the complexities of the resource and metals markets. He holds two graduate degrees including an MBA from the Kellogg-Schulich Joint MBA program and a Master of Oil and Gas Studies from Memorial University and he is a graduate of the Directors Education Program at the Rotman School of Management at the University of Toronto. Mr. Power has previously worked at senior levels within the Government of Canada and the Government of Newfoundland and Labrador. His current directorships include: Director, Q2 Metals Corp. (TSX.V:QTWO); CEO and Director, LNG Newfoundland and Labrador Limited.

### **Michael Williams, Director & Executive Chairman**

Mr. Williams brings over 25 years of experience as a senior executive within the mining. His experience includes the structuring of, administrating, raising capital globally and marketing Toronto Stock Exchange listed companies. Mr. Williams has held senior roles in several successful public companies including Underworld Resources Ltd., which was sold to Kinross Gold Corp. for \$138M. He has developed an international banking and financing network that includes extensive contacts with both institutional and retail investors. He has raised significant equity capital for, and raised the profile of, a number of advanced

exploration and development projects. Mr. Williams is the Founder and Executive Chairman of Aftermath Silver and currently serves as a Director, President & CEO of Vendetta Mining Corp.

**Richard Macey, Director**

Mr. Macey has gained considerable financial and business experience through his involvement with various reporting issuers since 2009 in the natural resources sector. He has acted as a director and officer of several public companies and has also owned and operated his own business for over 25 years. Directorships of junior resource companies including Gold Hunter Resources Inc., Newfoundland Discovery Corp., and Silver Sands Resources Corp.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Company's management, no proposed director of the Company:

- (a) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director, CEO or CFO of any company (including the Company) that:
  - (i) was subject to a cease trade or similar order or an order that denied such other issuer access to any exemption under securities legislation for more than thirty consecutive days, that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
  - (ii) was subject to a cease trade or similar order or an order that denied such other issuer access to any exemption under securities legislation for more than thirty consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or
- (b) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

Leo Power is a director of 68870 Newfoundland & Labrador Inc., a private company (“68870”), which previously owned and operated a restaurant located in St. John’s, Newfoundland & Labrador. Mr. Power was also a shareholder of 68870 through a holding company and a guarantor of certain liabilities of 68870. The restaurant failed and on April 6, 2016, 68870 made a proposal under the Bankruptcy and Insolvency Act at Court No. 20361 and Estate No. 51-209033 for a settlement which was approved by creditors and received court approval. The settlement amount was paid to 68870’s creditors and 68870, the directors of 68870 (including Mr. Power) and certain shareholders of 68870 who had guaranteed a portion of 68870’s debts were all released from their obligations. The foregoing information, not being within the knowledge of the Company, has been furnished by the proposed director.



- (c) has, within the 10 years before the date of this 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 other 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.

**Management recommends the election of each nominee as a director of the Company to hold office until the Company's next annual general meeting. It is the intention of the persons named in the accompanying Proxy, if not expressly directed to the contrary in such Proxy, to vote such Proxies FOR the election of each nominee as a director of the Company.**

#### EXECUTIVE COMPENSATION

Securities laws require that a "Statement of Executive Compensation" in accordance with Form 51-102F6V be included in this Information Circular. Form 51-102F6V prescribes the disclosure requirements in respect of the compensation of executive officers and directors of reporting issuers. Form 51-102F6V provides that compensation disclosure must be provided for the Chief Executive Officer and the Chief Financial Officer of an issuer and the most highly compensated executive officers whose total compensation exceeds \$150,000 for the two most recently completed and reported financial years. Based on those requirements, the executive officers of the Company for whom disclosure is required under Form 51-102F6V are: R. Bruce Durham (who became CEO and President effective October 25, 2022 until his resignation on February 1, 2024); Michael Williams (who became Executive Chairman effective October 25, 2022) during the two most recently completed and reported financial years; Andrew Lee (who was Managing Director during the two most recently completed and reported financial years from October 25, 2022, until his resignation on January 22, 2024) and Sean Choi (who was CFO during the two most recently completed and reported financial years from April 23, 2014, until his resignation on June 1, 2024).

For the purpose of this Statement of Executive Compensation:

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

"NEO" or "named executive officer" means:

- (a) each individual who served as chief executive officer ("CEO") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer ("CFO") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

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

"underlying securities" means any securities issuable on conversion, exchange or exercise of compensation securities.

#### Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof during the last two fiscal years to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and position	Year <sup>(1)</sup>	Salary, consulting fee, retainer or commission <sup>(2)</sup> (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites <sup>(3)</sup> (\$)	Value of all Other compensation (\$)	Total compensation (\$)
Sean Choi <sup>(4)</sup>	2024	120,000	Nil	Nil	Nil	Nil	120,000

Name and position	Year <sup>(1)</sup>	Salary, consulting fee, retainer or commission <sup>(2)</sup> (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites <sup>(3)</sup> (\$)	Value of all Other compensation (\$)	Total compensation (\$)
Former CFO	2023	104,000	Nil	Nil	Nil	Nil	104,000
<b>Andrew Lee</b> <sup>(5)</sup>	2024	120,000	Nil	Nil	Nil	Nil	120,000
Former Director and Managing Director	2023	160,000	Nil	Nil	Nil	Nil	160,000
<b>Roger Baer</b> <sup>(6)</sup>	2024	Nil	Nil	Nil	Nil	Nil	Nil
Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>R. Bruce Durham</b> <sup>(7)</sup>	2024	170,000	Nil	Nil	Nil	Nil	170,000
Director, former CEO and President	2023	140,000	Nil	Nil	Nil	Nil	140,000
<b>Leo P. Power</b> <sup>(8)</sup>	2024	75,000	Nil	Nil	Nil	Nil	75,000
Director	2023	25,000	Nil	Nil	Nil	Nil	25,000
<b>J. Douglas Blanchflower</b> <sup>(9)</sup>	2024	103,125	Nil	Nil	Nil	Nil	103,125
Former Director and COO	2023	146,038	Nil	Nil	Nil	Nil	146,038
<b>Michael Williams</b> <sup>(10)</sup>	2024	150,000	Nil	Nil	Nil	Nil	150,000
Director and Executive Chairman	2023	37,500	Nil	Nil	Nil	Nil	37,500
<b>Walter Davidson</b> <sup>(11)</sup>	2024	Nil	Nil	Nil	Nil	Nil	Nil
Former Director	2023	Nil	Nil	Nil	Nil	Nil	Nil

(1) For the financial years ended January 31, 2024, and January 31, 2023.

(2) This figure includes the dollar value of cash and non-cash base salary each Named Executive Officer earned during the years ended January 31, 2024 and 2023.

(3) Perquisites and other personal benefits have not been included as they do not reach the prescribed threshold of the lesser of \$50,000 or 10% of the total annual salary.

(4) Sean Choi was appointed as a CFO on April 23, 2014 and resigned on June 1, 2024 and was replaced in this position by Mr. Brandon Schwabe.

- (5) Andrew Lee became a director on April 23, 2014 and was appointed as President and CEO on August 6, 2020. Mr. Lee resigned from his positions as President and CEO on October 25, 2022, replaced in these positions by Mr. Durham. Mr. Lee was appointed Managing Director on October 25, 2022 and resigned as Managing Director on February 1, 2024. Mr. Lee resigned as a director on June 3, 2024.
- (6) Roger Baer was appointed a director of the Company as of September 18, 2020.
- (7) R. Bruce Durham was appointed as a director and Executive Chairman of the Company as of January 19, 2022. Mr. Durham resigned from his position as Executive Chairman on October 25, 2022, replaced in this position by Mr. Williams, when he was appointed as President and CEO. On February 1, 2024, Mr. Durham resigned as President and CEO replaced in this position by Mr. Blair Naughty.
- (8) Leo Power was appointed as a director of the Company as of February 18, 2022.
- (9) J. Douglas Blanchflower was appointed as a director of the Company as of April 14, 2022 and Chief Operating Officer as of December 15, 2022. Mr. Blanchflower resigned from these positions on January 22, 2024.
- (10) Mr. Williams was appointed as director and Executive Chairman of the Company on October 25, 2022, replacing Mr. Durham in the role of Executive Chairman.
- (11) Mr. Walter Davidson was appointed as director on March 22, 2019 and resigned on February 18, 2022.

No director of the Company who is not an NEO has received, except as otherwise disclosed herein (see "Employment, Consulting and Management Agreements" below), during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

### Stock Options and Other Compensation Securities

The following table sets out the compensation securities granted or issued to directors and NEOs by the Company or any subsidiary thereof in the year ended January 31, 2024 and 2023, for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Sean Choi Former CFO	Stock Options	100,000	Nov 3, 2021	\$0.57	\$0.52	\$0.44	n/a

	Restricted Share Units <sup>(2)</sup>	100,000	Nov 3, 2021	\$0.57	\$0.52	\$0.44	n/a
<b>Andrew Lee</b>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Former Director and Managing Director	Restricted Share Units <sup>(2)</sup>	1,369,288	Nov 3, 2021	\$0.57	\$0.52	\$0.44	n/a
<b>Roger Baer</b>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Director	Restricted Share Units <sup>(2)</sup>	100,000	Nov 3, 2021	\$0.57	\$0.52	\$0.44	n/a
<b>R. Bruce Durham</b>	Stock Options <sup>(3)</sup>	500,000	Sept 6, 2021	\$0.55	\$0.55	\$0.44	Sept 6, 2023
Director, former CEO and President	Restricted Share Units	Nil	Nil	Nil	Nil	Nil	Nil
<b>Leo P. Power</b>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Director	Restricted Share Units	Nil	Nil	Nil	Nil	Nil	Nil
<b>J. Douglas Blanchflower</b>	Stock Options <sup>(3)</sup>	500,000	Sept 6, 2021	\$0.55	\$0.55	\$0.44	Sept 6, 2023
Former Director and COO	Restricted Share Units <sup>(2)</sup>	200,000	Nov 3, 2021	\$0.57	\$0.52	\$0.44	n/a
<b>Michael Williams</b>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Director and Executive Chairman	Restricted Share Units <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil	Nil
Walter Davidson	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Former Director	Restricted Share Units <sup>(2)</sup>	100,000	Nov 3, 2021	\$0.57	\$0.52	\$0.44	n/a

- (1) Nil Options (as defined below) and NIL RSUs (as defined below) were outstanding as of January 31, 2024.
- (2) On November 3, 2021, the Company granted Company RSUs to certain officers and directors of the Company which were issued and fully-vested on November 3, 2022. This grant of Company RSUs was approved by disinterested Shareholders at the Company's annual general and special meeting held on April 14, 2022. See management information circular dated March 15, 2022 at "Approval of Grant of Company RSUs".
- (3) On September 6, 2021, the Company granted stock options to certain officers and directors of the Company. All options expired unexercised on September 6, 2023.

## **Exercise of Compensation Securities by Directors and NEOs**

No stock options were exercised by directors or NEOs during the year ended January 31, 2024, and 2023.

## **Stock Option Plan and Other Incentive Plans**

We have two equity compensation plans: one being our stock option plan, which was approved by the Board of Directors and adopted on June 11, 2024 updated in accordance with new policies of the TSXV under Exchange Policy 4.4 and adopted by the Board of Directors effective June 11, 2024, (the "**Option Plan**"), which is attached hereto as Schedule "C"; and the second being the Company's restricted share unit plan ("**RSU Plan**") as further described below and attached hereto as Schedule "D".

### ***Option Plan***

We established the Option Plan to assist us in attracting, retaining, and motivating directors, executive officers, employees, consultants and management company employees, and to closely align the personal interests of those people with those of the shareholders. The Board of Directors administers the Option Plan. The Option Plan provides that we may grant stock options ("**Options**"), under option agreements and in accordance with the policies of the TSX Venture Exchange (the "**TSXV**"), to the following eligible persons ("**Eligible Persons**") in consideration of their services to the Company:

- (a) any employee, director or officer of the Company or any affiliate of the Company, or a company that is wholly owned by one of them; or
- (b) any Consultant or Consultant Company (as such terms are defined under the policies of the TSXV, as described below) of the Company or any affiliate of the Company that is eligible to receive stock options pursuant to the policies of the TSXV.

"**Consultant**" is defined under the policies of the TSXV as, in relation to the Company, an individual (other than a director, officer or employee of the Company or any of its subsidiaries) or a company that:

- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to the distribution of securities;
- (ii) provides the services under a written contract between the Company or any of its subsidiaries and the individual or the company, as the case may be; and
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its subsidiaries.

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

*Material Terms of the Option Plan*

The Board of Directors determine the number of shares subject to each Option within the guidelines established by the TSXV. The Options enable the holders to purchase our shares at a price fixed in accordance with the rules of the TSXV.

The Option Plan provides that the total number of shares reserved for issuance under the Option Plan will not exceed 10% of our issued shares on the date the Board of Directors grants an Option under the Option Plan.

In addition, so long as the Company is classified as a "Tier 1" or "Tier 2" issuer by the TSXV:

- (a) the maximum number of shares of the Company that are issuable pursuant to all Securities Based Compensation (as such term is defined under the policies of the TSXV), which includes Options under the Option Plan and restricted share units ("**RSUs**") under the RSU Plan (as defined herein), must not exceed 10% of the shares of the Company at the applicable time, unless the Company has received disinterested shareholder approval pursuant to the policies of the TSXV;
- (c) the maximum number of shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to insiders of the Company (as a group) must not exceed 10% of the shares of the Company, calculated as at the date any Securities Based Compensation is granted or issued to an insider, unless the Company has received disinterested shareholder approval pursuant to the policies of the TSXV;
- (d) the maximum number of shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to any one Eligible Person must not exceed 5% of the shares of the Company, calculated as at the date any Securities Based Compensation is granted or issued to the Eligible Person, unless the Company has received disinterested shareholder approval pursuant to the policies of the TSXV;
- (e) the maximum number of shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to any one Consultant or Consultant Company must not exceed 2% of the shares of the Company, calculated as at the date any Securities Based Compensation is granted or issued to the Consultant or Consultant Company, unless the Company has received disinterested shareholder approval pursuant to the policies of the TSXV;
- (f) the maximum number of shares of the Company that are issuable pursuant to all Options granted or issued in any 12 month period to all Investor Relations Service Providers (as such term is defined in the policies of the TSXV) in aggregate must not exceed 2% of the shares of the Company, calculated as at the date any Option is granted or issued to any such Investor Relations Service Provider;
- (g) Options granted to any Investor Relations Service Provider must vest in stages over no less than 12 months with no more than one-quarter of the Options vesting in any three month period, and both

the Company and the optionee represents that the optionee is a bona fide employee, Consultant, Consultant Company, or management employee of the Company, as the case may be;

- (h) the approval of the disinterested shareholders of the Company shall be obtained for any amendment to or reduction in the exercise price of an Option or extension of the term of an Option if the optionee is an insider of the Company at the time of the proposed amendment; and
- (i) for Options granted to employees, Consultants, Consultant Companies, or management employees of the Company, both the Company and the optionee represents that the optionee is a bona fide employee, Consultant, Consultant Company, or management employee of the Company, as the case may be.

