

**GOLDEN INDEPENDENCE MINING CORP.**

**Annual General and Special Meeting  
to be held on Monday, May 1, 2023**

**Notice of Annual General and Special Meeting  
and  
Information Circular**

**March 15, 2023**

**GOLDEN INDEPENDENCE MINING CORP.**

503 - 905 West Pender Street  
Vancouver, British Columbia  
V6C 1L6

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

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the shareholders of Golden Independence Mining Corp. (the “**Company**”) will be held on May 1, 2023, at 2500 Park Place, 666 Burrard Street, Vancouver, British Columbia at 10:00 a.m. (local time in Vancouver, British Columbia). At the Meeting, the shareholders will receive the financial statements for the years ended November 31, 2021 and November 31, 2022, together with the auditor’s report thereon, and consider resolutions to:

1. fix the number of directors at four;
2. elect directors for the ensuing year;
3. appoint Manning Elliott LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors to determine the remuneration to be paid to the auditor;
4. consider and, if thought fit, to pass, with or without variation, an ordinary resolution to adopt a new omnibus equity incentive plan, as more fully described in the information circular accompanying this notice of Meeting under the heading “Particulars of Other Matters to be Acted Upon – Adoption of New Omnibus Equity Incentive Plan”; and
5. transact such other business as may properly be put before the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Endeavor Trust Corporation (“**Endeavor**”). If a shareholder does not deliver a proxy to Endeavor, Attention: Proxy Department, Suite 702 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, by 10:00 a.m. (local time in Vancouver, British Columbia) on Thursday, April 27, 2023 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on March 15, 2023 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice of Meeting.

DATED at Vancouver, British Columbia, the 15<sup>th</sup> day of March, 2023.

**ON BEHALF OF THE BOARD**

*“Jeremy Poirier”*

Jeremy Poirier,  
Chief Executive Officer and Director

## **GOLDEN INDEPENDENCE MINING CORP.**

503 - 905 West Pender Street  
Vancouver, British Columbia  
V6C 1L6

### **INFORMATION CIRCULAR**

(as at March 15, 2023 except as otherwise indicated)

#### **SOLICITATION OF PROXIES**

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management (the “**Management**”) of Golden Independence Mining Corp. (the “**Company**”). The form of proxy which accompanies this Circular (the “**Proxy**”) is for use at the annual general and special meeting of the shareholders of the Company to be held on Monday, May 1, 2023 (the “**Meeting**”), at the time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

#### **APPOINTMENT AND REVOCATION OF PROXY**

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed Proxy should be delivered to Endeavor Trust Corporation (“**Endeavor**”) Attention: Proxy Department, Suite 702 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4 by 10:00 a.m. (local time in Vancouver, British Columbia) on Thursday, April 27, 2023, or before 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Endeavor, or by transmitting a revocation by telephonic or electronic means, to Endeavor, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chair of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

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

**The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditor as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such**

person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the Management knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

#### Advice to Beneficial Holders of Common Shares

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

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

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who

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

The Company has distributed copies of the Notice of Meeting, Circular and VIF to intermediaries for distribution to NOBOs. Unless you have waived your right to receive the Notice of Meeting, Circular and VIF, intermediaries are required to deliver them to you as a NOBO of the Company and to seek your instructions on how to vote your common shares.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO’s intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:00 a.m. (local time in Vancouver, British Columbia) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

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

### **Financial Statements**

The audited financial statements of the Company for the years ended May 31, 2021 and May 31, 2022, together with the auditor’s report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date of the accompanying Notice of Meeting, the Company's authorized capital consists of an unlimited number of common shares of which 11,494,746 common shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Shareholders registered as at March 15, 2023, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Company:

Shareholder	Number of Shares	Percentage of Issued Capital
William Matlack <sup>(1)</sup>	1,796,955	15.40%

## ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. The Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors on the board of directors (the "**Board**") of the Company was fixed at three and shareholders will be asked at the Meeting to pass an ordinary resolution to fix the number of directors for the ensuing year at four.

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

Name, province or state and country of residence and position, if any, held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of common shares of the Company beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)(5)</sup>
<p><b>R. Timothy Henneberry<sup>(2)</sup></b> British Columbia, Canada <i>President and Director</i></p>	<p>Director of Mind Medicine (MindMed) Inc. from February 2013 to July 2017; director of Quadro Resources Ltd. from November 2013 to January 2018; director of Arcwest Exploration Inc. from June 2013 to September 2018; interim CEO of Arcwest Exploration Inc. from June 2017 to September 2018; director and CEP of Pike Mountain Minerals Inc. (now Carebook Technologies Inc.) from July 2018 to October 2020; director of Raindrop Ventures Corp. from November 2019 to December 2020; director of Silver Sands Resources Corp. since January 2018; director of iMetal Resources Inc. since November 2020; director of Hilo Mining Corp. since February 2021; director of Tana Resources Corp. from February 10, 2021.</p>	<p>July 10, 2020</p>	<p>153,333<sup>(3)</sup></p>
<p><b>Jeremy Poirier<sup>(2)</sup></b> British Columbia, Canada <i>Chief Executive Officer and Director</i></p>	<p>Chief Executive Officer and Director, Hilo Mining Ltd., June 2021 to present; Chief Executive Officer and Director, J4 Ventures Inc., March 2021 to present; President, Chief Executive Officer, and Director, Bearing Lithium Corp., from August 2016 to October 2019; President, Nico Consulting from 2004 to present; Director, Alexandra Capital Corp. from August 2017 to present.</p>	<p>December 3, 2021</p>	<p>172,832<sup>(4)</sup></p>
<p><b>Benjamin Hinkle<sup>(2)</sup></b> Idaho, USA <i>Director</i></p>	<p>Director of Technical Services, Rangefront Mining Services, October, 2019 to present; Principal Geologist, Hinkle Geologic Consulting, December, 2017 to October, 2019; Chief Geologist, Fire Creek, Klondex Mines, January 2015 to December 2017.</p>	<p>April 11, 2022</p>	<p>Nil</p>
<p><b>Jordon Whitham-Carroll</b> British Columbia, Canada <i>Director</i></p>	<p>Certified electrician; Director, FenixOro Gold Corp. (previously American Battery Metals Corp.) June 6, 2018 to April 7, 2020; Director of Pike Mountain Minerals Inc. (now Carebook Technologies Inc.) from February 20, 2020 to October 2020; Director of J4 Ventures Inc. from March 31, 2021 to present.</p>	<p>April 18, 2022</p>	<p>1,333</p>



Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
- (2) A member of the audit committee.
- (3) 33,333 common shares are owned by Mr. Henneberry through Mammoth Geological Ltd. a holding company controlled and directed by Mr. Henneberry and 120,000 common shares are owned by Mr. Henneberry through 0822676 BC Ltd., a holding company controlled and directed by Mr. Henneberry.
- (4) 38,709 common shares are owned by Mr. Poirier through Nico Consulting Inc., a company controlled by Mr. Poirier.
- (5) Appropriate adjustments have been made in the number of the Company's common shares, in connection with the consolidation of the Company's issued share capital effective November 1, 2022, on the basis of one new common share without par value for every 15 existing common shares without par value.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

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

No director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### **Individual Bankruptcies**

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

### **Penalties or Sanctions**

Jeremy Poirier, a director and the Company's Chief Executive Officer, entered into a settlement agreement dated July 22, 2022 with the British Columbia Securities Commission (the "**BCSC**"). Mr. Poirier was formerly the Chief Executive Officer and a director of Bearing Lithium Corp. ("**Bearing**"). Pursuant to the settlement agreement, Bearing (then known as Bearing Resources Ltd.) agreed that it retained Stock Social Inc. ("**SSI**"), a marketing company, to conduct investor relations and that SSI disseminated advertorials and social media posts about Bearing (collectively, the "**Promotional Materials**") during the period of January 2017 to February 2017 and failed to ensure such Promotional Materials disclosed they were issued on behalf of Bearing, which is a contravention of section 52(2) of the *Securities Act* (British Columbia) (the "**Act**"). Mr. Poirier, who was the Chief Executive Officer and a director of Bearing at such time, agreed

that he authorized, permitted or acquiesced in Bearing's contravention of section 52(2) of the Act and therefore contravened the same provision. Bearing paid the BCSC \$25,000 in settlement of the matter and Mr. Poirier paid the BCSC \$10,000 in settlement of the matter.

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

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purposes of this disclosure:

“CEO” of the Company means each individual who served as Chief Executive Officer of the Company or acted in a similar capacity for any part of the most recently completed financial year.

“CFO” of the Company means each individual who served as Chief Financial Officer of the Company or acted in similar capacity for any part of the most recently completed financial year.

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

- (a) a CEO;
- (b) a CFO;
- (c) the most highly compensated executive officer other than the individuals identified in (a) and (b) above, at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* of National Instrument 51-102 – *Continuous Disclosure Obligations*, for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

During the financial year ended November 30, 2022, the Company had four (4) NEOs, being Christos Doulis, former CEO, R. Timothy Henneberry, President, Joel Leonard, CFO and Jeremy Poirier, CEO.

### Director and NEO Compensation, Excluding Compensation Securities

Set out below is a summary of all compensation paid, payable, awarded, granted, given, or otherwise provided, excluding compensation securities, during the Company’s two most recently completed financial years to the Company’s NEOs and directors, in any capacity, for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof.

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Christos Doulis<sup>(1)</sup></b> Former CEO & Former Director	2022	\$40,049	Nil	Nil	Nil	Nil	\$40,049
	2021	\$162,000	Nil	Nil	Nil	Nil	\$162,000
<b>R. Timothy Henneberry<sup>(2)</sup></b> President & Director	2022	\$60,000	Nil	Nil	Nil	Nil	\$60,000
	2021	\$60,000	Nil	Nil	Nil	Nil	\$60,000
<b>Joel Leonard<sup>(3)</sup></b> CFO	2022	\$84,000	Nil	Nil	Nil	Nil	\$84,000
	2021	\$84,000	Nil	Nil	Nil	Nil	\$84,000
<b>Jeremy Poirier<sup>(4)</sup></b> CEO & Director	2022	\$57,500	Nil	Nil	Nil	Nil	\$57,500
	2021	N/A	N/A	N/A	N/A	N/A	N/A
<b>Benjamin Hinkle<sup>(5)</sup></b> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	N/A	N/A	N/A	N/A	N/A	N/A
<b>Jordon Witham-Carroll<sup>(6)</sup></b> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	N/A	N/A	N/A	N/A	N/A	N/A
<b>Robert Mintak<sup>(7)</sup></b> Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
<b>Michael Dake<sup>(8)</sup></b> Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
<b>Donald McDowell<sup>(9)</sup></b> Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	\$358,471	Nil	Nil	Nil	Nil	\$358,471

Notes:

- (1) Mr. Doulis was appointed CEO and a Director of the Company on November 30, 2020 and resigned from both positions on January 19, 2022.
- (2) Mr. Henneberry was appointed a Director of the Company on July 10, 2020 and President of the Company on June 1, 2021.
- (3) Mr. Leonard was appointed CFO of the Company on September 8, 2020.
- (4) Jeremy Poirier was appointed a Director of the Company on December 3, 2021 and CEO of the Company on January 19, 2022.
- (5) Mr. Hinkle was appointed a Director of the Company on April 11, 2022.
- (6) Mr. Witham-Carroll was appointed a Director of the Company on April 18, 2022
- (7) Mr. Mintak was appointed a Director of the Company on November 27, 2017 and resigned as a Director of the Company on April 11, 2022.
- (8) Mr. Dake was appointed a Director of the Company on May 31, 2017 and resigned as a Director of the Company on January 5, 2021
- (9) Mr. McDowell was appointed a Director of the Company on September 16, 2020 and resigned as a Director of the Company on March 1, 2022.

## Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company, or any subsidiary thereof, in the year ended November 30, 2022 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 (1)(2)(11)	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
<b>Christos Doulis</b> <sup>(3)</sup> Former CEO & Former Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>R. Timothy Henneberry</b> <sup>(4)</sup> President & Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Joel Leonard</b> <sup>(5)</sup> CFO	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Jeremy Poirier</b> <sup>(6)</sup> CEO & Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Benjamin Hinkle</b> <sup>(7)</sup> Director	Stock Options	10,000 8%	2022-04-18	\$1.50	\$1.05	\$0.415	2027-04-18
<b>Jordon Witham-Carroll</b> <sup>(8)</sup> Director	Stock Options	5,667 5%	2022-04-18	\$1.50	\$1.05	\$0.415	2027-04-18
<b>Robert Mintak</b> <sup>(9)</sup> Former Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Donald McDowell</b> <sup>(10)</sup> Former Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Stock options (the “Options”) were the only compensation securities granted or issued during the November 30, 2022 year end.
- (2) Represents the percentage of the issued and outstanding Shares of the Company as at November 30, 2022.
- (3) As at November 30, 2022, Mr. Doulis held 20,000 Options, representing an equal number of underlying Shares. As at January 19, 2022, the date Mr. Doulis ceased to act as CEO and Director of the Company, Mr. Doulis held 50,000 Options. 30,000 Options expired on April 19, 2022 and 20,000 Options will expire on July 19, 2023.

- (4) As at November 30, Mr. Henneberry held a total of 40,000 Options indirectly through Mammoth Geological Ltd., representing an equal number of underlying Shares vesting immediately.
- (5) As at November 30, 2022, Mr. Leonard held 16,667 Options, representing an equal number of underlying Shares vesting immediately.
- (6) As at November 30, 2022, Mr. Poirier held 6,667 Options.
- (7) As at November 30, 2022, Mr. Hinkle held 10,000 Options.
- (8) As at November 30, 2022, Mr. Witham-Carroll held 5,667 Options, representing an equal number of underlying Shares vesting immediately.
- (9) As at November 30, 2022, Mr. Mintak held Nil Options, representing an equal number of underlying Shares vesting immediately. Upon Mr. Mintak's resignation as a Director of the Company on April 12, 2022, Mr. Mintak held 225,000 Options. 225,000 Options expired on July, 12, 2022.
- (10) As at November 30, 2022 Mr. McDowell held Nil Options, representing an equal number of underlying Shares vesting immediately. Upon Mr. McDowell's resignation as a Director of the Company on March 4, 2022, Mr. McDowell held 250,000 Options. 250,000 Options expired on June 4, 2022.
- (11) Appropriate adjustments have been made in the number of the Company's common shares, in connection with the consolidation of the Company's issued share capital effective November 1, 2022, on the basis of one new common share without par value for every 15 existing common shares without par value.

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

There were no exercises of compensation securities by a director or NEO of the Company during the most recently completed financial year.

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

As at the Record Date, the Company had one equity incentive plan, being a 10% rolling plan (the "**Current Plan**"), which was approved by the Board of Directors (the "**Board**") on November 30, 2017 and by shareholders at the annual general meeting of shareholders held on November 29, 2018.

At the Meeting, shareholders of the Company will be asked to approve a new omnibus equity incentive plan, as more fully described in the section of this Circular under the heading "Particulars of Other Matters to be Acted Upon – Adoption of New Omnibus Equity Incentive Plan".

The following information is intended as a brief description of the Current Plan:

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

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

- (a) a condition that Stock Options are non-assignable and non-transferable;

- (b) the term of a Stock Options cannot exceed ten years from the date of grant;
- (c) a condition that no more than 5% of the issued Shares may be granted to any one individual in any 12 month period unless disinterested shareholder approval is obtained;
- (d) a condition that no more than 2% of the issued Shares may be granted to any one consultant in any 12 month period;
- (e) there is no vesting period except for Stock Options issued to Consultants performing investor relations activities;
- (f) a condition that no more than an aggregate of 2% of the Shares may be granted to a person conducting investor relations activities in any 12 month period and shall vest over 12 months with no more than 25% of the Stock Options vesting in any three month period;
- (g) upon termination an optionee has 90 days to exercise their Stock Options although this period may be extended at the discretion of the Issuer;
- (h) the period in which an optionee's heirs or administrators can exercise any portion of its outstanding Stock Options is the earlier of: (a) one year from the optionee's death, or (b) the expiration of the option period.

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

### **External Management Companies**

No persons have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

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

During the year ended November 30, 2022, the Company did not have any written employment, consulting or management agreements. Jeremy Poirier, the Company's Chief Executive Officer receives \$5,250 per month pursuant to a verbal agreement, Joel Leonard, the Company's Chief Financial Officer receives \$7,350 per month pursuant to a verbal agreement and R. Timothy Henneberry, the Company's President, receives \$5,250 per month pursuant to a verbal agreement. There are no change of control, severance or termination provisions in these arrangements.

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

The Corporation has no standard arrangements pursuant to which directors are compensated for their services in their capacity as directors except for the granting from time to time of incentive stock options in accordance with the Current Plan and the Canadian Securities Exchange (the "**Exchange**"). The granting of incentive stock options provides a link between director compensation and the Corporation's common share price. It also rewards directors for achieving results that improve the Corporation's performance and thereby increase shareholder value. In making a determination as to whether a grant of long-term incentive stock options is appropriate, and if so, the number of options that should be granted, the Board will consider: the number and terms of outstanding incentive stock options held by each director; the value in securities

of the Corporation that the Board intends to award as compensation; the potential dilution to shareholders and the cost of the Corporation; general industry standards; and the limits imposed by the terms of the Current Plan and the Exchange. The granting of incentive stock options allows the Corporation to reward the director's efforts to increase the value for shareholders without requiring the Corporation to use cash from its treasury. The terms and conditions of the incentive stock option grants including vesting provisions and exercise prices are governed by the terms of the Current Plan as described herein. The directors will be reimbursed for actual expenses incurred in connection with the performance of their duties as directors

### **Named Executive Officer Compensation**

The Company has no formal compensation policy. The Board is responsible for reviewing and approving corporate goals and objectives relevant to an executive officer's compensation, evaluation the executive officer's performance in light of those goals and objectives and making recommendations with respect to the executive officer's compensation based on this evaluation.

The key components comprising executive officer compensation are base salary and incentive stock options. Executive compensation is based on an annual review of actual performance against corporate objectives undertaken by the Board.

Executive officers' compensation is designed in a manner to recognize and reward executive officers based upon individual and corporate performance, to be competitive with the compensation arrangements and programs established by other Canadian publicly listed companies of a similar size with operations in British Columbia, Canada and to be consistent with the executive officers' respective contributions to the overall benefit of the Company.

In establishing compensation objectives for executive officers, the Board seeks to:

1. motivate executives to achieve corporate performance objectives and reward them when such objectives are met;
2. recruit and subsequently retain highly qualified executive officers by offering overall compensation which is competitive with that offered for comparable positions in similar companies; and
3. align the interest of executive officers with the long-term interests of shareholders through participation in the Company's Current Plan.

In developing and overseeing the overall compensation policies and performance goals of the Company, the Board does not consider that there are material risks associated with its compensation policies given the nature of the Company's business and operations.

### **Pension Disclosure**

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

No other elements of compensation were awarded to, earned by, paid or payable to the NEOs or directors in the most recently completed financial year ended November 30, 2022.

## EQUITY COMPENSATION PLAN INFORMATION

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

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <sup>(1)</sup> (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(2)</sup> (c)
Equity compensation plans approved by the securityholders	125,667 Options <sup>(3)</sup> 387,536 Warrants <sup>(3)</sup>	\$4.856 \$6.281	1,023,808 <sup>(4)</sup> N/A
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
<b>Total</b>	125,667 Options <sup>(3)</sup> 387,536 Warrants <sup>(3)</sup>	\$4.856 \$6.281	1,023,808 <sup>(4)</sup> N/A

Notes:

- (1) Assuming outstanding options, warrants and rights are fully vested.
- (2) Excluding the number of shares issuable upon exercise of outstanding options, warrants and rights shown in the second column.
- (3) 125,667 Common Shares may be issued on the exercise of the issued and outstanding Options, (exercisable at a price of \$6.281 per Common Share) 387,536 Common Shares may be issued on the exercise of issued and outstanding Warrants, and (exercisable at a price of \$6.281 per Common Share).
- (4) Remaining available for future issuance under the Current Plan.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

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

No director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the adoption of the new omnibus equity incentive plan.



## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

On November 12, 2021, the Company and Hilo Mining Corp. (“**Hilo**”) completed a plan of arrangement, pursuant to which, among other things, the Company distributed the majority of the Shares of Hilo held by the Company to its shareholders (the “**Arrangement**”) on a pro rata basis (approximately 0.016 Shares of Hilo per each Company share held). Jeremy Poirier, the CEO and a director of the Company, Christos Doulis, former CEO of the Company and R. Timothy Henneberry, a director of the Company, participated in the Arrangement on the same basis as all other shareholders of the Company.

Other than as disclosed above and elsewhere in this Circular, none of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company’s last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the commencement of the Company’s last completed financial year, or in any proposed transaction, which has materially affected or would materially affect the Company.

## APPOINTMENT OF AUDITOR

Management intends to nominate Manning Elliott LLP, Chartered Professional Accountants, for re-appointment as auditor of the Company. Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of Manning Elliott LLP, Chartered Professional Accountants, as the auditor of the Company to hold office for the ensuing year with remuneration to be fixed by the directors. **Unless otherwise directed, it is the intention of the management designees to vote the Proxies in favour of an ordinary resolution to reappoint the firm of Manning Elliott, Professional Chartered Accountants, as the auditor of the Company for the ensuing year and authorize the Board to determine and approve the remuneration to be paid to Manning Elliott.**

## MANAGEMENT CONTRACTS

No management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

## AUDIT COMMITTEE

The Company is required to have an audit committee (the “**Audit Committee**”) comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

### **Audit Committee Charter**

The Board has adopted a Charter for the Audit Committee which sets out the Committee’s mandate, organization, powers and responsibilities. The complete Charter is attached as Schedule “A” to this Circular.

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

The Company’s current Audit Committee consists of Jeremy Poirier, R. Timothy Henneberry and Benjamin Hinkle.

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company’s Board, reasonably interfere with the exercise of the member’s independent judgment. Of the Company’s current Audit Committee members, Benjamin Hinkle is “independent” within the meaning of NI 52-110. R. Timothy Henneberry is not “independent” as he is also the President of the Company and Jeremy Poirier is not “independent” as he is also the CEO of the Company.

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. All of the members of the Audit Committee are “financially literate” as that term is defined. The following sets out the Audit Committee members’ education and experience that is relevant to the performance of his responsibilities as an Audit Committee member.