Under the Option Plan, the Board of Directors must set the option price at not less than the last closing price of our shares on the TSXV on the trading day immediately before the date of grant, less the discount permitted under the TSXV's policies. The maximum term of any option is ten years from the date of grant. We do not intend to provide financial assistance to holders of stock options to help them purchase our shares under the Option Plan. Any amendment to the Plan is subject to the approval of the TSXV and may also require shareholder approval.

The following table sets out equity compensation plan information as at the end of the financial year ended January 31, 2024:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	nil <sup>(1)</sup>	\$nil <sup>(1)</sup>	6,852,905 <sup>(2)(3)</sup>
Equity compensation plans not approved by securityholders	n/a	n/a	n/a
<b>Total</b>	nil <sup>(1)</sup>	\$nil <sup>(1)</sup>	6,852,905 <sup>(2)(3)(4)</sup>

(1) No Options or RSU's were outstanding as of January 31, 2024.

(2) A maximum of 10% of Options remain eligible for issuance under the Option Plan as of January 31, 2024

(3) A maximum of 10% of RSUs remain eligible for issuance under the RSU Plan as of January 31, 2024.

(4) A maximum of 6,852,905 total compensation securities (10%) may be issued as RSU's or Options

A copy of the Option Plan is attached hereto as Schedule "C".



### ***RSU Plan***

The Board of Directors adopted the RSU Plan, providing for the issuance of RSUs to directors, officers, employees, and a company wholly owned by such individuals, and consultants and consultant companies, but excluding investor relations service providers.

#### *Material Terms of the RSU Plan*

The Board of Directors administers the RSU Plan. The RSU Plan provides that we may grant RSUs pursuant to the RSU Plan in accordance with the policies of the TSXV, to Eligible Persons excluding Investor Relations Service Providers in consideration of their services to the Company. The Board may determine the number of RSUs granted to such Eligible Persons, and the terms of vesting thereof, provided that the RSUs shall not vest earlier than 12 months from the date of grant, and the term of the RSUs may not exceed ten years from the date of grant. Holders of RSUs are not entitled to participate in dividends of the Company in respect of the RSUs. Any RSUs that have not vested within the term for such RSUs expire and are cancelled. In the event that a holder of any RSUs is terminated as a director, officer, employee or consultant, other than death, disability, termination without cause, or eligible retirement, then any such unvested RSUs shall expire and be cancelled. The Board may suspend or terminate the RSU Plan at any time, provided that such suspension or termination shall not affect any RSUs that became effective pursuant to the RSU Plan, prior to such suspension or termination.

Settlement of RSUs in shares shall be made by delivery of one share for each such vested RSU being settled, unless at the sole *discretion* of the Board, settlement is made by payment of the cash value of the market price (as defined under the policies of the TSXV) for the shares as at the date of vesting in lieu of delivery of one share for each such RSU for any or all such RSUs.

The maximum number of shares that may be reserved for issue at any time in connection with the grant of RSUs under the RSU Plan will not exceed 6,852,894 shares at any point in time (being 10% of the issued and outstanding number of shares as at the date on which the Board of Directors approved the RSU Plan). For greater certainty, at no time would the number of shares that may be reserved for issue under the RSU Plan exceed the fixed number of 6,852,894 shares. In addition, and notwithstanding any other terms of the RSU Plan, so long as the shares are listed on the TSXV:

- (a) the maximum number of shares which may be reserved for issue pursuant to the RSU Plan to all Insiders shall not, at any point in time, exceed a total aggregate of 6,852,894 shares (being 10% of the issued and outstanding number of shares as at the date on which the Board of Directors approved the RSU Plan) less the number of shares issuable at any point in time to all Insiders under all other Security Based Compensation Plans, unless the Company has received disinterested shareholder approval;
- (b) the maximum number of shares which may be reserved for issue pursuant to the RSU Plan to all Insiders within a 12 month period shall not exceed 6,852,894 shares (being 10% of the issued and outstanding number of shares as at the date on which the Board of Directors approved the RSU Plan) less the number of shares issuable to all Insiders in any such 12 month period under all other Security Based Compensation Plans, calculated as at the date of grant or issuance to any Insider, unless the Company has received disinterested shareholder approval;

(c) the maximum number of shares which may be reserved for issue pursuant to the RSU Plan to any one Person within a 12 month period shall not exceed 3,426,447 shares (being 5% of the issued and outstanding shares as at the date hereof) less the number of shares issuable in any such 12 month period to such Person under all other Security Based Compensation Plans, calculated as at the date of grant or issuance to any Person, unless the Company has received disinterested shareholder approval;

(d) the maximum number of shares which may be reserved for issue pursuant to the RSU Plan to any one Consultant or Consultant Company in any 12 month period shall not exceed 1,370,578 shares (being 2% of the issued and outstanding shares as at the date hereof) less the number of shares issuable in any such 12 month period to such Consultant under all other Security Based Compensation Plans, calculated as at the date of grant or issuance, unless the Company has received disinterested shareholder approval; and

(e) Investor Relations Service Providers may not receive any Security Based Compensation under the RSU Plan.

Capitalized terms used in this section which are not otherwise defined shall have the meaning given to them in the RSU Plan. A copy of the RSU Plan is attached hereto as Schedule "D".

### **Employment, Consulting and Management Agreements**

On October 25, 2023, the Company entered into a management consulting agreement (the "Management Consulting Agreement") with One Platform Systems Inc. ("One Platform") and Andrew Lee. One Platform is a company controlled by Andrew Lee. Pursuant to the terms of the Management Consulting Agreement, the Company will pay One Platform a fixed fee of \$10,000 plus GST per month in consideration of the services of the Managing Director of the Company whereby One Platform will provide management services to the Company. The term of the Management Consulting Agreement is renewed on a monthly basis until terminated by consent of the parties.

On June 1, 2024, the Company entered into a consulting services agreement with the CFO, Brandon Schwabe at a monthly fixed fee of \$5,000 plus GST whereby Mr. Schwabe will provide CFO services to the Company.

"**Change of Control**" shall be deemed to have occur:

(1) upon any merger, amalgamation, recapitalization, take-over, plan of arrangement or similar transaction involving the Company (or, if the share capital of the Company is affected, any subsidiary of the Company in which all of its or materially all of its assets are held ("**Subsidiary**"). or any sale, lease or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company or any Subsidiary of the Company (each of the foregoing being a "**COC Transaction**" or an "**Acquisition Transaction**") where either:

(a) the shareholders of the Company immediately prior to such Acquisition Transaction would not immediately after such Acquisition Transaction beneficially own more than 70% of: (i) the then outstanding common shares of the Company surviving or resulting from such merger, consolidation or recapitalization or acquiring such assets of the Company (or any Subsidiary of the Company, as the case may be) (the "**Surviving Corporation**") (or of its ultimate Surviving Corporation, if any); and (ii) the combined voting

power of the then outstanding voting securities of the Surviving Corporation (or its ultimate Surviving Corporation, if any); or

(b) the incumbent directors at the time of the initial approval of such Acquisition Transaction would not immediately after such Acquisition Transaction constitute a majority of the board of directors of the Surviving Corporation (or its ultimate Surviving Corporation, if any); or

(2) when the shareholders or directors of the Company approve any plan or proposal for the liquidation or dissolution of the Company or any Subsidiary of the Company.

“**Good Reason**” means the occurrence of any of the following events or actions, without the consultant’s prior written consent, and provided the consultant has provided the Company, within two months of becoming aware of the facts and circumstances underlying the event, with written notice thereof stating with specificity the facts and circumstances underlying the event and providing Company with one month to cure the event after receipt of such notice:

(1) any reduction in the base consulting fee;

(2) any significant diminution in the scope of the services from the consultant including, without limitation, effective limitation of normal discharge of the consultant’s duties; or

(3) a fundamental breach by the Company of its obligations under the management consulting agreement.

## **Oversight and Description of Director and NEO Compensation**

### *Philosophy and Objectives*

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- to align executive compensation with shareholders' interests;
- to attract and retain highly qualified management;
- to focus performance by linking incentive compensation to the achievement of business objectives and financial results; and
- to encourage retention of key executives for leadership succession.

The Company's executive compensation program comprises three elements: base salary, bonus incentives, and equity participation. The compensation program is designed to pay for performance. Employees, including senior executives, are rewarded for the achievement of annual operating and financial goals, progress in executing the Company's long-term growth strategy and delivering strong total shareholder return performance.

The Company reviews industry compensation information and compares its level of overall compensation with those of comparable sized mineral exploration companies. Generally, we target base management fees

at levels approximating those holding similar positions in comparably sized companies in the industry and hopes to achieve competitive compensation levels through the fixed and variable components.

The Company's total compensation mix places a significant portion of the executive's compensation at risk and relies heavily on the award of stock options. The design takes into account individual and corporate performance. Compensation practices, including the mix of base management fees, short-term incentives, and long-term incentives, are regularly assessed to ensure they are competitive, take account of the external market trends and support the Company's long-term growth strategies. Due to the early stage of the Company's development programs, the flexibility to quickly increase or decrease appropriate human resources is critical. Accordingly, the Company does not enter into long-term commitments with its officers.

#### *Base Compensation*

In the view of the Board of Directors, paying base salaries or management fees which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified, and effective executives. Base compensation is compensation for discharging job responsibilities and reflects the level of skills and capabilities demonstrated by the executive. Annual adjustments take into account the market value of the role and the executive's demonstration of capability during the year.

#### *Bonus Incentive Compensation*

The Company's objective is to achieve certain strategic objectives and milestones. The Board of Directors will consider executive bonus compensation dependent upon the executive meeting those strategic objectives and milestones, the executive's individual performance and sufficient cash resources being available for the granting of bonuses. The Board of Directors approves executive bonus compensation dependent upon comparable compensation levels based on recommendations of the Board of Directors as a whole, and such recommendations are generally based on survey data provided by independent consultants.

#### *Equity Participation*

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Option Plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses, and competitive factors. The amounts and terms of options granted are determined by the Board.

#### *Option-Based Awards*

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the long-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability by providing them with the opportunity to acquire and increase proprietary interest in the Company. The Company awards stock options to its executive officers based

upon the recommendation of the Board of Directors, which recommendation is based upon the Board's review of a proposal from the CEO. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation and amendments to the existing stock option plan are the responsibility of the Board of Directors, subject to compliance with applicable TSXV and regulatory requirements.

As part of this review, the Board of Directors noted the following factors which discourage the Company's executive officers from taking unnecessary or excessive risks:

- there is limited opportunity for the small management team to undertake unnecessary or excessive risk to maximize compensation at the expense of the Company;
- there are limited opportunities for executive officers to artificially inflate financial and operating performance of the Company to increase the value of equity awards to such persons;
- all of the directors are regularly apprised of the Company's financial position throughout the year;
- incentive plan awards granted are not awarded upon the accomplishment of a task.

Based on this review, the Board of Directors believes that the Company's current compensation policies and practices do not encourage executive officers to take unnecessary or excessive risk.

Under the Company's current compensation policies and practices, NEOs and directors are not prevented from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### **Pension Benefits**

The Company does not have a pension benefit arrangement under which the Company has made payments to the directors and/or NEOs of the Company during its fiscal year ended January 31, 2024, or intends to make payments to the Company's directors or NEOs upon their retirement (other than the payments set out above and those made, if any, pursuant to the Canada Pension Plan or any government plan similar to it).

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The Company's only equity compensation plans are its Option Plan and RSU Plan, which were more recently approved by shareholders at the last annual general meeting of shareholders of the Company. See "*Stock Option Plans and Other Incentive Plans*" above.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to us or to our subsidiaries at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Circular.

## AUDIT COMMITTEE

The Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 *Audit Committees* ("NI 52-110") under this heading. As at its most recently completed financial year end of January 31, 2024, the Company was a "venture issuer" under NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110.

### Audit Committee Charter

The Audit Committee Charter, the text of which is attached as Schedule "A" to this Circular, was adopted by our Audit Committee and the Board of Directors.

### Composition of the Audit Committee

As of June 11, 2024, our Audit Committee is composed of the following members:

Name	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
Roger Baer, Director	Yes	Mr. Baer is a CPA and has over 30 years of accounting and financial management experience within the mining industry, having held financial management roles with Excelsior Mining, Alacer Gold, Thompson Creek Metals, Newmont Mining Corporation, Kennecott (Rio Tinto) and Cyprus Amax. Most recently, Mr. Baer was the Corporate Controller of i-80 Gold Corp.
Leo P. Power, Director	Yes	Mr. Power is currently the CEO, President and a director of LNG Newfoundland and Labrador, a Newfoundland and Labrador-owned and operated corporation focusing on permitting and developing LNG infrastructure, as well as a director of Q2 Metals Corp. since September 2018, a TSXV-listed company.
Richard Macey, Director	Yes	Mr. Macey has gained considerable financial and business experience through his involvement with various reporting issuers since 2009 in the natural resources sector. He has acted as a director and officer of several public companies and has also owned and operated his own business for over 25 years.

(1) As such term is defined in NI 52-110.

### **Relevant Education and Experience**

The educational background or experience of the Audit Committee members has enabled each to perform his responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles we use to prepare our financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves as well as experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by our financial statements, or experience actively supervising one or more individuals engaged in such activities and an understanding of internal controls and procedures for financial reporting.

Each member of the Audit Committee has a general understanding of the accounting principles we use to prepare our financial statements and will seek clarification from our auditor, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies and experience in supervising one or more individuals engaged in the accounting for estimates, accruals and reserves and experience in preparing, auditing, analyzing, or evaluating financial statements similar to our financial statements.

See "*Election of Directors*" in this Circular for details of the relevant education and experience of the Audit Committee members.

### **Audit Committee Oversight**

At no time since [date of financial year end], has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

### **Reliance on Certain Exemptions**

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

### **Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for engaging of non-audit services as described in the Audit Committee Charter set out in Schedule "A" to this Circular.

### **External Auditor Service Fees (By Category)**

The Audit Committee has, to ensure auditor independence, reviewed the nature and amount of the non-audited services provided to us by MS Partners LLP ("**MS Partners**"). The aggregate fees incurred by Company for audit and non-audit services in the last two financial years are set out in the following table:

Nature of Services	Fees Paid to or Accrued to MS Partners in Year Ended January 31, 2024	Fees Paid to or Accrued to MS Partners in Year Ended January 31, 2023
	(\$)	(\$)
Audit Fees <sup>(1)</sup>	\$20,000	\$20,000
Audit-Related Fees <sup>(2)</sup>	nil	nil
Tax Fees <sup>(3)</sup>	nil	nil
All Other Fees <sup>(4)</sup>	nil	nil
<b>Total</b>	<b>\$20,000</b>	<b>\$20,000</b>

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

## CORPORATE GOVERNANCE

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires issuers to disclose their governance practices in accordance with the instrument. The Company is a "venture issuer" within the meaning of NI 58-101. A discussion of the Company's governance practices within the context of NI 58-101 is set out below.

### Board of Directors

The Board of Directors facilitates its independent supervision over management through regular meetings of the Board, both with and without members of our management (including members of management who are also directors) being in attendance.

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

The independent members of the Board of Directors are Richard Macey, Roger Baer and Leo Power.

The non-independent directors of the Company are Blair L. Naughty, the Company's current President and CEO, Michael Williams, the Company's current Executive Chairman and R. Bruce Durham, who acted as President and CEO of the Company from October 25, 2022, to February 1, 2024.



The mandate of the Board is to manage or supervise the management of our business and affairs and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of our affairs directly and through the sub-committees of the Board.

### Directorships

Certain of our directors are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other Reporting Issuer (or equivalent in a foreign jurisdiction)	Name of Exchange or Market (if applicable)
Leo P. Power	Q2 Metals Corp.	TSXV
Michael Williams	Vendetta Mining Corp.	TSXV
	Full Metal Minerals Ltd.	TSXV
	Aftermath Silver Ltd.	TSXV
	Gold Hunter Resources Inc.	CSE
	Fremont Gold Ltd.	TSXV, OTCQB, FSE
	Vortex Metals Inc.	TSXV
Richard Macey	Gold Hunter Resources Inc.	CSE
	Silver Sands Resources Corp.	CSE
	Newfoundland Discovery Corp.	CSE

### Orientation and Continuing Education

The Board of Directors is responsible for providing orientation for all new recruits to the Board. Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of our business will be necessary and relevant to each new director. We provide continuing education for our directors as the need arises and encourage open discussion at all meetings, which format encourages learning by our directors.

### Ethical Business Conduct

The Board of Directors relies on the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law to ensure the Board operates independently of management and in the best interests of the Company. The Board of Directors has found that these, combined with the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest, have been sufficient.

## **Nomination of Directors**

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

The Board of Directors does not have a nominating committee. The Board of Directors is responsible for recruiting new members to the Board and planning for the succession of Board members.

If passed, the process for nominating directors for election as directors of the Company will be revised in accordance with the Advance Notice Provisions.

## **Compensation**

Members of the Board are not compensated for acting as directors, save for being granted incentive stock options pursuant to the policies of TSXV and the Company's Option Plan. The Compensation and Corporate Governance Committee advises the Board, and the Board as a whole determines the stock option grants for each director. The Compensation and Corporate Governance Committee reviews on an ongoing basis the compensation of the senior officers to ensure that it is competitive. The members of the Compensation and Corporate Governance Committee are comprised of Roger Baer (Chair), Richard Macey, and Leo P. Power.

The Company's Compensation and Corporate Governance Committee Charter and Corporate Governance Policy are attached as Schedule "B" hereto.

## **Other Board Committee**

The Board has appointed an Audit Committee, the members of which are Roger Baer, Richard Macey, and Leo P. Power, with Roger Baer acting as chair. A description of the function of the Audit Committee can be found in this Circular under "*Audit Committee*".

## **Assessments**

The Board annually reviews its own performance and effectiveness as well as reviews the Audit Committee Charter and recommends revisions as necessary. Neither the Company nor the Board has adopted formal procedures to regularly assess the Board, the Audit Committee, or the individual directors as to their effectiveness and contribution. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by the 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 of Directors monitors the adequacy of information given to directors, communication between the 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 our size and operations. Our corporate governance practices allow us to operate efficiently with checks and

balances that control and monitor management and corporate functions without excessive administrative burden.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor, and as may be set out herein.

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

No informed person of the Company, proposed nominee for election as a director of the Company, or associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the beginning of our last financial year or in any proposed transaction, which has materially affected or will materially affect the Company, other than as disclosed under the heading "*Particulars of Matters to be Acted On*".

An "**informed person**" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its securities, so long as it holds any of its securities.

#### **MANAGEMENT CONTRACTS**

Management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person. See "*Employment, Consulting and Management Agreements*".

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Appointment of the Auditor

At the Meeting, shareholders will be asked to pass the Auditor's Resolution re-appointing MS Partners LLP as the Company's auditor for the next ensuing year, to hold office until the close of the next annual general meeting of shareholders or until the firm of MS Partners LLP is removed from office or resigns as provided by the Company's constating documents, and authorizing the Company's Board of Directors to fix the compensation of the auditor.

The complete text of the Auditor's Resolution which the Company intends to place before the Meeting for approval, with or without modification, is as follows:

#### **"BE IT RESOLVED, AS AN ORDINARY RESOLUTION THAT:**

1. MS Partners LLP, be re-appointed as York Harbour Metals Inc. (the "**Company**") auditor for the ensuing year, to hold office until the close of the next annual general meeting of shareholders or until the firm of [Name of Auditor] is removed from office or resigns as provided by the Company's constating documents, and authorizing the Company's board of directors to fix the compensation of the auditor; and
2. Any one or more directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents and other writings, as may be required to give effect to the true intent of these resolutions."

### *Recommendation of Directors*

**The Company's Board of Directors unanimously recommends that shareholders vote IN FAVOUR of the Auditor's Resolution.**

**In order to pass the Auditor's Resolution, a simple majority of the votes cast by shareholders, present in person or by proxy at the Meeting, is required.**

**Unless the shareholder has specified in the enclosed form of proxy that the Company's shares represented by such proxy are to be withheld from voting on the Auditor's Resolution, the persons named in the enclosed form of proxy will vote FOR the Auditor's Resolution.**

### Appointment of Directors

The complete text of the Directors Resolution which the Company intends to place before the Meeting for approval, with or without modification, is as follows:

#### **"BE IT RESOLVED, AS AN ORDINARY RESOLUTION THAT:**

1. The number of directors of York Harbour Metals Inc., (the "**Company**") be fixed at four (4); and

- 2 The four (4) management nominees for directors, being Blair L. Naughty, Richard Macey, Michael Williams and Leo P. Power be elected as directors of the Company to hold office until the earlier of the election of directors at the next annual general meeting or until their successors are elected or appointed."

### ***Recommendation of Directors***

**The Company's Board of Directors unanimously recommends that shareholders vote IN FAVOUR of the Directors Resolution.**

**In order to pass the Directors Resolution, a simple majority of the votes cast by shareholders, present in person or by proxy at the Meeting, is required.**

**Unless the shareholder has specified in the enclosed form of proxy that the shares represented by such proxy are to be withheld from voting on the Directors Resolution, the persons named in the enclosed form of proxy will vote FOR the Directors Resolution.**

### **Annual Approval of Option Plan**

The Option Plan is a rolling maximum stock option plan providing for the number of shares of the Company reserved for issuance under such plan to be equal to 10% of the Company's issued and outstanding shares at the time of any option grant. In accordance with the policies of the TSXV, rolling stock option plans must be approved by shareholders annually. Accordingly, at the Meeting, the shareholders of the Company will be asked to approve the Option Plan.

The Option Plan is intended to provide the Board with the ability to issue options to provide the employees, consultants, officers and directors of the Company with long-term equity-based performance incentives which are a key component of the Company's executive compensation strategy. The Company believes it is important to align the interests of management and employees with shareholder interests and to link performance compensation to enhancement of shareholder value. This is accomplished through the use of options whose value over time is dependent on market value. The Option Plan is described further above and a copy of the Option Plan is attached as Schedule "C".

Accordingly, the shareholders will be asked to pass an ordinary resolution, in substantially the following form, to ratify and approve the Option Plan:

#### **"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:**

1. the stock option plan (the "**Option Plan**"), as described in the Information Circular dated June 11, 2024, be and is hereby approved, subject to the acceptance for filing thereof by the TSX Venture Exchange, and the grant of options thereunder in accordance therewith, be approved;
2. the number of Common Shares reserved for issuance under the Option Plan shall be no more than 10% of the Company's issued and outstanding share capital at the time of any stock option grant;

3. the Board of the Company be authorized to make any changes to the Option Plan as may be required or permitted by the TSX Venture Exchange;
4. any director or officer of the Company is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing; and
5. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the Option Plan is conditional upon receipt of final approval from the TSX Venture Exchange and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

#### ***Recommendation of Directors***

**The Company's Board of Directors unanimously recommends that shareholders vote IN FAVOUR of the Option Plan Resolution.**

**In order to pass the Option Plan Resolution, a simple majority of the votes cast by shareholders, present in person or by proxy at the Meeting, is required.**

**Unless the shareholder has specified in the enclosed form of proxy that the shares represented by such proxy are to be voted against the Option Plan Resolution, the persons named in the enclosed form of proxy will vote FOR the Option Plan Resolution.**

#### **Annual Approval of RSU Plan**

The Board of Directors adopted the RSU Plan, dated for reference June 11, 2024, providing for the issuance of RSUs to directors, officers, employees, and a company wholly owned by such individuals, and consultants and consultant companies, but excluding investor relations service providers. The RSU Plan is described in further detail above under the heading "*Stock Option Plans and Other Incentive Plans*" and is attached hereto as Schedule "D". The RSU Plan will be available at the Meeting or on request from the Company.

In accordance with the policies of the TSXV, the RSU Plan must receive shareholder approval being approved by ordinary resolution of the votes cast by Shareholders present or represented by proxy at the Meeting. At the Meeting, the shareholders will be asked to consider and, if deemed advisable, approve the following ordinary resolution approving the RSU Plan and all unallocated RSUs under the RSU Plan:

#### **"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the Company's restricted share unit plan ("**RSU Plan**"), as described in the Information Circular of the Company dated June 11, 2024, is hereby approved;

2. the Company shall have the ability to continue granting restricted share units under the Company's RSU Plan until all issuances under the RSU Plan have been reduced to nil;
3. any one director or officer of the Company be and is hereby authorized and directed to do all such further acts and things and to execute such further agreements and other documents for and on behalf of the Company as such director or officer may consider necessary, desirable, or useful having regard to this resolution; and
4. notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

In order for the foregoing resolution to be passed, it must be approved by ordinary resolution with a simple majority of the votes cast by shareholders present in person or by proxy at the Meeting. **The Company's Board of Directors recommends that you vote FOR the foregoing resolution. It is the intention of management proxyholders to vote proxies FOR approval of the above ordinary resolution unless otherwise directed.**

### **OTHER MATERIAL FACTS**

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting for the Company. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy. There are no material facts about the Company which are not otherwise disclosed in this Circular.

### **BOARD APPROVAL**

The Company's Board of Directors has approved the delivery of this Circular to the shareholders of the Company.

### **ADDITIONAL INFORMATION**

Additional information about the Company is located on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information is provided in the Company's comparative financial statements and MD&A for the financial year ended January 31, 2024. Shareholders may contact the Company to request copies of the applicable financial statements and MD&A at the following address:

YORK HARBOUR METALS INC.  
3102 Murray Street, Port Moody, BC V3H 1X2

DATED at Vancouver, British Columbia, this 11<sup>th</sup> day of June 2024.

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

---

Blair L Naughty  
President, CEO & Director



**SCHEDULE "A"**

**AUDIT COMMITTEE CHARTER**

**of the Board of Directors of YORK HARBOUR METALS INC.  
(the "Corporation")**

The audit committee of the Corporation (the "**Committee**") is a committee of the board of directors of the Corporation (the "**Board**"). The role of the Committee is to:

- provide oversight of the Corporation's financial management and of the design and implementation of an effective system of internal financial controls as well as to review and report to the Board on the integrity of the financial statements of the Corporation, its subsidiaries and associated companies;
- helping directors meet their responsibilities, facilitating better communication between directors and the external auditor;
- enhancing the independence of the external auditor;
- increasing the credibility and objectivity of financial reports and strengthening the role of the directors by facilitating in-depth discussion among directors, management and the external auditor;

Management is responsible for establishing and maintaining those controls, procedures and processes and the Committee is appointed by the Board to review and monitor them. The Corporation's external auditor is ultimately accountable to the Board and the Committee as representatives of the Corporation's shareholders.

**I. DUTIES AND RESPONSIBILITIES**

**External Auditor**

1. To recommend to the Board, for shareholder approval, an external auditor to examine the Corporation's accounts, controls and financial statements on the basis that the external auditor is accountable to the Board and the Committee as representatives of the shareholders of the Corporation.
2. To oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.
3. To evaluate the audit services provided by the external auditor, pre-approve all audit fees and recommend to the Board, if necessary, the replacement of the external auditor.
4. To pre-approve any non-audit services to be provided to the Corporation by the external auditor and the fees for those services.

5. To obtain and review, at least annually, a written report by the external auditor setting out the auditor's internal quality-control procedures, any material issues raised by the auditor's internal quality-control reviews and the steps taken to resolve those issues.
6. To review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation. The Committee has adopted the following guidelines regarding the hiring of any partner, employee, reviewing tax professional or other person providing audit assurance to the external auditor of the Corporation on any aspect of its certification of the Corporation's financial statements:
  - (a) no member of the audit team that is auditing a business of the Corporation can be hired into that business or into a position to which that business reports for a period of three years after the audit;
  - (b) no former partner or employee of the external auditor may be made an officer of the Corporation or any of its subsidiaries for three years following the end of the individual's association with the external auditor;
  - (c) the Chief Financial Officer of the Corporation (the "CFO") must approve all office hires from the external auditor; and
  - (d) the CFO must report annually to the Committee on any hires within these guidelines during the preceding year.
7. To ensure that the head audit partner assigned by the external auditor to the Corporation, as well as the audit partner charged with reviewing the audit of the Corporation, are changed at least every five years.
8. To review, at least annually, the relationships between the Corporation and the external auditor in order to establish the independence of the external auditor.

**Financial Information and Reporting**

9. To review the Corporation's annual audited financial statements with the Chief Executive Officer of the Corporation (the "CEO") and CFO and then with the full Board. The Committee will review the interim financial statements with the CEO and CFO.
10. To review and discuss with management and the external auditor, as appropriate:
  - (a) the annual audited financial statements and the interim financial statements, including the accompanying management discussion and analysis; and
  - (b) earnings guidance and other releases containing information taken from the Corporation's financial statements prior to their release.
11. To review the quality and not just the acceptability of the Corporation's financial reporting and accounting standards and principle and any proposed material changes to them or their application.