### **Relevant Education and Experience**

*Jeremy Poirier (Chair)* – Mr. Poirier has over 17 years of experience in capital markets. Mr. Poirier serves as President of Nico Consulting, a management and consulting services company, through which he assists his clients with their IPO, RTO, fundamental transactions, and other various go public strategies. He has served as a member on a number of boards and has held officer positions at several public and private companies including serving on the audit committee of Pure Energy Minerals Limited. Mr. Poirier also has experience in roles with other listed issuers similar to Mr. Poirier’s role with the Company.

*R. Timothy Henneberry* – Mr. Henneberry has over 20 years of public company experience and has held a number of senior management and director positions. He has strong board governance experience and has served on various board committees and audit committees over his career.

*Benjamin Hinkle* – Mr. Hinkle has over 18 years’ experience as an Economic Geologist spanning three countries and four US states. He advanced from an Ore Control Geologist to Project and Senior Geologist, Senior Exploration Geologist and Chief Geologist before moving into private consulting for the past several years. He has had notable achievements and is an expert in ore control systems, 3D geologic modeling, UG mapping systems, mining-block model reconciliation, block model validation, exploration, team building and management. He has extensive 3D modeling experience in both Vulcan and Leapfrog, and a track record of developing, fostering, and mentoring high performance geology teams. Mr. Hinkle earned a Bachelor of Science Degree from Portland State University in 2004.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

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

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110;

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

### Pre-Approval Policies and Procedures

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

### Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to Manning Elliott LLP, Chartered Professional Accountants, for services rendered in the last two fiscal years:

	<u>2022</u>	<u>2021<sup>(1)</sup></u>
	(\$)	(\$)
Audit fees <sup>(1)</sup>	\$40,000	\$39,500
Audit related fees <sup>(2)</sup>	Nil	Nil
Tax fees <sup>(3)</sup>	Nil	\$3,950
All other fees <sup>(4)</sup>	<u>Nil</u>	<u>Nil</u>
Total	<u>\$40,000</u>	<u>\$43,450</u>

Notes:

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

### Exemption in Section 6.1

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

### CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate

governance guidelines (the “**Guidelines**”) adopted in Endeavor Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company’s approach to corporate governance is set out below.

### **Board of Directors**

Management is nominating four individuals to the Board, all of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. All of the current members of the Board are considered “independent” within the meaning of NI 52-110, except for Jeremy Poirier, who is the CEO and a director of the Company and R. Timothy Henneberry, who is the President and a director of the Company.

The following directors of the Company are also directors of other reporting issuers as stated:

- Jeremy Poirier is a director of Hilo Mining Corp. and J4 Ventures Inc.
- R. Timothy Henneberry is a director of iMetal Resources Inc., Hilo Mining Corp., Silver Sands Resources Corp., J4 Ventures Inc., Treviso Capital Corp. and Tana Resources Corp.
- Jordon Witham-Carroll is a director of J4 Ventures Inc.

The Board has responsibility for the stewardship of the Company including responsibility for strategic planning, identification of the principal risks of the Company’s business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company’s internal control and management information systems.

The Board sets long-term goals and objectives for the Company and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board may delegate the responsibility for managing the day-to-day affairs of the Company to senior management but will retain a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Company and its business. The Board is responsible for protecting shareholders' interests and ensuring that the incentives of the shareholders and of management are aligned.

The Board facilitates its exercise of independent supervision over management by the composition of the Board.

### **Orientation and Continuing Education**

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors, officers and employees and by reviewing the Company’s corporate records and corporate governance policies. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board. The Board will continue to look at outside sources to strengthen their skills. The Board members are encouraged to communicate with management, auditors and

technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars.

### **Ethical Business Conduct**

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

Under applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interest of the Company and exercise the care, diligence and skill that is reasonably prudent person would exercise in comparable circumstances, and disclosure to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

The Board must also comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **Nomination and Assessment**

The Company does not intend to establish a nominating committee. The Board as a whole will be responsible for filling vacancies on the Board and recommending potential nominees for directors, and will use an informal consultative process. The Board will analyze the needs of the Board when vacancies arise and identify and propose new nominees who have the necessary competencies and characteristics to meet those needs. In order to foster an objective nomination process, the independent members of the Board will be encouraged to recommend nominees for the Board.

The Board has not yet adopted any formal procedures for regularly assessing the effectiveness of the Board, its committees or individual directors with respect to their effectiveness and contributions. Nevertheless, their effectiveness is subjectively measured on an ongoing basis by each director based on their assessment of the performance of the Board, its committees or the individual directors compared to their expectation of performance. In doing so, the contributions of an individual director 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.

## **Compensation**

The Board will conduct reviews of the directors' and the chief executive officer's compensation once a year. To make its recommendation on directors' and the chief executive officer's compensation, the Board takes into account the types of compensation and the amounts paid to directors and the chief executive officer of comparable publicly traded Canadian companies.

## **Other Board Committees**

The Board has no committees other than the Audit Committee.

## **Assessments**

The CEO of the company communicates with the board members when required. The Board may establish a process to monitor the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

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

### **Adoption of New Omnibus Equity Incentive Plan**

The Company presently has in place a 10% "rolling" stock option plan (the "**Current Plan**") the maximum aggregate number of shares that may be issued upon the exercise of stock options granted under the Plan shall not exceed 10% of the issued and outstanding share capital of the Company, the exercise price of which, as determined by the Board in its sole discretion, shall not be less than the last closing price of the Company's shares traded through the facilities of the Exchange prior to the announcement of the option grant, or such other price as may be required or permitted by the Exchange, or if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.

The Board has determined that it is in the best interest of the Company to adopt a new rolling up to 10% omnibus equity incentive plan (the "**New Plan**"), in order to (i) provide for the grant of non-transferable Restricted Share Units ("**RSUs**") as well as non-transferable Options (RSUs, together with Options, are collectively referred to as, "**Awards**").

The New Plan is a "rolling up to 10%" plan, under which the maximum number of Shares reserved for issue thereunder will be determined from time to time by the directors, provided that (i) the maximum number of Shares reserved for issuance, in the aggregate, pursuant to Awards granted under the New Plan shall not exceed 10% of the number of Shares then outstanding, less the number of reserved for issuance pursuant to any other security compensation arrangement of the Company.

The Board is of the view that the New Plan is required in order to provide additional incentive to, and attract and retain, the key executives necessary for the Company's long-term success, to encourage executives to further the development of the Company and its operations, and to motivate top quality and experienced executives, and accordingly, the Board believes that the adoption of the New Plan is in the best interests of the Company.

The Company wishes to obtain shareholder approval of the New Plan in connection with the implementation thereof. Accordingly, at the Meeting, the shareholders of the Company will be asked to pass an ordinary resolution to approve the New Plan. A copy of the New Plan is available to any shareholder of the Company at or prior to the Meeting upon request to the Secretary of the Company and is also attached

hereto as Schedule "B". Set forth below is a summary of the New Plan. The following summary is qualified in all respects by the provisions of the New Plan. Reference should be made to the New Plan for the complete provisions thereof.

### **Summary of the New Plan**

#### *Purpose, Administration and Eligible Participants*

The purpose of the New Plan is to advance the interests of the Company through the motivation, attraction and retention of key employees, consultants and directors of the Company and designated affiliates of the Company and to secure for the Company and the shareholders of the Company the benefits inherent in the ownership of Shares by key employees, consultants and directors of the Company and the designated affiliates of the Company through the granting of non-transferable Awards to eligible participants under the New Plan. The Directors may delegate the administration of the New Plan to a committee of the directors of the Company authorized to carry out such administration and, failing a committee being so designated, the New Plan is to be administered by the directors of the Company.

Subject to the provisions of the New Plan, the directors have the authority to select those persons to whom Awards will be granted. Eligible participants under the New Plan include the directors, officers and employees (including both full-time and part-time employees) of the Company or of any designated affiliate of the Company and any person or corporation engaged to provide ongoing management, advisory or consulting services for the Company or a designated affiliate of the Company or any employee of such person or corporation.

#### *Shares Subject to the New Plan*

The New Plan is a "rolling up to 10%" plan, under which the maximum number of Shares reserved for issue thereunder will be determined from time to time by the directors, provided that the maximum number of Shares reserved for issuance, in the aggregate, pursuant to the exercise of Options and pursuant to the settlement of RSUs granted under the New Plan is equal to 10% of the number of Shares then outstanding, less the number of Shares reserved for issuance pursuant to any other security compensation arrangement of the Company.

Any increase or reduction in the number of outstanding Shares will result in an increase or reduction, respectively, in the number of Shares that are available for the grant of Options or the settlement of RSUs under the New Plan.

As of the Record Date, there were 830,000 Shares reserved for issue upon the exercise of outstanding Options, representing in the aggregate approximately 13.85% of the issued and outstanding Shares, leaving approximately 193,808 Shares currently available to be reserved for issuance pursuant to new grants of Options under the New Plan, and pursuant to the settlement of RSUs granted under the New Plan.

The maximum number of Shares reserved for issue pursuant to Awards granted to participants who are insiders of the Company in any twelve (12) month period may not exceed, in the aggregate, ten percent (10%) of the number of Shares then outstanding. The maximum number of Shares reserved for issue pursuant to Awards granted under the New Plan to any one participant in any twelve (12) month period shall not exceed five percent (5%) of the number of Shares then outstanding.

## *Option Awards*

### Nature of Options

An Option is an option granted by the Company to a participant entitling such participant to acquire a designated number of Shares from treasury at the exercise price. The Company is obligated to issue and deliver the designated number of Shares on the exercise of an Option and shall have no independent discretion to settle an Option in cash or other property other than Shares issued from treasury.

### Exercise Price of Options

The exercise price of any Option may not be less than the greater of (a) the closing price of the Shares on the principal stock exchange on which the Shares are listed on the last trading day immediately preceding the date of grant of the Option; and (b) the closing price of the Shares on the principal stock exchange on which the Shares are listed on the day of grant. If the Shares are not then listed on any stock exchange, the exercise price may not be less than the fair market value of the Shares as may be determined by the directors of the Company on the day immediately preceding the day of the grant of such Option.

### Expiry Date of Options

Each Option, unless sooner terminated pursuant to the provisions of the New Plan, will expire on a date to be determined by the directors at the time the Option is granted, subject to amendment by an employment contract, which date cannot be later than ten (10) years after the date the Option is granted. However, if the expiry date falls within a “blackout period” or within ten (10) business days after the expiry of a “blackout period”, then the expiry date of the Option will be the date which is ten (10) business days after the expiry of the blackout period.

### Vesting and Exercise of Options

Except as otherwise provided in the New Plan or in any employment contract, each Option may be exercised during the term of the Option only in accordance with the vesting schedule, if any, determined by the directors at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances and which may be amended or changed by the directors from time to time with respect to a particular Option, subject to applicable regulatory requirements. If the directors do not determine a vesting schedule at the time of the grant of any particular Option, such Option will be exercisable in whole at any time, or in part from time to time, during the term of the Option.