12. To review with the CFO any earnings guidance to be issued by the Corporation and any news release containing financial information taken from the Corporation's financial statements prior to the release of the financial statements to the public. In addition, the CFO must review with the Committee the substance of any presentations to analysts or rating agencies that contain a change in strategy or outlook.

### **Oversight**

13. To review the internal audit staff functions, including:
  - (a) the purpose, authority and organizational reporting lines;
  - (b) the annual audit plan, budget and staffing; and
  - (c) the appointment and compensation of the controller, if any.
14. To review, with the CFO and others, as appropriate, the Corporation's internal system of audit controls and the results of internal audits.
15. To review and monitor the Corporation's major financial risks and risk management policies and the steps taken by management to mitigate those risks.
16. To meet at least annually with management (including the CFO), the internal audit staff, and the external auditor in separate executive session and review issues and matters of concern respecting audits and financial reporting.
17. In connection with its review of the annual audited financial statements and interim financial statements, the Committee will also review the process for the CEO and CFO certifications (if required by law or regulation) with respect to the financial statements and the Corporation's disclosure and internal controls, including any material deficiencies or changes in those controls.

## **II. MEMBERSHIP**

The Committee shall consist of three or more members of the Board, the majority of which have been determined to be independent as required under applicable securities rules or applicable stock exchange rules.

Any member may be removed from office or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director. Each member of the Committee shall hold office until the close of the next annual meeting of shareholders of the Corporation or until the member ceases to be a director, resigns or is replaced, whichever first occurs.

The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

All members of the Committee must be "**financially literate**" (i.e., have the ability to read and understand a set of financial statements such as balance sheet, an income statement and a cash flow statement).

### **III. PROCEDURES**

1. The Board shall appoint one of the directors elected to the Committee as the Chairperson of the Committee (the "**Chairperson**"). In the absence of the appointed Chairperson from any meeting of the Committee, the members shall elect a Chairperson from those in attendance to act as Chairperson of the meeting.
2. The Chairperson will appoint a secretary (the "**Secretary**") who will keep minutes of all meetings. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chairperson.
3. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum.
4. The Committee will meet as many times as is necessary to carry out its responsibilities. Any member of the Committee or the external auditor may call meetings.
5. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the Articles of the Corporation or otherwise determined by resolution of the Board.
6. The Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, advisors or other experts or consultants as it deems appropriate.
7. The Committee has the authority to communicate directly with the internal and external auditors.

### **IV. REPORTS**

The Committee shall produce the following reports and provide them to the Board:

1. an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of this Charter. The performance evaluation should also recommend to the Board any improvements to this Charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chairperson or any other member of the Committee designated by the Committee to make this report; and
2. a summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.



**SCHEDULE "B"**

**COMPENSATION AND CORPORATE GOVERNANCE POLICY**

**Purpose**

The Compensation and Corporate Governance Committee (the "**Committee**") of [Company Name] (the "**Company**") is comprised of a majority of independent Directors and is responsible for the development and supervision of the Company's approach to compensation for directors, officers, and senior management as well as bonuses and any increases in compensation to employees or staff that would have a material impact on the Company's expenses.

**Duties and Responsibilities – Compensation**

The Committee's duties and responsibilities shall include:

- reviewing and making recommendations to the Board with respect to the overall compensation strategy and policies for directors, officers, and employees of the Company;
- reviewing and making recommendations to the Board with respect to the corporate goals and objectives relevant to the compensation of the CEO and recommending to the Board the compensation level of the CEO based on the annual performance of the CEO in light of those goals and objectives;
- reviewing and making recommendations to the Board with respect to the compensation programs of all other senior executive officers of the Company, as recommended by the CEO;
- reviewing and making recommendations to the Board with respect to the awards under the Company's equity-based compensation plans;
- reviewing and making recommendations to the Board with respect to remuneration to be paid to directors;
- overseeing the execution and delivery of all approved compensation related matters including the granting of equity-based compensation;
- reviewing and approving the annual disclosure relating to executive compensation contained in the Management Information Circular of the Company;
- reporting regularly to the Board;
- reviewing and assessing its Mandate and recommending any proposed changes to the board; and
- evaluating the functioning of the Committee on an annual basis.

**Duties and Responsibilities – Corporate Governance & Nominating**

- To develop and recommend to the Board a set of corporate governance principles applicable to the Company, and to review those principles at least once a year. This requires the Committee to stay abreast of corporate governance developments and to respond to applicable corporate governance guidelines and rules;

- to oversee the evaluation of the Board, committees of the Board, and the contribution of individual directors;
- to report on corporate governance matters as required by public disclosure requirements;
- to ensure that appropriate processes are established by the Board to: (a) oversee strategic direction and development and review ongoing results of operations; (b) to oversee the Company's investor relations and public relations activities and to ensure that procedures are in place for the effective monitoring of the shareholder base, receipt of shareholder feedback and response to shareholder concerns;
- to assist the Board in its annual review of and any applicable revisions to the written objectives of the CEO and guidance for the development of corporate strategy;
- to ensure that an effective CEO succession plan is in place, including emergency succession. To assist the Board in assessing and evaluating CEO performance;
- to establish procedures for meetings of the Board and to otherwise ensure that processes, procedures, and structures are in place to ensure that the Board functions independently of management and without conflicts of interest;
- to review the proposed quarterly agenda for, and provide recommendations as to, additional topics for discussions at meetings of the Board; and
- to assist in the proper delineation of the roles, duties, and responsibilities of management and the Board and delegation of authority by the Board to its committees and to management.

#### **Establishment of Policies**

- To review and approve strategic corporate policies, such as disclosure policies, insider trading policies, confidentiality policies and corporate codes of conduct, conflict of interest policies, and other relevant policies associated with ensuring an effective system of corporate governance.

#### **Nominating Directors**

- To identify and recommend candidates qualified to become directors;
- in identifying and recommending candidates, the Committee shall take into consideration such factors as it deems appropriate, including judgment, skill, diversity, experience with businesses and other organizations of comparable size and the need for particular expertise on the Board;
- to determine whether candidates are "unrelated" or "independent" under applicable securities laws and applicable stock exchange rules;
- to recommend board members for appointment to committees of the Board;
- in recommending a candidate for committee membership, the Committee shall take into consideration the factors set forth in this Charter, as well as any other factors it deems appropriate, including without limitation the consistency of the candidate's experience with the goals of the Committee and the interplay of the candidate's experience of other committee members;
- in the event of a vacancy in the office of a director, the Committee shall recommend a candidate to fill such vacancy either through appointment by the Board or through election by the shareholders;

- to make recommendations to the Board from time to time as to changes that the Committee believes to be desirable to the size of the Board or any committee thereof; and
- to maintain an orientation and educational program for new directors in order to familiarize new directors with the business of the Company, its management and professional advisors and its facilities.

### **Membership**

- The Committee shall consist of three or more members of the Board;
- any member may be removed from office or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director. Each member of the Committee shall hold office until the close of the next annual meeting of shareholders of the Company or until the member ceases to be a director, resigns, or is replaced, which first occurs;
- the members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine; and,
- proposed members of the Committee should have experience in corporate governance and/or human resources.

### **Procedures**

- The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee (the "Chair"). In the absence of the appointed Chair from any meeting of the Committee, the members shall elect a Chair from those in attendance to act as Chair of the meeting;
- the Chair will appoint a secretary (the "Secretary") who will keep minutes of all meetings of the Committee. The Secretary does not have to be a member of the Committee or a director and can be changed by notice from the Chair;
- no business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum;
- the Committee will meet as many times as is necessary to carry out its responsibilities. The Chair or any two members may call meetings;
- the time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the by-laws of the Company or otherwise determined by resolution of the Board;
- the Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, search firms or other experts or consultants, as it deems appropriate; and



- the Committee shall have access to any and all books and records of the Company necessary for the execution of the Committee's obligations and shall discuss with the CEO or the CFO such records and other matters considered appropriate.

**SCHEDULE "C"**

**STOCK OPTION PLAN**  
**(Amended 2024)**

**1. PURPOSE**

The purpose of this Stock Option Incentive Plan is to provide an incentive to Eligible Persons to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

**2. DEFINITIONS**

In this Plan, the following words have the following meanings:

- (a) "Board" means the Board of Directors of the Company;
- (b) "Common Shares" means the Common Shares of the Company;
- (c) "Company" means YORK HARBOUR METALS INC.;
- (d) "Consultant" means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or of any of its subsidiaries) or Consultant Company that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to a Distribution;
  - (ii) provides the services under a written contract between the Issuer or any of its subsidiaries and the individual or the Consultant Company, as the case may be; and
  - (iii) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any of its subsidiaries.
- (e) "Consultant Company" has the meaning set out in the policies of the TSX Venture Exchange;
- (f) "Effective Date" means the day following the date upon which the Plan has been approved by the last to approve of the shareholders of the Company, the Board, the Exchange and any other regulatory authority having jurisdiction over the Company's securities;
- (g) "Eligible Person" means any employee, director, or officer of the Company or any affiliate of the Company, or company that is wholly owned by one of them, or any Consultant or Consultant Company of the Company or any affiliate of the Company, that is eligible to receive Security Based Compensation pursuant to the policies of the Exchange;

- (h) "Exchange" means the TSX Venture Exchange and any other stock exchange or stock quotation system on which the Common Shares trade;
- (i) "Fair Market Value" means, as of any date, the value of the Common Shares, determined as follows:
  - (i) if the Common Shares are listed on the TSX Venture Exchange, the Fair Market Value shall be the last closing sales price for such shares as quoted on such Exchange for the market trading day immediately prior to the date of grant of the Option, less any discount permitted by the TSX Venture Exchange;
  - (ii) if the Common Shares are listed on an Exchange other than the TSX Venture Exchange, the fair market value shall be the closing sales price of such shares (or the closing bid, if no sales were reported) as quoted on such Exchange for the market trading day immediately prior to the time of determination less any discount permitted by such Exchange; and
  - (iii) if the Common Shares are not listed on an Exchange, the Fair Market Value shall be determined in good faith by the Board;
- (j) "Investor Relations Activities" has the meaning set out in the policies of the TSX Venture Exchange;
- (k) "Investor Relations Service Provider" includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (l) "Option" means the option granted to an Optionee under this Plan and the Option Agreement;
- (m) "Option Agreement" means such option agreement or agreements as is approved from time to time by the Board and as is not inconsistent with the terms of this Plan;
- (n) "Option Date" means the date of grant of an Option to an Optionee;
- (o) "Option Price" is the price at which the Optionee is entitled pursuant to the Plan and the Option Agreement to acquire Option Shares;
- (p) "Option Shares" means, subject to the provisions of Article 8 of this Plan, the Common Shares which the Optionee is entitled to acquire pursuant to this Plan and the applicable Option Agreement;
- (q) "Optionee" means a person to whom an Option has been granted;
- (r) "Plan" means this Stock Option Incentive Plan;
- (s) "Security Based Compensation" includes any Deferred Share Unit, Performance Share Unit, Restricted Share Unit, Securities for Services, Stock Appreciation Right, Stock Option, Stock Purchase Plan, any security purchased from treasury by a participant in any plan for such compensation.

- (t) "Vested" means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

**3. ADMINISTRATION**

The Plan shall be administered by the Board, and subject to the rules of the Exchange from time to time and except as provided for herein, the Board shall have full authority to:

- (a) determine and designate from time to time those Eligible Persons to whom Options are to be granted and the number of Option Shares to be optioned to each such Eligible Person;
- (b) determine the time or times when, and the manner in which, each Option shall be exercisable and the duration of the exercise period;
- (c) determine from time to time the Option Price, provided such determination is not inconsistent with this Plan; and
- (d) interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management.

**4. OPTIONEES**

Optionees must be Eligible Persons who, by the nature of their jobs or their participation in the affairs of the Company, in the opinion of the Board, are in a position to contribute to the success of the Company.

**5. EFFECTIVENESS AND TERMINATION OF PLAN**

The Plan shall be effective as of the Effective Date and shall terminate on the earlier of:

- (a) the date which is ten years from the Effective Date; and
- (b) such earlier date as the Board may determine.

Any Option outstanding under the Plan at the time of termination of the Plan shall remain in effect in accordance with the terms and conditions of the Plan and the Option Agreement.

**6. THE OPTION SHARES**

The aggregate number of Option Shares reserved for issuance under the Plan and Common Shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of the Company's Common Shares issued and outstanding as at the date of grant or issuance of Options under this Plan.

## 7. GRANTS, TERMS AND CONDITIONS OF OPTIONS

Options may be granted by the Board at any time and from time to time prior to the termination of the Plan. Options granted pursuant to the Plan shall be contained in an Option Agreement and, except as hereinafter provided, shall be subject to the following terms and conditions:

(a) Option Price

The Option Price shall be determined by the Board, provided that such price shall not be lower than the Fair Market Value of the Option Shares on the date of grant of the Option.

(b) Duration and Exercise of Options

Except as otherwise provided elsewhere in this Plan, the Options shall be exercisable for a period, or in percentage installments over a period, to be determined in each instance by the Board, not exceeding ten years from the Option Date, provided that so long as the Company is classified as a "Tier 2" issuer by the TSX Venture Exchange, the Options shall be exercisable for a period not exceeding five years from the Option Date. The Options must be exercised in accordance with this Plan and the Option Agreement

Except as contemplated in (c) below, no Option may be exercised by an Optionee who was an Eligible Person at the time of grant of such Option unless the Optionee shall have been an Eligible Person continuously since the Option Date. Absence on leave, with the approval of the Company, shall not be considered an interruption of employment for the purpose of the Plan.

(c) Termination

All rights to exercise Options shall terminate upon the earliest of:

- (i) the expiration date of the Option;
- (ii) the 90th day after the Optionee ceases to be an Eligible Person for any reason other than death, disability or cause;
- (iii) the 30th day after the Optionee who is engaged in Investor Relations Activities for the Company ceases to be employed to provide Investor Relations Activities;
- (iv) the date on which the Optionee ceases to be an Eligible Person by reason or termination of the Optionee as an employee or consultant of the Company for cause (which, in the case of a consultant, includes any breach of an agreement between the Company and the consultant);
- (v) the first anniversary of the date on which the Optionee ceases to be an Eligible Person by reason of termination of the Optionee on account of disability; or
- (vi) the first anniversary of the date of death of the Optionee.

(d) Re-issuance of Options

Options which are cancelled or expire prior to exercise may be re-issued under the Plan.

(e) Transferability of Option

Options are non-transferable and non-assignable.

(f) Vesting of Option Shares

The Directors may determine and impose terms upon which each Option shall become Vested in respect of Option Shares, with the exception that vesting provisions on Investor Relations Option Shares shall not be accelerated without prior Exchange acceptance.

(g) Other Terms and Conditions

The Option Agreement may contain such other provisions as the Board deems appropriate, provided such provisions are not inconsistent with the Plan and the requirements of the TSX Venture Exchange.

In addition, for as long as the Common Shares of the Company are listed on the TSX Venture Exchange and the Company is classified as either a "Tier 1" or "Tier 2" issuer by the TSX Venture Exchange, any grant or issuance by the Company of Options to acquire Common Shares of the Company shall be subject to the following restrictions:

- (i) the maximum number of Common Shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued to insiders (as a group) must not exceed 10% of the Common Shares of the Company at any point in time, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the Exchange;
- (ii) the maximum number of Common Shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to insiders (as a group) must not exceed 10% of the Common Shares of the Company, calculated as at the date any Securities Based Compensation is granted or issued to any insider, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the Exchange;
- (iii) the maximum number of Common Shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to any one Eligible Person must not exceed 5% of the Common Shares of the Company, calculated as at the date any Securities Based Compensation is granted or issued to the Eligible Person, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the Exchange;
- (iv) the maximum number of Common Shares of the Company that are issuable pursuant to all Securities Based Compensation granted or issued in any 12 month period to any one Consultant must not exceed 2% of the Common Shares of the Company, calculated as at the date any

Securities Based Compensation is granted or issued to the Consultant, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the Exchange;

- (v) the maximum number of Common Shares of the Company that are issuable pursuant to all Options granted or issued in any 12 month period to all Investor Relations Service Providers in aggregate must not exceed 2% of the Common Shares of the Company, calculated as at the date any Option is granted or issued to any such Investor Relations Service Provider;
- (vi) Options issued to any Investor Relations Service Provider must vest in stages over no less than 12 months with no more than one-quarter of the Options vesting in any three month period, and both the Company and the Optionee represents that the Optionee is a *bona fide* employee, consultant or management company employee, as the case may be;
- (vii) the approval of the disinterested shareholders of the Company shall be obtained for any amendment to or reduction in the exercise price of the Option or extension of the term of the Option if the Optionee is an insider of the Company at the time of the proposed amendment. For the purposes of this subsection, the term "insider" has the meaning assigned in the securities legislation applicable to the Company; and
- (viii) for Options granted to the employees, consultants or management company employees of the Company, both the Company and the Optionee represents that the Optionee is a *bona fide* employee, consultant or management company employee, as the case may be.

## 8. ADJUSTMENT OF AND CHANGES IN THE OPTION SHARES

- (a) If the Common Shares are at any time to be listed or quoted on any stock exchange or stock quotation system other than the TSX Venture Exchange, to the extent that there are any Options which are outstanding and unexercised at the time of such application for listing, the Option Price, the aggregate number of Option Shares, the exercise period, and any other relevant terms of such Options, and the Option Agreements in relation thereto, shall be amended in accordance with the requirements of any applicable securities regulation or law or any applicable governmental or regulatory body (including the Exchange). Subject to the requirements of the Exchange, any such amendment shall be effective upon receipt of Board approval of it, subject to approval of disinterested shareholders of the Company, and approval of any of the Optionees is not required to give effect to such amendment.
- (b) If the Common Shares, as presently constituted, are changed into or exchanged for a different number or kind of shares or other securities of the Company or of another Company (whether by reason of merger, consolidation, amalgamation, recapitalization, reclassification, split, reverse split, combination of shares, or otherwise) or if the number of such Common Shares are increased through the payment of a stock dividend, then there shall be substituted for or added to each Option Share subject to or which may become subject to an Option under this Plan, the number and kind of shares or other securities into which each outstanding Option Share is so changed, or for which each such Option Share is exchanged, or to which each such Option Share is entitled, as the case may be. Outstanding Options under the Option Agreements shall also be appropriately amended as to price and other terms as may be necessary to reflect the foregoing events. In the event that there is any other change in the number or kind of the

outstanding Common Shares or of any shares or other securities into which such Option Shares are changed, or for which they have been exchanged, then, if the Board shall, in its sole discretion, determine that such change equitably requires an adjustment in any Option theretofore granted or which may be granted under the Plan, such adjustment shall be made in accordance with such determination. Notwithstanding the foregoing, any adjustment or amendment to an Option Agreement outstanding Options under this Plan other than as a consequence of a consolidation or split of Common Shares shall be subject to prior acceptance of the Exchange.

- (c) Fractional shares resulting from any adjustment in Options pursuant to this Section 8 will be cancelled. Notice of any adjustment shall be given by the Company to each holder of an Option which has been so adjusted and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes of the Plan.

#### **9. PAYMENT**

Subject as hereinafter provided, the full purchase price for each of the Option Shares shall be paid by certified cheque in favour of the Company upon exercise thereof. An Optionee shall have none of the rights of a shareholder in respect of the Option Shares until the shares are issued to such Optionee.

#### **10. SECURITIES LAW REQUIREMENTS**

No Option shall be exercisable in whole or in part, nor shall the Company be obligated to issue any Option Shares pursuant to the exercise of any such Option, if such exercise and issuance would, in the opinion of counsel for the Company, constitute a breach of any applicable laws from time to time, or the rules from time to time of the Exchange. Each Option shall be subject to the further requirement that if at any time the Board determines that the listing or qualification of the Option Shares under any securities legislation or other applicable law, or the consent or approval of any governmental or other regulatory body (including the Exchange), is necessary as a condition of, or in connection with, the issue of the Option Shares hereunder, such Option may not be exercised in whole or in part unless such listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Board.

#### **11. AMENDMENT OF THE PLAN**

Subject to prior approval of the Exchange, the Board may amend, suspend or terminate the Plan or any portion thereof at any time, but an amendment may not be made without the approval of the shareholders of the Company unless such amendment is a correction of a typographical error or clarifies existing provisions of this Plan that do not have the effect of altering the scope, nature and intent of such provisions.

#### **12. POWER TO TERMINATE OR AMEND PLAN**

Subject to the approval of any stock exchange on which the Company's securities are listed, the Board may terminate, suspend or amend the terms of the Plan; provided, that any such amendment is subject to shareholder approval or disinterested shareholder approval of the Company, as the case may be, pursuant to the policies of the Exchange.



**13. SHAREHOLDER APPROVAL**

For greater certainty, without limitation, amendments to any of the following provisions of this Plan are subject to approval of the shareholders of the Company:

- (a) persons eligible to be granted or issued Options under this Plan;
- (b) the maximum percentage of Common Shares that are issuable under this Plan;
- (c) the limits under this Plan on the amount of Options that may be granted or issued to any one person or any category of persons;
- (d) the method for determining the exercise price of Options;
- (e) the maximum term of Options;
- (f) the expiry and termination provisions applicable to Options, including the addition of a blackout period;
- (g) the addition of a Net Exercise (as defined under the policies of the Exchange); and
- (h) any method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to an Optionee.

Notwithstanding the foregoing, the following amendments to this Plan will not be subject to approval of the shareholders of the Company: (i) amendments to fix typographical errors; and (ii) amendment to clarify existing provisions of this Plan that do not have the effect of altering the scope, nature and intent of such provisions.

Subject to the policies of the Exchange, without limitation, the following will require approval of disinterested shareholders of the Company:

- (a) any amendments to this Plan that could result in exceeding any of the limits set forth in Section 7(g) of this Plan;
- (b) any amendment to an Option held by an insider of the Company that would have the effect of decreasing the exercise price of the Option;
- (c) any grant of an Option prior to shareholder approval of this Plan; and
- (d) any amendment to the Plan or an Option that results in a benefit to an insider of the Company, which includes the cancellation of an Option and grant of a new Option to the same person with one year.

**[COMPANY NAME]**  
**STOCK OPTION PLAN**  
**OPTION AGREEMENT**

This Option Agreement is entered into between **[COMPANY NAME]** (the "**Corporation**") and the Optionholder named below pursuant to the Corporation's Option Plan (the "**Plan**"), a copy of which is attached hereto, and confirms that:

1. On \_\_\_\_\_ (the "**Grant Date**");
2. \_\_\_\_\_ (the "**Optionholder**");
3. Was granted a non-assignable option to purchase \_\_\_\_\_ Common Shares (the "**Optioned Shares**") of the Corporation;
4. At a price (the "**Exercise Price**") of \$\_\_\_\_\_ per Optioned Shares; and
5. For a term expiring at 5:00 p.m., Vancouver time, on \_\_\_\_\_ (the "**Expiry Date**").

All on the terms and subject to the conditions set out in the Plan. By signing this agreement, the Optionholder acknowledges that he or she has read and understands the Plan.

**UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE \_\_\_\_\_.**

**Without prior written approval of the TSX Venture Exchange and in compliance with all applicable securities legislation, the Option Shares represented by this Option Agreement may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until \_\_\_\_\_.**

IN WITNESS WHEREOF the Corporation and the Optionholder have executed this Option Agreement as of \_\_\_\_\_, 20\_\_\_\_.

**[COMPANY NAME]**

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
**Name of Optionholder**

\_\_\_\_\_  
**Signature of Optionholder**

**[COMPANY NAME]**  
**STOCK OPTION PLAN**  
**NOTICE OF EXERCISE**

**[COMPANY NAME]**

[Company Address]

Attention: Corporate Secretary

Reference is made to the Option Agreement made as of \_\_\_\_\_, 20\_\_\_\_, between **[COMPANY NAME]** (the "**Corporation**") and the Optionholder. The Optionholder hereby exercises the Option to purchase Common Shares (the "Optioned Shares") of the Corporation as follows:

Number of Optioned Shares for which Option being exercised: \_\_\_\_\_

Exercise Price per Optioned Share: \$ \_\_\_\_\_

Total Exercise Price (in the form of a cheque (which need not be certified) or bank draft tendered with this Notice of Exercise): \$ \_\_\_\_\_

Name of Optionholder as it is to appear on share certificate: \_\_\_\_\_

Address of Optionholder as it is to appear on the register of Common Shares of the Corporation and to which a certificate representing the Common Shares being purchased is to be delivered: \_\_\_\_\_

Date \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
**Name of Optionholder**

\_\_\_\_\_  
**Signature of Optionholder**

**SCHEDULE "D"****RESTRICTED SHARE UNIT PLAN****1. Purpose**

- (a) **Background.** The Issuer currently has in place the Stock Option Plan pursuant to which Options may be granted to purchase Shares of the Issuer. Subject to section 14 hereof, the Issuer now also adopts this RSU Plan on the terms and conditions herein set forth (as may be amended from time to time) in order to provide the Issuer with flexibility in designing various equity-based compensation arrangements for the Directors, Employees, Consultants and other Persons engaged to provide ongoing services to the Issuer and its Affiliates, other than Persons involved in Investor Relations Activities relating to the Issuer. The Issuer and the Participant represents that Employees, Consultants or Management Company Employees who are granted Awards under this RSU Plan will be *bona fide* Employees, Consultants or Management Company Employees at the time of grant. Section 14 hereof sets forth the provisions concerning the effective date of the RSU Plan, its termination and application to Awards under the existing and continuing Stock Option Plan.
- (b) **Purpose.** The purpose of this RSU Plan is to advance the interests of the Issuer by encouraging Directors, Employees and Consultants to receive equity-based compensation and incentives, thereby (i) increasing the proprietary interests of such Persons in the Issuer, (ii) aligning the interests of such Persons with the interests of the Issuer's shareholders generally, (iii) encouraging such Persons to remain associated with the Issuer, and (iv) furnishing such Persons with additional incentive in their efforts on behalf of the Issuer. The Board also contemplates that through the RSU Plan, the Issuer will be better able to compete for and retain the services of the individuals needed for the continued growth and success of the Issuer.

Restricted Share Units granted pursuant to this RSU Plan will be used to compensate Participants for their individual performance-based achievements and are intended to supplement stock option awards in this specific respect. The goal of such grants is to more closely tie Awards to individual performance based on established Performance Criteria.

**2. Definitions**

For purposes of this RSU Plan, the following terms shall have the meaning set forth below:

- (a) "**Act**" means the *Business Corporations Act* (British Columbia), or its successor, as amended, from time to time.
- (b) "**Affiliate**" has the meaning ascribed to that term in section 2 of Policy 1.1 of the TSXV.
- (c) "**Associate**" has the meaning ascribed to that term in section 1.2 of Policy 1.1 of the TSXV.
- (d) "**Awards**" means the Restricted Share Units.
- (e) "**Board**" means the board of directors of the Issuer.
- (f) "**Change of Control**" has the meaning ascribed to that term in section 1.2 of Policy 1.1 of the TSXV.
- (g) "**Committee**" means the Board, or if the Board so determine in connection with section 3 hereof,

the committee of the Board authorized to administer the RSU Plan.