### Effect of Termination

No Option granted under the New Plan may be exercised unless the optionee at the time of exercise thereof is:

- (a) in the case of an eligible employee, an officer of the Company or a designated affiliate of the Company or in the employment of the Company or a designated affiliate of the Company and has been continuously an officer or so employed since the date of the grant of such Option;
- (b) in the case of an eligible director who is not also an eligible employee, a director of the Company or a designated affiliate of the Company and has been such a director continuously since the date of the grant of such Option; and



- (c) in the case of any other eligible participant, engaged, directly or indirectly, in providing ongoing management, advisory, consulting, technical or other services for the Company or a designated affiliate of the Company and has been so engaged since the date of the grant of such Option;

provided, however, that if a participant: (i) ceases to be a director of the Company and of the designated affiliates of the Company (and is not or does not continue to be an employee thereof) for any reason (other than death); or (ii) ceases to be employed by, or provide services to, the Company or the designated affiliates of the Company (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Company or the designated affiliates of the Company, for any reason (other than death) or receives notice from the Company or any designated affiliate of the Company of the termination of his or her employment contract, except as otherwise provided in any employment contract or as determined by the board of directors, such participant will have ninety (90) days from the date of such termination to exercise his or her Options to the extent that such participant was entitled to exercise such Options at the date of such termination.

### *RSU Awards*

#### Nature of an RSU

An RSU is an Award that is a bonus for services rendered in the year of grant, that, upon settlement, entitles the recipient participant to receive a cash payment equal to the closing price of the Shares on the Exchange on the last trading date prior to the applicable vesting date or, at the sole discretion of the directors, a Share, and subject to such restrictions and conditions on vesting as the directors may determine at the time of grant, unless such RSU expires prior to being settled.

#### Vesting

The directors shall have sole discretion to determine if any vesting conditions with respect to an RSU, including any performance criteria or other vesting conditions contained in the applicable restricted share unit agreement, have been met or waive the vesting conditions applicable to RSUs (or deem them to be satisfied), and shall communicate to a participant, as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of RSUs have been satisfied and the RSUs have vested.

#### Settlement

Subject to the vesting and other conditions and provisions in the New Plan and in the applicable restricted share unit agreement, each RSU awarded to a participant shall entitle the participant to receive, on settlement, a cash payment equal to the closing price of the Shares on the Exchange on the last trading date prior to the vesting date, or, at the discretion of the directors, one Share or any combination of cash and Shares as the directors in their sole discretion may determine, in each case less any applicable withholding taxes. The Company (or the applicable designated affiliate) may, in its sole discretion, elect to settle all or any portion of the cash payment obligation by the delivery of Shares issued from treasury or acquired by a designated broker in the open market on behalf of the participant. Subject to the terms and conditions in the New Plan, vested RSUs shall be redeemed by the Company (or the designated affiliate) as described above on the 15th day following the vesting date. Notwithstanding any other provisions in the New Plan, no payment, whether in cash or in Shares, shall be made in respect of the settlement of any RSUs later than December 15th of the third calendar year following the end of the calendar year in respect of which such RSU is granted.

### Dividend Equivalents

Dividend Equivalents may, as determined by the directors in their sole discretion, be awarded as a bonus for services rendered in the year in respect of unvested RSUs in a participant's account on the same basis as cash dividends declared and paid on Shares as if the participant was a holder of record of Shares on the relevant record date. In the event that the participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the participant.

### Effect of Death

If a participant dies, any unvested RSUs in the participant's account as at the date of such death shall become immediately forfeited and cancelled. For greater certainty, where a participant's employment or service relationship with the Company or a designated affiliate is terminated as a result of death following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the participant shall remain entitled to such distribution or payment. Notwithstanding the foregoing, if the directors, in their sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the applicable vesting date.

### Effect of Termination

If a participant: (i) ceases to be a director of the Company or of a designated affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or (ii) ceases to be employed by, or provide services to, the Company or the designated affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Company or the designated affiliates, for any reason (other than death) or shall receive notice from the Company or the designated affiliates of the termination of their employment contract; the participant's participation in the New Plan will be terminated immediately, all RSUs credited to such participant's account that have not vested will be forfeited and cancelled, and the participant's rights that relate to such participant's unvested RSUs shall be forfeited and cancelled on the termination date. Notwithstanding the foregoing, if the directors, in their sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the applicable vesting date.

### *Consolidation, Merger, etc.*

If there is a consolidation, merger or statutory amalgamation or arrangement of the Company with or into another corporation, a separation of the business of the Company into two (2) or more entities or a sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity, upon the exercise or settlement, if applicable, of an Award under the New Plan the holder thereof is entitled to receive the securities, property or cash which the holder would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer if the holder had been a holder of Shares immediately prior to the effective time of such event, unless the directors otherwise determine appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the participant in respect of such Award in connection with such event.

### *Securities Exchange Take-Over Bid*

If a take-over bid (within the meaning of the *Securities Act* (British Columbia)) is made as a result of which all of the outstanding Shares are acquired by the offeror through compulsory acquisition provisions of the incorporating statute of the Company or otherwise, and where consideration is paid in whole or in part in

equity securities of the offeror, the directors may send notice to all participants requiring them to surrender their Awards within ten (10) days of the mailing of such notice, and the optionees shall be deemed to have surrendered such Awards on the tenth (10th) day after the mailing of such notice without further formality, provided that, among other things, the directors deliver with such notice an irrevocable and unconditional offer by the offeror to grant replacement options to the participants on the equity securities offered as consideration.

*Acceleration on Take-Over Bid, Consolidation or Merger*

In the event that: (a) the Company seeks or intends to seek approval from the shareholders of the Company for a transaction which, if completed, would constitute an Acceleration Event (as hereinafter defined); or (b) a person makes a bona fide offer or proposal to the Company or the shareholders of the Company which, if accepted or completed, would constitute an Acceleration Event, then the Company is required to send notice to all optionees of such transaction, offer or proposal as soon as practicable. Provided that the directors have determined that no adjustment will be made under the provisions of the New Plan described above under the heading "Consolidation, Merger, etc.", (i) the directors may by resolution, and notwithstanding any vesting schedule applicable to any Option, subject to any required approval of the Exchange, permit all Options outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of an Option), so that the optionee may participate in such transaction, offer or proposal, and (ii) the directors may accelerate the expiry date of such Options and the time for the fulfillment of any conditions or restrictions on such exercise. An "Acceleration Event" means an acquisition by any offeror of beneficial ownership of more than fifty percent (50%) of the votes attached to the outstanding voting securities of the Company, any consolidation merger or statutory amalgamation or arrangement of the Company with or into another corporation and pursuant to which the Company will not be the surviving entity (other than a transaction under which the shareholders of the Company immediately prior to completion of the transaction will have the same proportionate ownership of the surviving corporation), a separation of the business of the Company into two (2) or more entities, a sale, lease exchange or other transfer of all or substantially all of the assets of the Company to another entity or the approval by shareholders of the Company of any plan of liquidation or dissolution of the Company.

*Amendments, Modifications and Changes*

The directors have the right under the New Plan to make certain amendments to the New Plan, including, but not limited to, amendments of a "housekeeping" nature, to comply with applicable law or regulation, to the vesting provisions of the New Plan, to the terms of any Award previously granted (with the consent of the optionee), and with respect to the effect of the termination of an optionee's position, employment or services under the New Plan, to the categories of persons who are participants in respect of the administration or implementation of the New Plan.

The directors have the right, under the New Plan, with the approval of the shareholders, and where required by the Exchange, with the approval of disinterested shareholders, to make certain amendments to the New Plan, including, but not limited to, any change to the number of Shares issuable from treasury under the New Plan, any amendment which reduces the exercise price of any Award, any amendment which extends the expiry date of an Award other than as permitted under the New Plan, any amendment which cancels any Award and replaces such Award with an Award which has a lower exercise price, any amendment which would permit Awards to be transferred or assigned by any participant other than as currently permitted under the New Plan, and any amendments to the amendment provisions of the New Plan.

*Shareholder Approval of the New Plan*

At the Meeting, the shareholders of the Company will be asked to consider, and if deemed able, to pass, with or without variation, an ordinary resolution (the “**New Plan Resolution**”) confirming and approving the New Plan. The full text of the New Plan Resolution is set out below.

In order to be passed, the New Plan Resolution requires the approval of a majority of the votes cast thereon by shareholders of the Company present or represented by proxy at the Meeting.

Reference can be made to the full text of the New Plan. A copy of the New Plan is available to any shareholder of the Company at or prior to the Meeting upon request to the CEO of the Company and is also attached hereto as Schedule “B”.

At the Meeting, the shareholders will be asked to approve the following ordinary resolution:

“**BE IT RESOLVED**, as an ordinary resolution of the shareholders of Golden Independence Mining Corp. that:

1. the Company's new omnibus equity incentive plan (the “**New Plan**”), as adopted by the board of directors of the Company and further described in the Company's Information Circular dated March 15, 2023, be and is hereby ratified, confirmed and approved;
2. the reservation for issuance from treasury pursuant to options and restricted share units under the New Plan and under any other security based compensation arrangements adopted by the Company of up to 10% of the issued and outstanding common shares of the Company from time to time is hereby ratified, confirmed and approved;
3. the Board be and is hereby authorized, in its absolute discretion, to administer the New Plan and amend or modify the New Plan in accordance with its terms and conditions and with the policies of the Exchange;
4. the shareholders of the Company hereby expressly authorize the board of directors of the Company, in its discretion, to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
5. any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the New Plan required by the Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the New Plan.”

The form of the ordinary resolution set forth above is subject to such amendments as Management may propose at the Meeting, but which do not materially affect the substance of the ordinary resolution.

**Management recommends that shareholders vote in favour of the New Plan Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the New Plan Resolution.**

## **General Matters**

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

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided in the Company's comparative annual financial statements to August 30, 2022, a copy of which, together with Management's Discussion and Analysis thereon, can be found on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the CEO of the Company by email at [jeremypoirier604@gmail.com](mailto:jeremypoirier604@gmail.com).

## **BOARD APPROVAL**

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

DATED at Vancouver, British Columbia, the 15<sup>th</sup> day of March, 2023.

## **ON BEHALF OF THE BOARD**

*"Jeremy Poirier"*

Jeremy Poirier,  
Chief Executive Officer and a Director

**GOLDEN INDEPENDENCE MINING CORP.**

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**Schedule “A”  
Audit Committee Charter**

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**(Adopted by the Board of Directors on November 30, 2017)**

**Mandate and Purpose of the Committee**

The Audit Committee (the “Committee”) of the board of directors (the “Board”) of Golden Independence Resources Corp. (the “Corporation”) is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- the integrity of the Corporation’s financial statements;
- the Corporation’s compliance with legal and regulatory requirements, as they relate to the Corporation’s financial statements;
- the qualifications, independence and performance of the Corporation’s auditor;
- internal controls and disclosure controls;
- the performance of the Corporation’s internal audit function; and
- performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

**Authority**

The Committee has the authority to:

- engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- communicate directly with the Corporation’s auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

**Composition and Expertise**

The Committee shall be composed of a minimum of three members, each whom is a director of the Corporation. The Committee shall be comprised of members, a majority of whom are not officers, employees or control persons (as such term is defined in the policies of the Canadian Securities Exchange.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Corporation.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

## **Meetings**

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least once per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Corporation's auditor shall be given notice of every meeting of the Committee and, at the expense of the Corporation, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Corporation's auditor shall attend every meeting of the Committee held during the term of office of the Corporation's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facility that permits all persons participating in the meeting to communicate adequately with each other during the meeting.

The Committee may invite such directors, officers and employees of the Corporation and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Corporation. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

## **Committee and Charter Review**

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the CSE and shall recommend changes to the Board thereon.

## **Reporting to the Board**

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

## **Duties and Responsibilities Financial Reporting**

The Committee is responsible for reviewing and recommending approval to the Board of the Corporation's annual and interim financial statements, MD&A and related news releases, before they are released. The Committee is also responsible for:

- (a) being satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial

statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;

- (b) if deemed appropriate by the Committee, engaging the Corporation's auditor to perform a review of the interim financial statements and receiving from the Corporation's auditor a formal report on the auditor's review of such interim financial statements;
- (c) discussing with management and the Corporation's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability thereof;
- (d) discussing with management any significant variances between comparative reporting periods; and
- (e) in the course of discussion with management and the Corporation's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

### **Auditor**

The Committee is responsible for recommending to the Board:

- (a) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and
- (b) the compensation of the Corporation's auditor.

The Corporation's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Corporation's 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 Corporation's auditor regarding financial reporting.

### **Relationship with the Auditor**

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (a) establishing effective communication processes with management and the Corporation's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (b) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (c) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (d) meeting in camera with the auditor whenever the Committee deems it appropriate.

### **Accounting Policies**

The Committee is responsible for:



- (a) reviewing the Corporation's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (b) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (c) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (d) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (e) discussing with management and the auditor the clarity and completeness of the Corporation's financial disclosures.

### **Risk and Uncertainty**

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (a) uncertainty notes and disclosures; and
- (b) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Corporation's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board and, once approved by the Board, overseeing the implementation and ongoing monitoring of such policies.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Corporation and how effectively they are managed or controlled.

### **Controls and Control Deviations**

The Committee is responsible for reviewing:

- (a) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (b) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

### **Compliance with Laws and Regulations**

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Corporation's compliance with financial related laws and regulations, such as: tax and financial reporting laws and regulations; legal withholdings requirements; environmental protection laws; and other matters for which directors face liability exposure.

### **Non-Audit Services**

All non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's auditor must be pre-approved by the Committee.

### **Submission Systems and Treatment of Complaints**

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing and approving the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Corporation.

**GOLDEN INDEPENDENCE MINING CORP.**

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**Schedule "B"**  
**Omnibus Equity Incentive Plan**

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**(SEE ATTACHED)**

**GOLDEN INDEPENDENCE MINING CORP.**

**OMNIBUS INCENTIVE PLAN**

**ARTICLE 1  
DEFINITIONS AND INTERPRETATION**

**1.01 Definitions**

For purposes of this Omnibus Incentive Plan, unless such capitalized word or term is otherwise defined herein or the context in which such capitalized word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings.

- (a) "**Acceleration Event**" has the meaning given to such term in Section 3.11 hereof;
- (b) "**Account**" means a notional account maintained for each Participant on the books of the Company which will be credited with RSUs in accordance with the terms of this Plan;
- (c) "**Award**" means any of an Option or RSU granted pursuant to, or otherwise governed by, the Plan;
- (d) "**Award Agreement**" means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement or a RSU Agreement;
- (e) "**Blackout Period**" means a period of time during which:
  - (i) the trading guidelines of the Company, as amended or replaced from time to time, restrict one or more Participants from trading in securities of the Company, or
  - (ii) the Company has determined that one or more Participants may not trade any securities of the Company;
- (f) "**Blackout Period Expiry Date**" means the date on which a Blackout Period expires;
- (g) "**Board**" means the board of Directors, or if the Directors so determine in accordance with Section 2.04 hereof, the committee of the Directors authorized to administer this Plan;
- (h) "**Business Day**" means a day on which the Stock Exchange is open for trading;
- (i) "**Common Shares**" means the common shares of the Company, as adjusted in accordance with the provisions of Article 6 hereof from time to time;
- (j) "**Company**" means Golden Independence Mining Corp., a corporation existing under the *Business Corporations Act* (British Columbia), and any successor corporation thereof;
- (k) "**Designated Affiliates**" means the affiliates of the Company designated by the Board for purposes of this Plan from time to time;
- (l) "**Designated Broker**" means a broker who is independent of, and deals at arm's length with, the Company and its Designated Affiliates and is designated by the Company;
- (m) "**Directors**" means the directors of the Company from time to time;
- (n) "**Dividend Equivalent**" means additional RSUs credited to a Participant's Account as a dividend equivalent pursuant to Section 4.07;
- (o) "**Eligible Directors**" means the Directors or the directors of any Designated Affiliate from time to time;

- (p) **"Eligible Employees"** means any employees and officers, whether Directors or not, of the Company or any Designated Affiliate, provided that such employees and officers are individuals who are considered employees under the ITA;
- (q) **"Employment Contract"** means any contract between the Company or any Designated Affiliate and any Participant relating to, or entered into in connection with, the employment or departure of the Eligible Employee, the appointment, election or departure of the Eligible Director or the engagement of the Other Participant or any other agreement to which the Company or a Designated Affiliate is a party with respect to the rights of such Participant in respect of a change in control of the Company or the termination of employment, appointment, election or engagement of such Participant;
- (r) **"Exercise Price"** has the meaning given to such term in Section 3.04 hereof;
- (s) **"Insider"** has the meaning given to such term in *Securities Act* (British Columbia);
- (t) **"Issued Shares"** means the issued and outstanding common shares of the Company, on an undiluted basis;
- (u) **"ITA"** means the *Income Tax Act* (Canada), together with the regulations thereto, each as amended from time to time;
- (v) **"Market Value of a Common Share"** means, with respect to any particular date as of which the Market Value of a Common Share is required to be determined, (a) if the Common Shares are then listed on the Stock Exchange, the closing price of the Shares on the Stock Exchange on the last Trading Day prior to such particular date; or (b) if the Common Shares are not then listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith, and such determination shall be conclusive and binding on all persons;
- (w) **"Option"** means an option to purchase Common Shares granted pursuant to, or governed by, this Plan;
- (x) **"Optionee"** means a Participant to whom an Option has been granted pursuant to this Plan;
- (y) **"Option Period"** means the period of time during which the particular Option may be exercised, including as extended in accordance with Section 3.05 hereof;
- (z) **"Other Participant"** means, other than an Eligible Director or an Eligible Employee any person engaged to provide ongoing management, advisory, consulting, technical or other services for the Company or a Designated Affiliate, or any employee of such person, under a written contract between the Company and such person, and who spends or will spend a significant amount of time and attention on the affairs and business of the Company or a Designated Affiliate and has a relationship with the Company or a Designated Affiliate that enables such person to be knowledgeable about the business and affairs of the Company or Designated Affiliate, as the case may be;
- (aa) **"Participant"** means each Eligible Director, Eligible Employee and Other Participant that is granted one or more Awards under this Plan;
- (bb) **"Plan"** means this amended and restated omnibus incentive plan as amended from time to time;
- (cc) **"Prior Option Plan"** has the meaning given to such term in Section 2.07 hereof;
- (dd) **"Redemption Date"** has the meaning ascribed thereto in Section 4.05(a) hereof;
- (ee) **"Reserved Amount"** has the meaning ascribed thereto in Section 2.07 hereof;

- (ff) **"Restriction Period"** means, with respect to a particular grant of RSUs, the period between the date of grant of such RSUs and the latest Vesting Date in respect of any portion of such RSUs;
- (gg) **"RSU"** means a restricted share unit, which is a right awarded to a Participant to receive cash, Common Shares or any combination of cash and Common Shares, as determined by the Company in its sole discretion, pursuant to, and governed by, this Plan;
- (hh) **"RSU Agreement"** means a written agreement between the Company and a Participant evidencing the grant of RSUs and the terms and conditions thereof;
- (ii) **"RSU Outside Expiry Date"** has the meaning ascribed thereto in Section 4.05(d) hereof;
- (jj) **"Share Compensation Arrangement"** means any stock option, stock option plan, employee stock purchase plan, long-term incentive plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares from treasury, including a share purchase from treasury by a full-time employee, officer, director, Insider or consultant which is financially assisted by the Company or a subsidiary of the Company by way of a loan, guarantee or otherwise;
- (kk) **"Stock Exchange"** means the Canadian Securities Exchange or, if the Common Shares are not then listed on the Canadian Securities Exchange, such other principal market on which the Common Shares are then traded as designated by the Board from time to time;
- (ll) **"Termination"** has the meaning given to such term in Section 3.13 hereof;
- (mm) **"Trading Day"** means any day on which the Stock Exchange is open for trading;
- (nn) **"U.S. Securities Act"** has the meaning given to such term in Section 5.02 hereof;
- (oo) **"Vesting Date"** has the meaning ascribed thereto in Section 4.04 hereof; and
- (pp) **"VWAP"** means the volume weighted average trading price of the Common Shares on the Stock Exchange calculated by dividing the total value by the total volume of such securities traded for the five (5) Trading Days immediately preceding the exercise of the subject Option, provided that where appropriate, the Stock Exchange may exclude internal crosses and certain other special terms trades from the calculation.

## **1.02 Headings**

The headings of all articles, sections, paragraphs and subparagraphs in this Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of this Plan.

## **1.03 Context, Construction**

Whenever the singular or masculine are used in this Plan the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires. The word "person" shall be given the widest meaning possible and shall include, without limitation, an individual, a corporation, a partnership, a limited partnership or any other unincorporated entity.

## **1.04 References to this Plan**

The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to this Plan as a whole and not to any particular article, section, paragraph, subparagraph or other part hereof.

## **1.05 Canadian Funds**

Unless otherwise specifically provided, all references to dollar amounts in this Plan are references to lawful money of Canada.

**ARTICLE 2**  
**PURPOSE AND ADMINISTRATION OF THIS PLAN**

**2.01 Purpose of this Plan**

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

**2.02 Participants**

This Plan is hereby established for Eligible Directors, Eligible Employees and Other Participants.

**2.03 Administration of this Plan**

This Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary or desirable in order to comply with the requirements of this Plan, subject in all cases to compliance with regulatory requirements. For certainty, and without limiting the scope of the foregoing, the Board may, on terms established by it in its sole discretion and in accordance with the policies of the Stock Exchange, permit an Option to be exercised by way of a "cashless exercise" or "net exercise" basis, as described in Section 3.09.

All actions taken and all interpretations and determinations made by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company. No member of the Board shall be personally liable for any action taken or determination or interpretation made in good faith in connection with this Plan and all members of the Board shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary or desirable for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company and its Designated Affiliates. This Plan shall be administered in accordance with the rules and policies of the Canadian Securities Exchange by the Board so long as the Common Shares are listed on the Canadian Securities Exchange.

**2.04 Delegation to Committee**

All of the powers exercisable hereunder by the Directors may, to the extent permitted by applicable law and as determined by resolution of the Directors, be exercised by a committee of the Directors comprised of not less than two Directors.

**2.05 Record Keeping**

The Company shall maintain a register in which shall be recorded:

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

## **2.06 Determination of Participants**

The Board shall from time to time determine the Participants who may participate in this Plan. The Board shall from time to time determine the Participants to whom Awards shall be granted, the number of Common Shares to be made subject to, and the expiry date of, each Award granted to each Participant and the other terms, including any vesting provisions, of each Award granted to each Participant, all such determinations to be made in accordance with the terms and conditions of this Plan, and the Board may take into consideration the present and potential contributions of, and the services rendered by, the particular Participant to the success of the Company and any other factors which the Board deems appropriate and relevant. All Eligible Employees and Other Participants shall be bona fide Eligible Employees or Other Participants, as the case may be.