- (h) "**Company**" means a company, incorporated association, or organization, body corporate, partnership, trust, association or other entity other than an individual.
- (i) "**Consultant**" means, in relation to the Issuer, an individual (other than a Director, Officer or Employee of the Issuer or of any of its subsidiaries) or Company that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to any of its subsidiaries, other than services provided in relation to a Distribution;
  - (ii) provides the services under a written contract between the Issuer or any of its subsidiaries and the individual or the Company, as the case may be; and
  - (iii) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or any of its subsidiaries.
- (j) "**Control**" means, with respect to any Person, the possession, directly or indirectly, severally or jointly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise.
- (k) "**Director**" means a director, senior officer or Management Company Employee of the Issuer, or a director, senior officer or Management Company Employees of the Issuer's subsidiaries.
- (l) "**Disability**" means a physical injury or mental incapacity of a nature which the Committee determines prevents or would prevent the Grantee from satisfactorily performing the substantial and material duties of his or her position with the Issuer.
- (m) "**Disinterested Shareholder Approval**" means that the proposal must be approved by a majority of the votes cast at the shareholders' meeting other than votes attaching to securities beneficially owned by Insiders and their Associates to whom Shares may be issued pursuant to this RSU Plan.
- (n) "**Effective Date**" means the date as of which an Award shall take effect, provided that the Effective Date shall not be a date prior to the date the Granting Authority determines an Award shall be made and, unless otherwise specified by the Granting Authority, the Effective Date will be the date the Granting Authority determines an Award shall be made.
- (o) "**Eligible Person**" means, from time to time, any Director or Employee of the Issuer or an Affiliate of the Issuer, or a company wholly owned by such an individual, and any Consultant, excluding Persons involved in Investor Relations Activities relating to the Issuer.
- (p) "**Eligible Retirement**" means, if determined by the Granting Authority in its sole discretion, termination of service, under circumstances as shall constitute retirement for age as determined by the Granting Authority or in accordance with the written policies established by the Granting Authority as they may be amended or revised from time to time.
- (q) "**Employees**" means:

- (i) an individual who is considered an employee under the ITA (such as an individual for whom income tax, employment insurance and Canadian Pension Plan deductions must be made at the source) of the Issuer or any Affiliate;
  - (ii) an individual who works full-time for the Issuer or any Affiliate thereof providing services normally provided by an employee and who is subject to the same control and direction by the Issuer or any Affiliate thereof over the details and methods of work as an employee of the Issuer or any Affiliate thereof, but for whom income tax deductions are not made at the source; or
  - (iii) an individual who works for the Issuer or any Affiliate thereof on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Issuer or any Affiliate thereof over the details and methods of work as an employee of the Issuer or any Affiliate thereof, but for whom income tax deductions are not made at the source.
- (r) "**Exchange**" means the TSXV or such other stock exchange where the Shares are listed for trading as at the relevant time.
- (s) "**Grant Date**" means the date on which an Award is granted to a Participant.
- (t) "**Granting Authority**" means the Board, the Committee or other committee, as applicable, that is charged with exercising the powers and responsibility as to a specific matter in question affecting this RSU Plan or an Award.
- (u) "**Insiders**" has the same meaning ascribed to that term in section 1.2 of Policy 1.1 of the TSXV.
- (v) "**Issuer**" means [COMPANY NAME], a Company existing under the Act, and includes any successor Company thereof.
- (w) "**Investor Relations Activities**" has the same meaning ascribed to that term in section 1.2 of Policy 1.1 of the TSXV.
- (x) "**Investor Relations Service Provider**" includes any Consultant that perform Investor Relations Activities and any Director, Officer, Employee, or Management Company Employee whose role and duties primarily consist of Investor Relations Activities.
- (y) "**ITA**" means the *Income Tax Act* (Canada) and any regulations thereunder as amended from time to time.
- (z) "**Management Company Employee**" means an individual employed by a Person providing management services to the Issuer, which are required for the ongoing successful operation of the business enterprise of the Issuer, but excluding a Person involved in Investor Relations Activities relating to the Issuer.
- (aa) "**Market Price**" of a Share as of a relevant date shall mean the fair market value as determined by the Granting Authority:
- (i) in accordance with the rules of the TSXV if the Shares are then listed on such Exchange;
  - or

- (ii) if the Shares are not publicly traded at the time a determination of its fair market value is required to be made hereunder, the determination of fair market value shall be made in good faith by the Granting Authority using any fair and reasonable means selected in the Granting Authority's discretion.
- (bb) "**Option**" means an option granted in accordance with the terms of the Stock Option Plan to purchase a Share.
- (cc) "**Participants**" or "**Grantees**" means those individuals to whom Awards have been granted from time to time under the RSU Plan.
- (dd) "**Performance Criteria**" means such financial, personal and/or other performance criteria as may be determined by the Granting Authority with respect to Awards of Restricted Share Units and, for greater certainty, the Committee may take into consideration the present and potential contributions of and the services rendered by the particular Participant to the success of the Issuer and any other factors which the Granting Authority deems appropriate and relevant.
- (ee) "**Person**" means a Company or an individual.
- (ff) "**Restricted Period**" means the period established by the Granting Authority with respect to an Award during which the Award either remains subject to forfeiture or is not exercisable by the Participant.
- (gg) "**Restricted Share Unit**" means a right, granted in accordance with section 6 hereof, to receive a Share.
- (hh) "**RSU Plan**" means this Restricted Share Unit Plan, as amended and restated from time to time.
- (ii) "**Security Based Compensation**" includes any Deferred Share Unit, Performance Share Unit, Restricted Share Unit, Securities for Services, Stock Appreciation Right, Stock Option, Stock Purchase Plan, any security purchased from treasury by a Participant.
- (jj) "**Shareholder Approval Date**" means the date on which this RSU Plan is approved by the shareholders of the Issuer.
- (kk) "**Shares**" means the common shares of the Issuer, as adjusted in accordance with the provisions of section 9 hereof.
- (ll) "**Stock Option Plan**" means the Issuer's stock option incentive plan as it exists on the date hereof and as may be amended from time to time.
- (mm) "**Termination**" means: (i) in the case of an Employee, the termination of the employment of the Employee with or without cause by the Issuer or an Affiliate or the cessation of employment of the Employee with the Issuer or an Affiliate, other than the Eligible Retirement, of the Employee; and (ii) in the case of a Consultant, the termination of the services of the Consultant by the Issuer or any Affiliate.
- (nn) "**TSXV**" means the TSX Venture Exchange.
- (oo) "**TSXV Hold Period**" means the day that is four months and one day after the date of granting of

the Award.

- (pp) "**Vested**" or "**Vesting**" means, with respect to an Award, that the applicable conditions established by the Granting Authority or this RSU Plan have been satisfied or, to the extent permitted under the RSU Plan, waived, whether or not the Participant's rights with respect to such Award may be conditioned upon prior or subsequent compliance with any confidentiality, non-competition or non-solicitation obligations, provided that no RSU shall vest within one year of the date of grant except in the event of death of the holder or the holder ceases to be an Eligible Person in connection with a Change of Control, takeover bid, reverse takeover or similar transaction.

### 3. Administration

- (a) **Powers of the Board and the Committee.** Subject to and consistent with the terms of the RSU Plan, applicable law and applicable rules of the Exchange, and subject to the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Board will have the general power to administer the RSU Plan in accordance with its terms (including all powers specified in clause 3(a)(ii) hereof and make all determinations required or permitted to be made, provided, however, that the Board may delegate all or any portion of such powers to the Committee or to other committees and provided, further, that with respect to Awards of the Issuer's executive officers, the Committee shall have such powers as are set forth in clause 3(a)(i) hereof.

- (i) **Specific Provisions Concerning Delegation of Authority to the Committee.** In addition to any authority of the Committee specified under any other terms of the RSU Plan, and notwithstanding any other provision herein to the contrary, insofar as Awards under the RSU Plan are to be made to executive officers, the Committee will make recommendations to the Board with respect to Awards.

The foregoing shall not limit the Board in delegating any other powers to the Committee or in delegating any or all determinations or other powers with respect to certain types of Awards, including the full power to make Awards and to exercise the other powers set forth in clause 3(a)(ii) hereof and the other powers granted herein to the Granting Authority.

- (ii) **Specific Powers of the Granting Authority.** Without limiting the lead-in paragraph of subsection 3(a) hereof, the powers of the Granting Authority shall include the powers to, subject to subsection 10(c) hereof:
- (1) interpret the RSU Plan and instruments of grant evidencing the Awards;
  - (2) prescribe, amend and rescind such procedures and policies, and make all determinations it deems necessary or desirable for the administration and interpretation of the RSU Plan and instruments of grant evidencing Awards;
  - (3) determine those Persons who are eligible to be Participants, grant one or more Awards to such Persons and approve or authorize the applicable form and terms of the related instrument of grant;
  - (4) determine the terms and conditions of Awards granted to any Participant, including, without limitation, and subject always to the RSU Plan (1) subject to



subsection 4(b) and 4(c), the type, and number of Shares subject to an Award, (2) the conditions to the Vesting of an Award or any portion thereof, including terms relating to lump sum or instalment Vesting, the period for achievement of any applicable Performance Criteria as a condition to Vesting and the conditions, if any, upon which Vesting of any Award or portion thereof will be waived or accelerated without any further action by the Granting Authority, (3) the circumstances upon which an Award or any portion thereof shall be forfeited, cancelled or expire, (4) the consequences of a Termination with respect to an Award, (5) the manner of exercise or settlement of the Vested portion of an Award, including whether an Award shall be settled on a current or deferred basis, and (6) whether and the terms upon which any Shares delivered upon exercise or settlement of an Award must continue to be held by a Participant for any specified period;

- (5) set forms of consideration, if any, to be paid with respect to the settlement of an Award (except to the extent certain forms of consideration must be paid to satisfy the requirements of applicable law);
- (6) determine whether and the extent to which any Performance Criteria or other conditions applicable to Vesting of an Award have been satisfied or shall be waived or modified;
- (7) amend the terms of any instrument of grant or other documents evidencing Awards; provided, however, that subject to subsection 5(d) hereof, no amendment of an Award may, without the consent of the holder of the Award, adversely affect such Person's rights with respect to such Award in any material respect;
- (8) accelerate or waive any condition to the Vesting of any Award, all Awards, any class of Awards or Awards held by any group of Participants, provided that the RSUs shall not vest within one year of the date of grant except in the event of death of the holder or the holder ceases to be an Eligible Person in connection with a Change of Control, takeover bid, reverse takeover or similar transaction; and
- (9) determine whether and the extent to which adjustments shall be made pursuant to section 9 hereof and the terms of any such adjustments.

However, the Granting Authority shall not have any discretion under this subsection 3(a) or any other provisions of the RSU Plan that would modify the terms or conditions of any Award that is intended to be exempt from the definition of "salary deferral arrangement" in the ITA if the exercise of such discretion would cause the Award to not be or cease to be exempt. The Granting Authority will also exercise its discretion in good faith in accordance with the Issuer's intention that the terms of the Awards and the modifications or waivers permitted hereby are in compliance with applicable law and the rules of the Exchange.

- (b) **Effects of Granting Authority's Decision.** Any action taken, interpretation or determination made, or any rule or regulation adopted by the Granting Authority pursuant to this RSU Plan shall be made in its sole discretion and shall be final, binding and conclusive on all affected Persons, including, without limitation, the Issuer, any of its Affiliates, any Grantee, holder or beneficiary of an Award,

any shareholder and any Eligible Person.

- (c) **Liability Limitation and Indemnification.** No member of the Granting Authority or the Board generally shall be liable for any action or determination made in good faith pursuant to the RSU Plan or any instrument of grant evidencing any Award granted under the RSU Plan. To the fullest extent permitted by law, the Issuer shall indemnify and save harmless, and shall advance and reimburse the expenses of, each Person made, or threatened to be made, a party to any action or proceeding in respect of the RSU Plan by reason of the fact that such Person is or was a member of the Granting Authority or is or was a member of the Board in respect of any claim, loss, damage or expense (including legal fees) arising therefrom.
- (d) **Delegation and Administration.** The Granting Authority may, in its discretion, delegate such of its powers, rights and duties under the RSU Plan, in whole or in part, to such committee, Person or Persons as it may determine, from time to time, on terms and conditions as it may determine, except the Granting Authority shall not, and shall not be permitted to, delegate any such powers, rights or duties: (i) with respect to the grant, amendment, administration or settlement of any Award of a Participant, (ii) with respect to the establishment or determination of the achievement of the Performance Criteria, or (iii) with respect to any matter that would be in violation of applicable law or the rules of any Exchange. The Granting Authority may also appoint or engage a trustee, custodian or administrator to administer and implement the RSU Plan or any aspect of it, subject to the exception of the immediately preceding sentence hereof.

#### 4. Shares Subject to the Plan

- (a) **Aggregate Plan Limits.** Subject to adjustment pursuant to section 9 hereof, the maximum aggregate number of Shares that may be reserved for issue at any given time in connection with the Awards granted under this RSU Plan shall not exceed **5,892,087 Shares** at any point in time (being 10% of the issued and outstanding Shares as at the date on which the Board approved this RSU Plan) unless Disinterested Shareholder Approval for an additional listing of Shares under this RSU Plan has been obtained. Notwithstanding the foregoing, at no time shall the number of Shares that may be reserved for issue under this RSU Plan exceed the fixed number of 5,892,087 Shares.
- (b) **Certain Additional Limits.** Notwithstanding anything to the contrary in this RSU Plan, as long as the Shares are listed on the TSXV,
- (i) the maximum number of Shares which may be reserved for issue pursuant to this RSU Plan to all Insiders shall not, at any point in time, exceed a total aggregate of **5,892,087 Shares** (being 10% of the issued and outstanding Shares as at the date on which the Board approved this RSU Plan) less the number of Shares issuable at any point in time to all Insiders under all other Security Based Compensation Plans, unless the Issuer has received Disinterested Shareholder Approval;
- (ii) the maximum number of Shares which may be reserved for issue pursuant to this RSU Plan to all Insiders within a 12 month period shall not exceed **5,892,087 Shares** (being 10% of the issued and outstanding Shares as at the date on which the Board approved this RSU Plan) less the number of Shares issuable to all Insiders in any such 12 month period under all other Security Based Compensation Plans, calculated as at the date of grant or issuance to any Insider, unless the Issuer has received Disinterested Shareholder Approval;

- (iii) the maximum number of Shares which may be reserved for issue pursuant to this RSU Plan to any one Person within a 12 month period shall not exceed **2,946,043** Shares (being 5% of the issued and outstanding Shares as at the date on which the Board approved this RSU Plan) less the number of Shares issuable in any such 12 month period to such Person under all other Security Based Compensation Plans, calculated as at the date of grant or issuance to any Person, unless the Issuer has received Disinterested Shareholder Approval;
  - (iv) the maximum number of Shares which may be reserved for issue pursuant to this RSU Plan to any one Consultant or Consultant Company in any 12 month period shall not exceed **1,178,417** Shares (being 2% of the issued and outstanding Shares as at the date on which the Board approved this RSU Plan) less the number of Shares issuable in any such 12 month period to such Consultant under all other Security Based Compensation Plans, calculated as at the date of grant or issuance, unless the Issuer has received Disinterested Shareholder Approval; and
  - (v) Investor Relations Service Providers may not receive any Security Based Compensation under this RSU Plan.
- (c) **Source of Shares.** Except as expressly provided in the RSU Plan, Shares delivered to Participants in connection with the exercise or settlement of Awards may be authorized but unissued Shares. The Board shall take such action as may be necessary to authorize and reserve for issue from unissued Shares such number of Shares as may be necessary to permit the Issuer to meet its obligations under the RSU Plan, provided, however, that the Issuer may satisfy its obligations from treasury shares.
- (d) **Legends.** In addition to any resale restrictions required under applicable securities laws or the policies of the TSXV, all Awards issued to Insiders or granted at a discount to the Market Price, and any Shares issued upon the Vesting of the Awards prior to the expiry of the TSXV Hold Period, must be legended as prescribed under the policies of the TSXV with the TSXV Hold Period commencing on the date the Awards were granted.