## **2.07 Maximum Number of Shares**

- (a) The maximum number of Common Shares reserved for issue pursuant to this Plan shall be determined from time to time by the Board; provided that the maximum number of Common Shares reserved for issuance, in the aggregate, pursuant to Awards granted under this Plan shall not exceed 10% of the number of Common Shares then outstanding, less the number of Common Shares reserved for issuance pursuant to any other Share Compensation Arrangement of the Company.
- (b) The maximum number of Common Shares reserved for issue pursuant to Awards granted under this Plan to Participants who are Insiders of the Company in any 12 month period shall not exceed 10% of the number of Common Shares then outstanding, unless disinterested shareholder approval is received therefor.
- (c) the maximum aggregate number of Common Shares that are issuable pursuant to all Awards (and including any other Security Based Compensation, if applicable) granted or issued to Insiders (as a group) shall not exceed 10% of the Issued Shares of the Company at any point in time, unless disinterested shareholder approval is received therefor.
- (d) The maximum number of Common Shares reserved for issue under Awards granted to any one Participant in any 12 month period shall not exceed 5% of the number of Common Shares then outstanding, unless disinterested shareholder approval is received therefor

For purposes of this Section 2.07, "the number of Common Shares then outstanding" shall mean the number of Common Shares outstanding on a non-diluted basis calculated at the date of the proposed grant of the applicable Award. All Common Shares reserved for issue upon the exercise of options outstanding under the previous stock option plan approved by the directors of the Company (the "**Prior Option Plan**"), shall be counted toward the maximum number of Common Shares permitted to be reserved for issue pursuant to any of the provisions of this Section 2.07.

## **ARTICLE 3 OPTION AWARDS**

### **3.01 Nature of Options**

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

### **3.02 Option Awards**

Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Director, Eligible Employee or Other Participant who may receive Options under the Plan, (b) fix the number of Options, if any, to be



granted to each Eligible Director, Eligible Employee or Other Participant and the date or dates on which such Options shall be granted, (c) subject to Section 3.04, determine the price per Common Share to be payable upon the exercise of each such Option, (d) determine the relevant vesting provisions (including performance criteria, if applicable) and (e) determine the term of the Options, the whole subject to the terms and conditions prescribed in this Plan or in any stock option agreement, and any applicable rules of the Stock Exchange.

### **3.03 Option Notice or Agreement**

Each Option granted to a Participant may be evidenced by a stock option notice or stock option agreement setting out terms and conditions consistent with the provisions of this Plan, which terms and conditions need not be the same in each case and which terms and conditions may be changed from time to time.

### **3.04 Exercise Price**

The price per share (the "**Exercise Price**") at which any Common Share which is the subject of an Option may be purchased shall be determined by the Board at the time the Option is granted, provided that the Exercise Price shall be not less than the greater of (a) the closing price of the Common Shares on the Stock Exchange on the last trading day immediately preceding the date of the grant of such Option; (b) and the closing price of the Common Shares on the Stock Exchange on the date of the grant such Option or, if the Common Shares are not then listed on any stock exchange, the Exercise Price shall not be less than the fair market value of the Common Shares as may be determined by the Directors on the day immediately preceding the date of the grant of such Option.

### **3.05 Term of Option**

The Option Period for each Option shall be such period of time as shall be determined by the Board, subject to amendment by an Employment Contract, provided that in no event shall an Option Period exceed ten years. Notwithstanding the definition of Option Period contained herein or the foregoing, the expiration date of an Option will be the date fixed by the Directors with respect to such Option unless such expiration date falls within a Blackout Period, in which case the expiration date of the Option will be the date which is ten Business Days after the Blackout Period Expiry Date. Disinterested shareholder approval shall be required for the extension of any Option Period if the Optionee is an Insider of the Company at the time of the proposed amendment to the Option Period.

### **3.06 Lapsed Options**

If Options granted under this Plan (or stock options granted under the Prior Option Plan) are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the Common Shares not purchased under such lapsed Options (or such lapsed stock options).

### **3.07 Limit on Options to be Exercised**

Except as otherwise specifically provided herein or in any Employment Contract, Options may be exercised by the Optionee in whole at any time, or in part from time to time (in each case to the nearest full Common Share), during the Option Period only in accordance with the vesting schedule, if any, determined by the Board, in its sole and absolute discretion, subject to the applicable requirements of the Stock Exchange, at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances. If the Board does not determine a vesting schedule at the time of the grant of any particular Option, such Option shall be exercisable in whole at any time, or in part from time to time, during the Option Period, subject to the applicable requirements of the Stock Exchange.

### **3.08 Eligible Participants on Exercise**

An Option may be exercised by the Optionee in whole at any time, or in part from time to time, during the Option Period, provided however that, except as otherwise specifically provided in Section 3.12 or Section 3.13 hereof or in any Employment Contract, no Option may be exercised unless the Optionee at the time of exercise thereof is:

- (a) in the case of an Eligible Employee, an officer of the Company or a Designated Affiliate or in the employment of the Company or a Designated Affiliate and has been continuously an officer or so employed since the date of the grant of such Option, provided however that a leave of absence with

the approval of the Company or such Designated Affiliate shall not be considered an interruption of employment for purposes of this Plan;

- (b) in the case of an Eligible Director who is not also an Eligible Employee, a director of the Company or a Designated Affiliate and has been such a director continuously since the date of the grant of such Option; and
- (c) in the case of an Other Participant, engaged, directly or indirectly, in providing ongoing management, advisory, consulting, technical or other services for the Company or a Designated Affiliate and has been so engaged since the date of the grant of such Option.

### **3.09 Exercise of Options**

Options granted under this Article 3 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Board shall in each instance approve, which need not be the same for each grant or for each Participant. Without limiting the foregoing, the Board may, in its sole discretion, permit the exercise of an Option on either:

- (a) a "cashless exercise" basis, whereby the Company has an arrangement with a brokerage firm pursuant to which the brokerage firm:
  - (i) agrees to loan money to a Participant to purchase the Shares underlying the Options to be exercised by the Participant;
  - (ii) then sells a sufficient number of Shares to cover the exercise price of the Options in order to repay the loan made to the Participant; and
  - (iii) receives an equivalent number of Shares from the exercise of the Options and the Participant receives the balance of Shares pursuant to such exercise, or the cash proceeds from the sale of the balance of such Shares (or in such other portion of Shares and cash as the broker and Participant may otherwise agree); or
- (b) a "net exercise" basis, whereby Options are exercised without such Participant making any cash payment so the Company does not receive any cash from the exercise of the subject Options, and instead the Participant receives only the number of underlying Shares that is the equal to the quotient obtained by dividing:
  - (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options; by
  - (ii) the VWAP of the underlying Shares.

### **3.10 Payment of Exercise Price**

The issue of Common Shares on the exercise of any Option shall be contingent upon receipt by the Company of payment of the aggregate purchase price for the Common Shares in respect of which the Option has been exercised by cash or certified cheque delivered to the registered office of the Company, or by any other method approved or accepted by the Board in its sole discretion subject to the rules of the Stock Exchange and such rules and regulations as the Board may establish, and together with a completed notice of exercise and any tax amounts required under Section 5.01. No Optionee or legal representative, legatee or distributee of any Optionee will be, or will be deemed to be, a holder of any Common Shares with respect to which such Optionee was granted an Option, unless and until certificates for such Common Shares are issued to such Optionee, or them, under the terms of this Plan. Subject to Section 6.11 hereof, upon an Optionee exercising an Option and paying the Company the aggregate purchase price for the Common Shares in respect of which the Option has been exercised, the Company shall as soon as practicable thereafter issue and deliver a certificate representing the Common Shares so purchased.

### **3.11 Acceleration on Take-over Bid, Consolidation, Merger, etc.**

Subject to any required approvals of the Stock Exchange, in the event that:

- (a) the Company seeks or intends to seek approval from the shareholders of the Company for a transaction which, if completed, would constitute an Acceleration Event (as defined below); or
- (b) a person makes a bona fide offer or proposal to the Company or the shareholders of the Company which, if accepted or completed, would constitute an Acceleration Event,

the Company shall send notice to all Optionees of such transaction, offer or proposal as soon as practicable and, provided that the Board has determined that no adjustment will be made pursuant to Section 6.06 hereof, (i) the Board may, by resolution and notwithstanding any vesting schedule applicable to any Option or Section 3.07 hereof, permit all Options outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of an Option) and prior to such transaction, offer or proposal, so that the Optionee may participate in such transaction, offer or proposal, and (ii) the Board may accelerate the expiry date of such Options and the time for the fulfillment of any conditions or restrictions on such exercise.

In this 3.11 an "Acceleration Event" means:

- (a) the acquisition by any person of beneficial ownership of more than 50% of the votes attached to the outstanding voting securities of the Company, by means of a take-over bid or otherwise;
- (b) any consolidation, merger, statutory amalgamation or arrangement involving the Company and pursuant to which the Company will not be the continuing or surviving corporation or pursuant to which the Common Shares will be converted into cash or securities or property of another entity, other than a transaction involving the Company and in which the shareholders of the Company immediately prior to the completion of the transaction will have the same proportionate ownership of the surviving corporation immediately after the completion of the transaction;
- (c) a separation of the business of the Company into two or more entities;
- (d) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity; or
- (e) the approval by the shareholders of the Company of any plan of liquidation or dissolution of the Company.

### **3.12 Effect of Death**

If a Participant or, in the case of an Other Participant which is not an individual, the primary individual providing services to the Company or Designated Affiliate on behalf of the Other Participant, shall die, any outstanding Option held by such Participant or Other Participant at the date of such death shall become immediately exercisable notwithstanding Section 3.07 hereof, and shall be exercisable in whole or in part only by the person or persons to whom the rights of the Optionee under the Option shall pass by the will of the Optionee or the laws of descent and distribution for a period of 12 months after the date of death of the Optionee or prior to the expiration of the Option Period in respect of the Option, whichever is earlier, and then only to the extent that such Optionee was entitled to exercise the Option at the date of the death of such Optionee in accordance with Sections 3.07, 3.08 and 3.13 hereof.

### **3.13 Effect of Termination of Engagement**

If a Participant shall:

- (a) cease to be a Director or of a Designated Affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or

- (b) cease to be employed by, or provide services to, the Company or the Designated Affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Company or the Designated Affiliates, for any reason (other than death) or shall receive notice from the Company or any Designated Affiliate of the termination of their Employment Contract;

(the earliest to occur of any of the foregoing events being referred to herein as a "**Termination**"), except as otherwise provided in any Employment Contract, such Participant may, but only within the 90 days next succeeding such Termination (or such other period of time as may be determined by the Board of Directors of the Company), exercise the Options to the extent that such Participant was entitled to exercise such Options at the date of such Termination.

## **ARTICLE 4 RESTRICTED SHARE UNIT AWARDS**

### **4.01 Nature of RSUs**

An RSU is an Award that is a bonus for services rendered in the year of grant, that, upon settlement, entitles the recipient Participant to receive a cash payment equal to the Market Value of a Common Share or, at the sole discretion of the Board, a Common Share, and subject to such restrictions and conditions on vesting as the Board may determine at the time of grant, unless such RSU expires prior to being settled. Restrictions and conditions on vesting may, without limitation, be based on the passage of time during continued employment or other service relationship, the achievement of specified performance criteria or both.

### **4.02 RSU Awards**

- (a) Subject to the provisions herein and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (a) designate the Eligible Director, Eligible Employee or Other Participant who may receive RSUs under the Plan, (b) fix the number of RSUs, if any, to be granted to each Eligible Director, Eligible Employee or Other Participant and the date or dates on which such RSUs shall be granted, (c) determine the relevant conditions, vesting provisions and the Restriction Period of such RSUs, and (d) determine any other terms and conditions applicable to the granted RSUs, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan, in any RSU Agreement, and any applicable rules of the Stock Exchange.
- (b) Subject to the vesting and other conditions and provisions in this Plan, including Section 2.07, all RSUs granted herein shall vest in accordance with the terms of the RSU Agreement entered into in respect of such RSUs.
- (c) Subject to the vesting and other conditions and provisions in this Plan and in the applicable RSU Agreement, each RSU awarded to a Participant shall entitle the Participant to receive, on settlement, a cash payment equal to the Market Value of a Common Share, or, at the discretion of the Board, one Common Share or any combination of cash and Common Shares as the Board in its sole discretion may determine, in each case less any applicable withholding taxes. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Common Shares in respect of any RSU, and, notwithstanding any discretion exercised by the Board to settle any RSU, or a portion thereof, in the form of Common Shares, the Board reserves the right to change such form of payment at any time until payment is actually made.

### **4.03 RSU Agreements**

- (a) The grant of a RSU by the Board shall be evidenced by a RSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. Such RSU Agreement shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent

with this Plan and which the Board deems appropriate for inclusion in a RSU Agreement. The provisions of the various RSU Agreements issued under this Plan need not be identical.

- (b) The RSU Agreement shall contain such terms that the Company considers necessary in order that the RSUs granted to Participants, shall not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA, by reason of the exemption in paragraph (k) thereof or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or provide services in or the rules of any regulatory body having jurisdiction over the Company.

#### 4.04 Vesting of RSUs.

The Board shall have sole discretion to (a) determine if any vesting conditions with respect to a RSU, including any performance criteria or other vesting conditions contained in the applicable RSU Agreement, have been met, (b) waive the vesting conditions applicable to RSUs (or deem them to be satisfied), and (c) extend the Restriction Period with respect to any grant of RSUs, provided that any such extension shall not result in the Restriction Period for such RSUs extending beyond the RSU Outside Expiry Date. The Company shall communicate to a Participant, as soon as reasonably practicable, the date on which all such applicable vesting conditions in respect of a grant of RSUs to the Participant have been satisfied, waived or deemed satisfied and such RSUs have vested (the "**Vesting Date**").

#### 4.05 Redemption / Settlement of RSUs

- (a) Subject to the provisions of this Section 4.05 and Section 4.06, a Participant's vested RSUs shall be redeemed in consideration for a cash payment on the date (the "**Redemption Date**") that is the earliest of (a) the 15th day following the applicable Vesting Date for such vested RSUs (or, if such day is not a Business Day, on the immediately following Business Day), and (b) the RSU Outside Expiry Date.
- (b) Subject to the provisions of this Section 4.05 and Section 4.06, during the period between the Vesting Date and the Redemption Date in respect of a Participant's vested RSUs, the Company (or any Designated Affiliate that is party to an Employment Contract with the Participant whose vested RSUs are to be redeemed) shall, at its sole discretion, be entitled to elect to settle all or any portion of the cash payment obligation otherwise arising in respect of the Participant's vested RSUs either (a) by the issuance of Common Shares to the Participant (or the legal representative of the Participant, if applicable) on the Redemption Date, or (b) by paying all or a portion of such cash payment obligation to the Designated Broker, who shall use the funds received to purchase Common Shares in the open market, which Common Shares shall be registered in the name of the Designated Broker in a separate account for the Participant's benefit.
- (c) Settlement of a Participant's vested RSUs shall take place on the Redemption Date as follows:
  - (i) where the Company (or applicable Designated Affiliate) has elected to settle all or a portion of the Participant's vested RSUs in Common Shares issued from treasury:
    - (A) in the case of Common Shares issued in certificated form, by delivery to the Participant (or to the legal representative of the Participant, if applicable) of a certificate in the name of the Participant (or the legal representative of the Participant, if applicable) representing the aggregate number of Common Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions in accordance with Section 5.01; or
    - (B) in the case of Common Shares issued in uncertificated form, by the issuance to the Participant (or to the legal representative of the Participant, if applicable) of the aggregate number of Common Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 5.01, which Common Shares shall be evidenced

by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Common Shares;

- (ii) where the Company or a Designated Affiliate has elected to settle all or a portion of the Participant's vested RSUs in Common Shares purchased in the open market, by delivery by the Company or a Designated Affiliate of which the Participant is a director, executive officer, employee or consultant to the Designated Broker of readily available funds in an amount equal to the Market Value of a Common Share as of the Redemption Date multiplied by the number of vested RSUs to be settled in Common Shares purchased in the open market, less the amount of any applicable withholding tax and other applicable source deductions under Section 5.01, along with directions instructing the Designated Broker to use such funds to purchase Common Shares in the open market for the benefit of the Participant and to be evidenced by a confirmation from the Designated Broker of such purchase;
  - (iii) any cash payment to which the Participant is entitled (excluding, for the avoidance of doubt, any amount payable in respect of the Participant's RSUs that the Company or a Designated Affiliate has elected to settle in Common Shares) shall, subject to satisfaction of any applicable withholding tax and other applicable source deductions under Section 5.01, be paid to the Participant (or to the legal representative of the Participant, if applicable) by the Company or a Designated Affiliate of which the Participant is a director, executive officer, employee or consultant, in cash, by cheque or by such other payment method as the Company and Participant may agree; and
  - (iv) where the Company or a Designated Affiliate has elected to settle a portion, but not all, of the Participant's vested RSUs in Common Shares, the Participant shall be deemed to have instructed the Company or Designated Affiliate, as applicable, to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required in accordance with Section 5.01 and to remit such withheld amount to the applicable taxation authorities on account of any withholding tax obligations, and the Company or Designated Affiliate, as applicable, shall deliver any remaining cash payable, after making any such remittance, to the Participant (or to the legal representative of the Participant, if applicable) as soon as reasonably practicable. In the event that the cash portion payable to settle a Participant's RSUs in the foregoing circumstances is not sufficient to satisfy the withholding obligations of the Company or a Designated Affiliate pursuant to Section 5.01, the Company or Designated Affiliate, as applicable, shall be entitled to satisfy any remaining withholding obligation by any other mechanism as may be required or determined by the Company or Designated Affiliate as appropriate.
- (d) Notwithstanding any other provision in this Article 4, no payment, whether in cash or in Common Shares, shall be made in respect of the settlement of any RSUs later than December 15th of the third (3rd) calendar year following the end of the calendar year in respect of which such RSU is granted (the "RSU Outside Expiry Date").

#### **4.06 Determination of Amounts**

- (a) The cash payment obligation arising in respect of the redemption and settlement of a vested RSU pursuant to Section 4.05 shall be equal to the Market Value of a Common Share as of the applicable Redemption Date. For the avoidance of doubt, the aggregate cash amount to be paid to a Participant (or the legal representative of the Participant, if applicable) in respect of a particular redemption of the Participant's vested RSUs shall, subject to any adjustments in accordance with Section 6.07 and any withholding required pursuant to Section 5.01, be equal to the Market Value of a Common Share as of the Redemption Date for such vested RSUs multiplied by the number of vested RSUs in the Participant's Account at the commencement of the Redemption Date (after deducting any such vested RSUs in the Participant's Account in respect of which the Company (or applicable Designated Affiliate) makes an election under Section 4.05(b) to settle such vested RSUs in Common Shares).

- (b) If the Company (or applicable Designated Affiliate) elects in accordance with Section 4.05(b) to settle all or a portion of the cash payment obligation arising in respect of the redemption of a Participant's vested RSUs by the issuance of Common Shares, the Company shall, subject to any adjustments in accordance with Section 6.07 and any withholding required pursuant to Section 5.01, issue to the Participant (or the legal representative of the Participant, if applicable), for each vested RSU which the Company (or applicable Designated Affiliate) elects to settle in Common Shares, one Common Share. Where, as a result of any adjustment in accordance with Section 6.07 and/or any withholding required pursuant to Section 5.01, the aggregate number of Common Shares to be received by a Participant upon an election by the Company (or applicable Designated Affiliate) to settle all or a portion of the Participant's vested RSUs in Common Shares includes a fractional Common Share, the aggregate number of Common Shares to be received by the Participant shall be rounded down to the nearest whole number of Common Shares.

#### **4.07 Award of Dividend Equivalents**

- (a) Subject to the that the limits set forth in Section 2.07 at the time of award, Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded as a bonus for services rendered in the year awarded in respect of unvested RSUs in a Participant's Account on the same basis as cash dividends declared and paid on Common Shares as if the Participant was a shareholder of record of Common Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional RSUs, the number of which shall be equal to a fraction where the numerator is the product of (a) the number of RSUs in such Participant's Account on the date that dividends are paid multiplied by (b) the dividend paid per Common Share and the denominator of which is the Market Value of a Common Share calculated as of the date that dividends are paid. Any additional RSUs credited to a Participant's Account as a Dividend Equivalent shall be subject to the same terms and conditions (including vesting, Restriction Periods and expiry) as the RSUs in respect of which such additional RSUs are credited.
- (b) In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant.
- (c) The Company shall be permitted, in its sole and absolute discretion, to settle any Dividend Equivalent issued under this Plan in cash. Any cash payments made under this Section 4.07(c) to a Participant shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Value of a Common Share as at the settlement date.

#### **4.08 Effect of Death**

If a Participant or, in the case of an Other Participant which is not an individual, the primary individual providing services to the Company or Designated Affiliate on behalf of the Other Participant, shall die, any unvested RSUs in the Participant's Account as at the date of such death relating to a Restriction Period in progress shall become immediately forfeited and cancelled. For greater certainty, where a Participant's employment or service relationship with the Company or a Designated Affiliate is terminated as a result of death following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the Participant shall remain entitled to such distribution or payment. Notwithstanding the foregoing, if the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the Vesting Date. Any settlement or redemption of any RSUs pursuant to this Section 4.08 shall occur within one year following the date of such death.

#### **4.09 Effect of Termination of Engagement**

If a Participant shall:

- (a) cease to be a Director or of a Designated Affiliate, as the case may be (and is not or does not continue to be an employee thereof), for any reason (other than death); or

- (b) cease to be employed by, or provide services to, the Company or the Designated Affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Company or the Designated Affiliates, for any reason (other than death) or shall receive notice from the Company or any Designated Affiliate of the termination of their Employment Contract;

(the earliest to occur of any of the foregoing events being referred to herein as a "**Termination**"), the Participant's participation in the Plan shall be terminated immediately, all RSUs credited to such Participant's Account that have not vested shall be forfeited and cancelled, and the Participant's rights that relate to such Participant's unvested RSUs shall be forfeited and cancelled on the Termination Date. Notwithstanding the foregoing, if the Board, in its sole discretion, instead accelerates the vesting or waives vesting conditions with respect to all or some portion of outstanding unvested RSUs, the date of such action is the Vesting Date. Any settlement or redemption of any RSUs pursuant to this Section 4.09 shall occur within one year following the date of Termination.