## 5. General Provisions Relating to Awards

- (a) **Eligibility.** Awards will be granted only to those Persons who are, at the time of the grant, Eligible Persons. In determining whether an Eligible Person shall receive an award and the terms of such Award, the Issuer may consider, among other things, the nature of the services rendered to the Issuer or its subsidiaries by the Eligible Person, their present and potential contributions to the success of the Issuer. If the Participant is a Company, excluding Participants that are Consultants, it must provide to the Exchange, if the Exchange is the TSX Venture Exchange, with a completed *Certification and Undertaking Required from a Company Granted Security Based Compensation* in the form of *Schedule "A" to Form 4G – Summary Form – Security Based Compensation*. Any Company to be granted Security Based Compensation, other than a Consultant, must agree not to effect or permit any transfer of ownership or option of securities of the Company nor to issue further shares of any class in the Company to any other individual or entity as long as the Security Based Compensation remains outstanding, except with the prior written consent of the Exchange.
- (b) **Terms of Grant.** Subject to the other express terms of this RSU Plan, grants of Awards under the RSU Plan shall contain such terms and conditions as the Granting Authority may specify. Without limiting the foregoing,

- (i) Each Award granted under the RSU Plan shall be evidenced by an instrument of grant, in such form or forms as the Granting Authority shall approve from time to time, which shall set forth such terms and conditions consistent with the terms of the RSU Plan as the Granting Authority may determine. Each instrument of grant shall set forth, at a minimum, the type and Effective Date of the Award evidenced thereby, the number of Shares subject to such Awards and the applicable Vesting conditions. Reference in the RSU Plan to an instrument of grant shall include any supplements or amendments thereto.
  - (ii) The term or Restricted Period of each Award that is a Restricted Share Unit shall be for such period as may be determined by the Granting Authority, provided, however, that in no event shall the term of any Restricted Share Unit exceed a period of 10 years (or such other shorter term as may be required in respect of an Award so that such Award does not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA), subject to extension of such term where such term expires during a trading blackout period pursuant to the corporate governance policies of the Issuer, provided that such extension may not be longer than 10 business days after the expiry of the blackout period.
  - (iii) The terms, conditions and/or restrictions contained in an Award may differ from terms, conditions and restrictions contained in any other Awards.
  - (iv) The Granting Authority may specify such other terms and conditions, consistent with the terms of the RSU Plan, as the Granting Authority shall determine or as shall be required under any other provisions of the RSU Plan. Such terms may include, without limitation, provisions requiring forfeiture of Awards in the event of termination of employment by the Participant and provisions permitting a Participant to make elections relating to his or her Award.
- (c) **Vesting Conditions.** Subject to terms of the RSU Plan, the Granting Authority shall determine any and all conditions to the Vesting of all and/or any portion of Awards and shall specify the material terms thereof in the applicable instrument of grant on, or as soon as reasonably practicable following, the Effective Date of the Award. Vesting of an Award, or portion thereof, may be conditioned upon passage of time, continued employment, satisfaction of Performance Criteria, or any combination of the foregoing, as determined by the Granting Authority. For greater certainty, no Award may vest before the date that is one year following the date it is granted or issued.
- (d) **Change of Control.** Any Restricted Share Units that are not yet Vested shall, upon the date of a Change of Control, become fully Vested and the holder shall receive a cash payment within 30 days of the date of Change of Control equal to the number of the holder's Restricted Share Units multiplied by the fair market value of the Company's Shares as at the date of the Change of Control.
- (e) **Fractional Shares.** No fractional Shares shall be issued under the RSU Plan and there shall be no entitlement or payment for any fractional Shares and no payment shall be made in lieu of a fractional Share.
- (f) **Compliance with the ITA.** The terms and conditions applicable to any Award (or portion thereof) granted to a Participant who is subject to taxation under the ITA are intended to comply with the ITA. Without limiting the foregoing,

- (i) the terms of any such Award (or portion thereof) permitting the deferral of payment or other settlement thereof shall be subject to such requirements and shall be administered in such manner as the Committee may determine to be necessary or appropriate to comply with the applicable provisions of the ITA as in effect from time to time; and
- (ii) any elections allowed to be exercised by a Participant shall be deemed to be void or shall be deemed amended or altered so as not to cause the Award to be considered a "salary deferral arrangement" under the ITA, as defined in subsection 248(1) or create adverse tax consequences under the ITA.

**6. Restricted Share Units**

- (a) **Grants.** The Granting Authority may from time to time grant one or more Awards of Restricted Share Units to Eligible Persons on such terms and conditions, consistent with the RSU Plan, as the Granting Authority shall determine and which terms shall be contained in a grant agreement substantially in the form annexed hereto as Schedule A in respect of Restricted Share Units.
- (b) **Vesting Terms.** Restricted Share Units shall become Vested, no earlier than one year from the date of grant except in the event of death of the holder or the holder ceases to be an Eligible Person in connection with a change of control, takeover bid, reverse takeover, or similar transaction, at such times, in such instalments and subject to such terms and conditions consistent with subsection 5(c) hereof as may be determined by the Granting Authority and set forth in the applicable instrument of grant, provided that the conditions to Vesting of Restricted Share Units may be based on the Participant's continued employment and having regard to the satisfaction of any Performance Criteria established by the Granting Authority, provided however that Restricted Share Units shall become Vested and be paid out no later than December 31 of the third calendar year following the calendar year in which the Grantee rendered the services in respect of which the Award is being made (the "**Trigger Date**").
- (c) **Settlement.** Unless otherwise determined by the Granting Authority (including by the terms of the Award of the RSU Plan) and subject to the immediately preceding sentence and to subsection 6(b) hereof, Restricted Share Units shall be settled upon or as soon as reasonably practicable following the Vesting thereof subject to payment or other satisfaction of all related withholding obligations in accordance with the provisions of this RSU Plan.

Notwithstanding the foregoing, Restricted Share Units shall also Vest in accordance with the following terms:

- (i) upon the death of the Participant, all unvested Restricted Share Units credited to the Participant will Vest on the date the Issuer is duly notified of the Participant's death. The Shares represented by the Restricted Share Units held by the Participant shall be issued, as determined by the Granting Authority, to the Participant's estate forthwith;
- (ii) in the case of Eligible Retirement of the Participant, all unvested Restricted Share Units credited to the Participant will Vest on the date of Eligible Retirement, and the Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith;
- (iii) in the case of total Disability of the Participant, all unvested Restricted Share Units credited

to the Participant will Vest within 60 days following the date on which the Participant is determined to be totally disabled, and the Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith; and

- (iv) in the case of termination without cause by the Issuer of a Participant (other than Eligible Retirement), all unvested Restricted Share Units credited to the Participant shall Vest on the date of such termination, and the Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith. For clarity, where a Participant is terminated for cause or where the Participant has voluntarily terminated his/her employment or service with the Issuer, all unvested Restricted Share Units as at the date of such termination or cessation of service shall be immediately cancelled without liability or compensation therefor and be of no further force and effect.

Settlement of Restricted Share Units in Shares shall be made by delivery of one Share for each such Restricted Share Unit then being settled, unless at the sole discretion of the Granting Authority, settlement is made by payment of the cash value of the market price (as defined under the policies of the TSXV) for the Shares as at the date of Vesting in lieu of delivery of one Share for each such Restricted Share Unit for any or all such Restricted Share Units.

Upon payment of any amount pursuant to settlement of Restricted Share Units granted under this section 6 in Shares, the particular Restricted Share Units in respect of which such payment was made shall be cancelled and no further payments (whether in Shares or otherwise) shall be made in relation to such Restricted Share Units.

If any Restricted Share Unit is cancelled in accordance with the terms of the RSU Plan or the agreements evidencing the grant, the Shares reserved for issue pursuant to such Award shall, upon cancellation of such Restricted Share Unit, revert to the RSU Plan and shall be available for other Awards, and no securities have been issued upon cancellation of the Restricted Share Unit.

- (d) **Dividend Equivalents.** Neither the Participant nor his or her legal personal representative shall have any rights or privileges of a shareholder in respect of any of the Shares issuable upon exercise of the Award granted to him or her (including any right to receive dividends or other distributions therefrom or thereon) unless and until certificates representing such Shares have been issued and delivered.
- (e) **No Other Benefit.**
  - (i) No amount will be paid to, or in respect of, a Participant (or a Person with whom the Participant does not deal at arm's length within the meaning of the ITA) under the RSU Plan to compensate for a downward fluctuation in the price of a Share or the value of any Award granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant (or a person with whom the Participant does not deal at arm's length within the meaning of the ITA), for such purpose.
  - (ii) The Issuer makes no representations or warranties to Participants with respect to the RSU Plan or any Restricted Share Units whatsoever. Participants are expressly advised that the value of any Restricted Share Units in the RSU Plan will fluctuate as the trading price of the Shares fluctuates.

- (iii) In seeking the benefits of participation in the RSU Plan, a Participant agrees to exclusively accept all risks associated with a decline in the trading price of the Shares and all other risks associated with the holding of Restricted Share Units.

**7. Consequences of Termination**

- (a) **General Provisions.** Unless otherwise determined by the Granting Authority (including by the terms of the Award or the RSU Plan).

- (i) If a Grantee is terminated for any reason whatsoever other than death, total Disability, Eligible Retirement, termination without cause by the Issuer, subject to subsection 6(c) hereof, any non-vested Award granted pursuant to the RSU Plan outstanding at the time of such termination and all rights thereunder shall wholly and completely terminate and no further Vesting shall occur.
- (ii) If employment of a Grantee is terminated for cause or retirement which is not Eligible Retirement or is otherwise voluntarily terminated by the Grantee, any non-Vested Award granted pursuant to the RSU Plan outstanding at the time of such termination and all rights thereunder shall wholly and completely terminate and no further Vesting shall occur.

- (b) **Discretion of the Granting Authority.** Notwithstanding any other provision hereof and without limiting the discretion of the Granting Authority, the Granting Authority may (whether by terms of the Award or by its election notwithstanding the terms of an Award):

- (i) allow non-Vested Awards to be treated as Vested upon termination of employment or service of a Participant, as to any or all of termination, death or total Disability;
- (ii) provide that the Awards with respect to certain classes, types or groups of Participants will have different acceleration, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants;
- (iii) provide for the continuation of any Award for such period which is not longer than 12 months and upon such terms and conditions as are determined by the Granting Authority in the event that a Participant ceases to be an Eligible Person;
- (iv) subject to the applicable rules of the Exchange, provide that Vested Awards may be exercised for periods longer or different from those set forth in subsection 7(a) hereof; or
- (v) set any other terms for the exercise or termination of Awards upon termination of employment or service.

Notwithstanding the foregoing, all Awards granted to Participants who are subject to the ITA shall be on terms that will be designed to prevent them from being considered a "salary deferral arrangement" as defined in subsection 248(1) of the ITA.

- (c) **Leave of Absence.** If an Employee is on sick leave or other bona fide leave of absence, such Person shall be considered an "Employee" for purposes of an outstanding Award during the period of such leave, provided that it does not exceed 90 days (or such longer period as may be determined by the Granting Authority in its sole discretion), or, if longer, so long as the Person's right to reemployment is guaranteed either by statute or by contract. If the period of leave exceeds 90 days (or such longer period as may be determined by the Granting Authority in its sole discretion), the employment relationship shall be deemed to have been terminated on the 91st day (or the first day immediately following any period of leave in excess of 90 days as approved by the Granting Authority) of such leave, unless the Person's right to reemployment is guaranteed by statute or contract.

## 8. Transferability

- (a) **Transfer Restrictions.** No Award, and no rights or interests therein, shall or may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Participant other than by testamentary disposition by the Participant or the laws of intestate succession. No such interest shall be subject to execution, attachment or similar legal process including without limitation seizure for payment of the Participant's debts, judgments, alimony or separate maintenance.
- (b) **Transfer upon Death of Participant.** In the case where transfer is made following the death of a Participant to the Participant's legal personal representative, such legal personal representative may only receive the entitlement under the Award provided that it is exercised (if exercisable) at any time up to and including, but not after, 5:00 p.m. (Vancouver time) on the date which is one year following the date of death of the Participant or up to 5:00 p.m. (Vancouver time) on the date on which the Award granted to such participant expires, whichever is the earlier; such entitlement shall only occur in cases where the Award has Vested in accordance with the provisions of the RSU Plan and where it is found that the Participant is legally entitled to the Award.

## 9. Adjustments

- (a) **No Restriction on Action.** The existence of the RSU Plan and/or the Awards granted hereunder shall not limit, affect or restrict in any way the right or power of the Board or the shareholders of the Issuer to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the capital structure or business of the Issuer, (ii) any merger, consolidation, amalgamation or change in ownership of the Issuer, (iii) any issue of bonds, debentures, capital, preferred or prior preference shares ahead of or affecting the capital Share of the Issuer or the rights thereof, (iv) any dissolution or liquidation of the Issuer, (v) any sale or transfer of all or any part of the assets or business of the Issuer, or (vi) any other corporate act or proceeding with respect to the Issuer. No Participant or any other Person shall have any claim against any member of the Board or the Granting Authority, or the Issuer or any employees, officers or agents of the Issuer as a result of any such action.



**(b) Recapitalization Adjustment**

- (i) In the event that (A) a dividend shall be declared upon the Shares or other securities of the Issuer payable in Shares or other securities of the Issuer, (B) the outstanding Shares shall be changed into or exchanged for a different number or kind of shares or securities of the Issuer or of another Company or entity, whether through an arrangement, plan of arrangement, amalgamation, or other similar statutory procedure or a share recapitalization, subdivision, consolidation or otherwise, (C) there shall be any change, other than those specified in (A) or (B) above, in the number or kind of outstanding Shares or of any securities into which such Shares shall have been changed or for which they shall have been exchanged, or (D) there shall be a distribution of assets or shares to shareholders of the Issuer out of the ordinary course of business then, the Granting Authority shall determine whether an adjustment in the number or kind of Shares theretofore authorized but not yet covered by Awards, in the number or kind of Shares theretofore subject to outstanding Awards, in the number or kind of Shares generally available for Awards or available in any calendar year under the RSU Plan and/or such other adjustment as may be appropriate should be made, in order to ensure that, after any such event, the Shares subject to the RSU Plan and each Participant's proportionate interest shall be maintained substantially as before the occurrence of the event, and if the Granting Authority determines that an adjustment should be made, such adjustment shall be made and be effective and binding for all purposes. Any such adjustment other than a Share consolidation or Share split shall be subject to prior approval of the Exchange.
- (ii) Any adjustment to any Award granted to a Participant which has been designed to fall within a specific exemption to the definition of "salary deferral arrangement" in subsection 248(1) of the ITA shall be such as to ensure the continued availability of such exemption.