## **ARTICLE 5 WITHHOLDING TAXES AND SECURITIES LAWS OF THE UNITED STATES OF AMERICA**

### **5.01 Withholding Taxes**

The Company or any Designated Affiliate may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Company or any Designated Affiliate is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Award or Common Share including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of Common Shares to be issued upon the exercise or settlement, as applicable, of any Award, until such time as the Participant has paid the Company or any Designated Affiliate for any amount which the Company or the Designated Affiliate is required to withhold with respect to such taxes.

### **5.02 Securities Laws of the United States of America**

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

- (a) the Participant is acquiring the Award and/or any Common Shares as principal and for the account of the Participant;
- (b) in granting the Award and/or issuing the Common Shares to the Participant, the Company is relying on the representations and warranties of the Participant to support the conclusion of the Company that the granting of the Award and/or the issue of Common Shares do not require registration under the U.S. Securities Act or to be qualified under the securities laws of any state of the United States of America;
- (c) each certificate representing Common Shares so issued may be required to have the following legend:

"THE SECURITIES REPRESENTED HEREBY [for Awards add: AND ANY SECURITIES ISSUABLE UPON EXERCISE HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR UNDER ANY STATE SECURITIES LAWS, AND THE SECURITIES REPRESENTED HEREBY MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (C) PURSUANT TO AN



EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 OR 144A UNDER THE U.S. SECURITIES ACT, IF APPLICABLE, AND IN COMPLIANCE WITH APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY (WHICH WILL BE DELIVERED PROMPTLY AND WILL NOT BE UNREASONABLY WITHHELD, BUT WHICH MAY BE CONDITIONAL ON DELIVERY OF A LEGAL OPINION IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY), PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE. A CERTIFICATE WITHOUT A LEGEND MAY BE OBTAINED FROM THE REGISTRAR AND TRANSFER AGENT OF THE COMPANY IN CONNECTION WITH A SALE OF THE SECURITIES REPRESENTED HEREBY AT A TIME WHEN THE COMPANY IS A "FOREIGN ISSUER" AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE REGISTRAR AND TRANSFER AGENT AND THE COMPANY, TO THE EFFECT THAT SUCH SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT.";

provided that if such Common Shares are being sold outside the United States of America in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act and provided that the Company is a "foreign issuer" within the meaning of Regulation S under the U.S. Securities Act at the time of such sale, such legend may be removed by providing a written declaration signed by the holder to the registrar and transfer agent for the Common Shares to the following effect:

"The undersigned (A) represents and warrants that the sale of the securities of Golden Independent Mining Corp. (the "**Company**") to which this declaration relates is being made in compliance with Rule 904 of Regulation S under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), and (B) certifies that (1) the undersigned is not an affiliate of the Company as that term is defined in the U.S. Securities Act, (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the undersigned and any person acting on its behalf reasonably believe that the buyer was outside the United States or (B) the transaction was executed on or through the facilities of a Designated Offshore Securities Market and neither the undersigned nor any person acting on behalf thereof knows or has any reason to believe that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act), (5) the seller does not intend to replace the securities sold in reliance on Rule 904 of the U.S. Securities Act with fungible unrestricted securities and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S under the U.S. Securities Act, is part of a plan or scheme to evade the registration provisions of the U.S. Securities Act. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.";

- (d) other than as contemplated by Section 5.02(c) hereof, prior to making any disposition of any Common Shares acquired pursuant to this Plan which might be subject to the requirements of the U.S. Securities Act, the Participant shall give written notice to the Company describing the manner of the proposed disposition and containing such other information as is necessary to enable counsel for the Company to determine whether registration under the U.S. Securities Act or qualification under any securities laws of any state of the United States of America is required in connection with the proposed disposition and whether the proposed disposition is otherwise in compliance with such legislation and the regulations thereto;
- (e) other than as contemplated by Section 5.02(c) hereof, the Participant will not attempt to effect any disposition of the Common Shares owned by the Participant and acquired pursuant to this Plan or of any interest therein which might be subject to the requirements of the U.S. Securities Act in the absence of an effective registration statement relating thereto under the U.S. Securities Act or an opinion of counsel satisfactory in form and substance to counsel for the Company that such disposition would not constitute a violation of the U.S. Securities Act and then will only dispose of such Common Shares in the manner so proposed;
- (f) the Company may place a notation on the records of the Company to the effect that none of the Common Shares acquired by the Participant pursuant to this Plan shall be transferred unless the provisions of the Plan have been complied with; and
- (g) the effect of these restrictions on the disposition of the Common Shares acquired by the Participant pursuant to this Plan is such that the Participant may not be able to sell or otherwise dispose of such Common Shares for a considerable length of time in a transaction which is subject to the provisions of the U.S. Securities Act other than as contemplated by Section 5.02(c) hereof.

## **ARTICLE 6 GENERAL**

### **6.01 Effective Time of this Plan**

This Plan shall become effective upon a date to be determined by the Directors; provided, however, that the Plan shall be subject to shareholder approval.

### **6.02 Amendment of Plan**

The Board shall have the right:

- (a) without the approval of the shareholders of the Company, subject to Section 6.02(b) of the Plan, to make any amendments to the Plan, including but not limited to the following amendments:
  - (i) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correcting grammatical or typographical errors and amending the definitions contained within the Plan;
  - (ii) any amendment to comply with the rules, policies, instruments and notices of any regulatory authority to which the Company is subject, including the Stock Exchange, or to otherwise comply with any applicable law or regulation;
  - (iii) other than changes to the expiration date and the exercise price of any Award as described in Section 6.02(b)(iii) and Section 6.02(b)(iv) of this Plan, any amendment, with the consent of the Participant, to the terms of any Award previously granted to such Participant under the Plan; and
  - (iv) any amendment respecting the administration or implementation of the Plan.

- (b) with the approval of the shareholders of the Company by ordinary resolution, including if required by the applicable Stock Exchange, disinterested shareholder approval, to make any amendment to the Plan not contemplated by Section 6.02(a) of the Plan, including, but not limited to:
- (i) any change to the number of Common Shares issuable from treasury under the Plan, including an increase to the fixed maximum percentage or number of Common Shares or a change from a fixed maximum percentage of Common Shares to a fixed maximum number of Common Shares or vice versa, other than an adjustment pursuant to Section 6.07 of the Plan;
  - (ii) any amendment which reduces the exercise price of any Award, other than an adjustment pursuant to Section 6.07 of the Plan; provided, however, that, for greater certainty, disinterested shareholder approval will be required for any amendment which reduces the exercise price of any Option if the Participant is an Insider of the Company at the time of the proposed amendment;
  - (iii) where an Award is held by an Insider, any amendment which extends the expiry date of an Award, or the Restriction Period of any RSU, beyond the original expiry date or Restriction Period, except in the event of an extension due to a Blackout Period;
  - (iv) any amendment which cancels any Award and replaces such Award with an Award which has a lower exercise price or other entitlement, other than an adjustment pursuant to Section 6.07 of the Plan;
  - (v) any amendment to the provisions concerning the effect of the termination of an Participant's position, employment or services on such Participant's status under the Plan;
  - (vi) any amendment to the categories of persons who are Participants;
  - (vii) any amendment which would permit Awards to be transferred or assigned by any Participant other than as allowed by Section 6.03 of the Plan, and
  - (viii) any amendments to this Section 6.02 of the Plan.

Notwithstanding the foregoing, any amendment to the Plan shall be subject to the receipt of all required regulatory approvals including, without limitation, the approval of the Stock Exchange.

### **6.03 Non-Assignable**

No rights under this Plan and no Award awarded pursuant to this Plan are assignable or transferable by any Participant other than pursuant to a will or by the laws of descent and distribution.

### **6.04 Rights as a Shareholder**

No Participant shall have any rights as a shareholder of the Company with respect to any Common Shares which are the subject of an Award. Except as otherwise provided in this Plan, no Participant shall be entitled to receive any dividends, distributions or other rights declared for shareholders of the Company for which the record date is prior to the date of issue of certificates representing Common Shares acquired upon the exercise or settlement, as applicable, of any Awards.

### **6.05 No Contract of Employment.**

Nothing contained in this Plan shall confer or be deemed to confer upon any Participant the right to continue in the employment of, or to provide services to, the Company or any Designated Affiliate nor interfere or be deemed to interfere in any way with any right of the Company or any Designated Affiliate to discharge any Participant at any time for any reason whatsoever, with or without cause. Participation in any of this Plan by a Participant shall be voluntary.

#### **6.06 Consolidation, Merger, etc.**

If there is a consolidation, merger or statutory amalgamation or arrangement of the Company with or into another corporation, a separation of the business of the Company into two or more entities or a sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity, upon the exercise or settlement, as applicable, of an Award under this Plan the holder thereof shall be entitled to receive the securities, property or cash which the holder would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer if the holder had been the holder of Common Shares immediately prior to the effective time of such event, unless the Board otherwise determines appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such event.

#### **6.07 Adjustment in Number of Common Shares Subject to the Plan.**

In the event there is any change in the Common Shares, whether by reason of a stock dividend, consolidation, subdivision, reclassification or otherwise, an appropriate adjustment shall be made by the Board in:

- (a) the number of Common Shares available under this Plan;
- (b) the number of Common Shares subject to any Award;
- (c) the exercise price of the Common Shares subject to Awards; and
- (d) the number of Common Shares or cash payment to which the Participant is entitled upon exercise or settlement of such Award.

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

#### **6.08 Securities Exchange Take-over Bid**

In the event that the Company becomes the subject of a take-over bid (within the meaning of the *Securities Act* (British Columbia)) as a result of which all of the outstanding Common Shares are acquired by the offeror through compulsory acquisition provisions of the incorporating statute or otherwise, and where consideration is paid in whole or in part in equity securities of the offeror, the Board may send notice to all Participants requiring them to surrender their Awards within 10 days of the mailing of such notice, and the Optionees shall be deemed to have surrendered such Awards on the tenth day after the mailing of such notice without further formality, provided that:

- (a) the Board delivers with such notice an irrevocable and unconditional offer by the offeror to grant replacement awards to the Participants on the equity securities offered as consideration;
- (b) the Board has determined, in good faith, that such replacement awards have substantially the same economic value as the Awards being surrendered; and
- (c) the surrender of Awards and the granting of replacement awards can be effected on a tax free rollover basis or otherwise without adverse tax consequences under the ITA.

#### **6.09 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of this Plan.

#### **6.10 Compliance with Applicable Law**

If any provision of this Plan or any Award contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction over the securities of the Company, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.

### **6.11 Necessary Approvals**

The obligation of the Company to issue and deliver any Common Shares in accordance with this Plan shall be subject to any necessary approval of any stock exchange or regulatory authority having jurisdiction over the securities of the Company. If any Common Shares cannot be issued to any Participant upon the exercise or settlement, as applicable, of an Award for whatever reason, the obligation of the Company to issue such Common Shares shall terminate and any exercise price paid to the Company in respect of the exercise or settlement, as applicable, of such Award shall be returned to the Participant.

### **6.12 Conflict**

To the extent there is any inconsistency or ambiguity between this Plan and any Employment Contract, the terms of this Plan shall govern to the extent of such inconsistency or ambiguity, subject only to compliance with applicable law and Stock Exchange policy.

### **6.13 Interpretation**

This Plan shall be governed by, and be construed in accordance with, the laws of the Province of British Columbia.