**10. Amendment and Termination**

- (a) **General.** Subject to subsection 10(b), the prior approval of any stock exchange on which the Companies securities are listed, the Board may terminate, suspend or amend the terms of this RSU Plan; provided that any such amendment is, subject to subsection 10(b), subject to shareholder approval or disinterested shareholder approval of the Company, as the case may be, pursuant to the policies of such stock exchange.
- (b) **Shareholder Approval.** Any amendment to this RSU Plan shall be subject to shareholder approval or disinterested shareholder approval, as the case may be, as well prior approval of the Exchange (prior to such shareholder approval or disinterested shareholder approval) is necessary for any amendment to this RSU Plan; provided however, that this RSU Plan shall not be subject to approval of the Exchange or approval of the shareholders of the Company for: (i) amendments to fix typographical errors; and (ii) amendments to clarify existing provisions of this RSU Plan that do not have the effect of altering the scope, nature and intent of such provisions.

**11. Regulatory Approval**

Notwithstanding anything herein to the contrary, the Issuer shall not be obligated to cause to be issued any Shares or cause to be issued and delivered any certificates evidencing Shares pursuant to the RSU Plan, unless and until the Issuer is advised by its legal counsel that the issue and delivery of the Shares and such Share certificates is in compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities in Canada, the United States and any other applicable jurisdiction, and the requirements of the Exchange. The Issuer shall in no event be obligated to take any action in order to cause the issue or delivery of Shares or such certificates to comply with any such laws, regulations, and delivery of such Shares or certificates and in order to ensure compliance with such laws, regulations, rules, orders and requirements, that the Participant, or any permitted transferee of the Participant under section 7 hereof or, after his or her death, the Participant's estate, as described in section 7 hereof, make such covenants, agreements and representations as the Granting Authority deems necessary or desirable.

**12. No Additional Rights**

No Person shall have any claim or right to be granted Awards under the RSU Plan, and the grant of any Awards under the RSU Plan shall not be construed as giving a Participant any right to continue in the employment of the Issuer or affect the right of the Issuer to terminate the employment of a Participant. Unless otherwise determined by the Granting Authority, neither any period of notice, if any, nor any payment in lieu thereof, upon Termination shall be considered as extending the period of employment for the purposes of the RSU Plan.

**13. Miscellaneous Provisions**

- (a) **Shareholder Rights.** A Participant shall not have the right or be entitled to exercise any voting rights, receive any dividends or have or be entitled to any other rights as a shareholder in respect of Shares subject to an Award unless and until such Shares have been paid for in full and issued and certificates therefor have been issued to the Participant. A Participant entitled to Shares as result of the settlement of a Restricted Share Unit shall not be deemed for any purpose to be, or have any such rights as a shareholder of the Issuer by virtue of such exercise or settlement, except to the extent a Share certificate is issued therefor and then only from the date such certificate is issued. No adjustment shall be made for dividends or distributions or other rights for which the record date is prior to the date such Share certificate is issued.
- (b) **Withholding.** The Issuer or any Affiliate may withhold from any amount payable to a Participant, either under this RSU Plan or otherwise, such amount as may be necessary so as to ensure that the Issuer or any Affiliate will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or that any other required deductions are paid or otherwise satisfied, at the minimum statutory rate. Subject to the other provisions of the RSU Plan, the Issuer shall also have the right in its discretion to satisfy any such liability for withholding or other required deduction amounts by retaining or acquiring any Shares, or retaining any amount payable, which would otherwise be issued or delivered, provided or paid to a Participant hereunder. The Issuer may require a Participant, as a condition to the settlement of a Restricted Share Unit, to pay or reimburse the Issuer for any such withholding (at the minimum statutory rate) or other required deduction amounts related to the settlement of Restricted Share Units. For greater certainty, this §(b) does not supersede and is subject to the requirements of TSX Venture Exchange Policy 4.4 (the "**Policy**") and shall not result in the alteration of the exercise price other than in

accordance with the Policy.

- (c) **Governing Law.** The RSU Plan, all instruments of grant evidencing Awards granted hereunder and any other agreements or other documents relating to the RSU Plan shall be interpreted and construed in accordance with the laws of British Columbia (and the federal laws having application therein), except to the extent the terms of the RSU Plan, any supplement to the RSU Plan, or the Award in question expressly provides for application of the laws of another jurisdiction. The Granting Authority may provide that any dispute as to any Award shall be presented and determined in such forum as the Granting Authority may specify, including through binding arbitration. Any reference in the RSU Plan, in any instruments of grant evidencing Awards granted hereunder or in any other agreement or document relating to the RSU Plan to a provision of law or to a rule or regulation shall be deemed to include any successor law, rule or regulation of similar effect or applicability.
- (d) **Compliance with Securities Laws.** The obligation of the Issuer to issue and deliver Shares in accordance with the RSU Plan is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Issuer. If Shares cannot be issued to a Participant upon the exercise of an Award for any reason whatsoever, the obligation of the Issuer to issue such Shares shall terminate and any funds paid to the Issuer in connection with the exercise of such Award will be returned to the relevant Participant as soon as practicable.
- (e) **Compliance with Laws of Other Jurisdictions.** Awards may be granted to Participants who are citizens or residents of a jurisdiction other than Canada or the United States on such terms and conditions different from those under the RSU Plan as may be determined by the Granting Authority to be necessary or advisable to achieve the purposes of the RSU Plan while also complying with applicable local laws, customs and tax practices, including any such terms and conditions as may be set forth in any supplement to the RSU Plan intended to govern the terms of any such Award. In no event shall the eligibility, grant, exercise or settlement of an Award constitute a term of employment, or entitlement with respect to employment, of any employee.
- (f) **Funding.** Except as would not result in adverse tax consequences to a Participant, no provision of the RSU Plan shall require or permit the Issuer, for the purpose of satisfying any obligations under the RSU Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Issuer maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the RSU Plan other than as unsecured general creditors of the Issuer, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other Eligible Persons under general law.
- (g) **No Guarantee of Tax Consequences.** Neither the Board, nor the Issuer nor the Granting Authority makes any commitment or guarantee that any specific tax treatment will apply or be available to any Person participating or eligible to participate hereunder.

#### 14. **Effective Date and Term of RSU Plan**

- (a) **Effective Date of the Plan.** The RSU Plan shall initially become effective on the Shareholder

Approval Date, which follows the prior approval of the Exchange. The effective date of any amendment to this RSU Plan shall be the date of approval by the shareholders of the Issuer following prior approval of the Exchange. If the shareholders do not approve the RSU Plan or any amendments to the RSU Plan, the RSU Plan or such amendments shall not be effective, and any and all actions taken prior thereto under the amendments effected hereby, including the making of any Awards subject to such approval being obtained, shall be null and void or shall, if necessary, be deemed to have been fully rescinded.

- (b) **Effect on Existing Awards.** Subject to subsection 14(a) hereof, all new Awards granted on or after the effective date of the amendments as provided in subsection 14(a) hereof are granted under and subject to the terms of this RSU Plan as amended and restated and shall continue to be governed by the terms of such RSU Plan and to the terms of their individual granting instruments as in effect from time to time including provisions concerning change of control or other related events.
- (c) **Termination.** The Board may suspend or terminate the RSU Plan at any time, provided that such suspension or termination shall not affect any Awards that became effective pursuant to the RSU Plan prior to such termination or suspension.

SCHEDULE A

RESTRICTED SHARE UNIT AGREEMENT

*[All Awards issued to Insiders must include the following legend:*

*Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement and the shares issuable upon the vesting thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert the date that is four months and one day after the Grant Date of the Award].*

THIS RESTRICTED SHARE UNIT AGREEMENT (the "Agreement") is made as of the ● day  
of ●, ●.

B E T W E E N :

[COMPANY NAME]

(herein called the "Issuer")

- and -

●

(herein called the "Grantee")

This Agreement is made pursuant to the terms and conditions of the Issuer's Restricted Share Unit Compensation Plan (in effect from time to time, the "RSU Plan"), which is incorporated by reference herein. The Grantee accepts the terms and conditions of the RSU Plan and all rules and procedures adopted thereunder, as amended from time to time. In the event of any inconsistency between the terms of this Agreement and the terms of the RSU Plan, the terms of the RSU Plan shall prevail. Certain terms with initial capital letters used in this Agreement have the meanings set out in the RSU Plan.

Each RSU (as defined below) granted to the Grantee hereunder represents a right of the Grantee to receive one common share of the Issuer as presently constituted (each a "Share") on the terms set out herein.

The Issuer has granted to the Grantee, as of the Grant Date set out in exhibit 1 attached hereto, that number of restricted share units (the "RSUs") equal to the number of RSUs set out in exhibit 1 attached hereto, upon the terms and conditions set out in this Agreement, including the following:

**Restricted Share Units.** Each RSU granted to the Grantee hereunder represents a right of the Grantee to receive one Share on the date the said RSU vests.

**Grantee's Notional Account.** The Issuer shall maintain in its books a notional account for the Grantee (the "Grantee's Account") recording the number of RSUs granted to the Grantee and the number of RSUs that have Vested. Upon payment in satisfaction of vested RSUs through the issue of Shares from treasury, such Vested RSUs shall be cancelled.

**Vesting.** Subject to the earlier vesting provisions set out herein, the RSUs granted by the Issuer to the Grantee as set out on exhibit 1 attached hereto shall vest in accordance with the vesting provisions set out on exhibit 1 attached hereto (provided that in no event will the Grantee become entitled to acquire a fraction of a Share).

Notwithstanding the vesting provisions above, in the event of a Change of Control while the Grantee is employed by the Issuer or a wholly owned subsidiary of the Issuer or in the event that the Grantee terminates employment with the Issuer and its Subsidiaries by reason of Eligible Retirement, death or total Disability (as determined by the Committee in good faith) (each an "Accelerated Vesting Event"), the non-vested RSUs will:

- (i) in the case of a Change of Control, Eligible Retirement or death being the Accelerated Vesting Event, immediately become 100% vested, or
- (ii) in the case of total Disability being the Accelerated Vesting Event, vest on the 60th day following the Grantee's termination.

If the Grantee terminates employment with the Issuer and its Subsidiaries for any reason other than such Eligible Retirement, total Disability or death or termination without cause, any non-vested RSUs granted hereunder will be immediately cancelled without liability or compensation therefor and be of no further force and effect. For clarity, where the Grantee voluntarily terminates his/her employment with the Issuer or is otherwise terminated by the Issuer for cause, all non-Vested RSUs of the Grantee shall be immediately cancelled without compensation or liability therefor and be of no further force and effect.

In no event will the Grantee become entitled to acquire a fraction of a Share.

**Settlement of Vested RSUs.** Payment to the Grantee in respect of Vested RSUs will be made in the form of Shares only and will be evidenced by book entry registration or by a certificate registered in the name of the Grantee as soon as practicable following the date on which the RSUs become Vested; provided that the settlement date shall not be later than the third anniversary of the Grant Date and all payments in respect of Vested RSUs in the Grantee's Account shall be paid in full on or before December 31 of the same calendar year.

**No Shareholder Rights.** The Grantee will have none of the rights of a shareholder of the Issuer with respect to any Shares underlying the RSUs, including the right to vote such shares and receive any dividends that may be paid thereon, until such time, if any, that the Grantee has been determined to be a shareholder of record by the Issuer's transfer agent or one or more certificates of Shares are delivered to the Grantee in settlement thereof. Further, nothing herein will confer upon the Grantee any right to remain in the employ of the Issuer or its Subsidiaries.

**RSUs Non-Transferable.** RSUs are non-transferable (except to a Grantee's estate as contemplated under this Agreement).

**No Other Benefit.** No amount will be paid to, or in respect of, the Grantee under the RSU Plan to compensate for a downward fluctuation in the value of the Shares, nor will any other form of benefit be conferred upon, or in respect of, the Grantee for such purpose.

The Issuer makes no representations or warranties to the Grantee with respect to the RSU Plan or the RSUs whatsoever. The Grantee is expressly advised that the value of the RSUs in the RSU Plan will fluctuate as the value of Shares fluctuates.

In seeking the benefits of participation in the RSU Plan, the Grantee agrees to exclusively accept all risks

associated with a decline in the value of Shares and all other risks associated with participation in the RSU Plan.

**Withholding Tax.** As set out in section 13 of the RSU Plan, if the Issuer determines that under the requirements of applicable tax laws the Issuer is obligated to withhold for remittance to any taxing authority any amount, the Issuer may require the Grantee to pay to the Issuer, such amount as the Issuer is obliged to remit in connection with the issue of the Shares as set out in section 13 of the RSU Plan.

**Income Taxes:** The Grantee acknowledges that he/she will be liable for income tax relating to grants and dispositions of RSUs. The Grantee hereby acknowledges that the Issuer is making no representation to him/her regarding taxes applicable to the Grantee and the Grantee will confirm the tax treatment with his/her own tax advisor.

**No Inducement.** By executing a copy of this Agreement, the Grantee hereby accepts the grant of RSUs and hereby confirms and acknowledges that his or her participation in the RSU Plan is voluntary and that he or she has not been induced to enter into this Agreement or participate in RSU Plan by expectation of employment or continued employment with the Issuer.

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

**Binding Effect.** This Agreement shall enure to the benefit of and be binding upon the Issuer and the Grantee and each of their respective heirs, executors, administrators, successors and assigns.

**Unfunded and Unsecured RSU Plan.** Unless otherwise determined by the Board, this Agreement and the RSU Plan shall be unfunded and the Issuer will not secure its obligations under this Agreement or the RSU Plan. To the extent any Grantee or his or her estate holds any rights by virtue of a grant of RSUs under this Agreement, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Issuer.

**Governing Law.** This Agreement shall be governed by, and interpreted in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein, without regard to principles of conflict of laws.

**Effective Date.** The effective date of this Agreement shall be the Grant Date.

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

[COMPANY NAME]

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**Name:**

**Title:**

**Date:**

**GRANTEE**

\_\_\_\_\_  
**Signature of Grantee**

**Name:**

**Title:**

**Date:**



**EXHIBIT 1 to SCHEDULE "A" of [COMPANY NAME]  
RESTRICTED SHARE UNIT COMPENSATION PLAN  
NOTICE OF RESTRICTED SHARE UNITS GRANTED**

Grantee: \_\_\_\_\_

Address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

You have been granted Restricted Share Units of [COMPANY NAME] (the "Issuer"), as follows:

Grant Date: \_\_\_\_\_

Number of Restricted Share Units: \_\_\_\_\_

Starting Value of Restricted Share Unit Grant: \_\_\_\_\_

Vesting Schedule: \_\_\_\_\_

By your signature and the signature of the Issuer's representative below, you and the Issuer agree that this Restricted Share Unit Grant is granted under and governed by the terms and conditions of the Issuer's Restricted Share Unit Compensation Plan, as amended from time to time.

[COMPANY NAME]

\_\_\_\_\_

Name:

Title:

Date:

GRANTEE

\_\_\_\_\_

Signature of Grantee

Name:

Title:

Date:

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