

ZINC8 ENERGY SOLUTIONS INC.

#1 - 8765 Ash Street
Vancouver, BC V6P 6T3
Telephone: 604-366-5918

INFORMATION CIRCULAR

November 16, 2020

INTRODUCTION

This information circular (the “**Information Circular**”) accompanies the notice of annual general and special meeting of shareholders (the “**Notice**”) of Zinc8Energy Solutions Inc. (the “**Company**”) and is furnished to shareholders (each, a “**Shareholder**”) holding common shares (the “**Shares**”) of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “**Meeting**”) of the Shareholders to be held at 10:00 a.m. on Wednesday, December 16, 2020 at the offices of Suite 1450 - 789 West Pender Street, Vancouver, British Columbia, or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is November 16, 2020. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation to any of the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers who are NOBOs (as defined below), and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each common share that such Shareholder holds on the record date of October 30, 2019 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

The Shareholder may vote by mail or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in his sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at anytime before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares of a Shareholder on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder’s name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder’s broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to the names of all Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by his, her or its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. 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 receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) of the Canadian Securities Administrators. An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under NI 54-101.

The Company is sending proxy-related materials directly to non-objecting beneficial owners of the Shares. The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares under NI 54-101 and Form 54-107F1 – *Request for Voting Instructions Made by Intermediary*. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

All references to Shareholders in this Information Circular are to registered Shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the board of directors of the Company (the “**Board**”) to be the close of business on October 29, 2020, a total of 93,819,727 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors or executive officers of the Company, no persons or companies beneficially own, control or direct, directly or indirectly, Shares carrying 10% or more of the voting rights attached to the Shares.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2019, together with the auditor’s report thereon, will be presented to the Shareholders at the Meeting. The Company’s financial statements and management discussion and analysis are available on SEDAR at www.sedar.com.

NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at four (4). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management of the Company recommends the approval of setting the number of directors of the Company at four (4).

ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

Management of the Company proposes to nominate all of the current directors of the Company, as set out in the table below, for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Director Since	Number of Shares Owned ⁽¹⁾
Ronald MacDonald ⁽²⁾ Ontario, Canada <i>Chief Executive Officer, Executive Chairman, President and Director</i>	CEO of the Company since June, 2019. Mr. MacDonald has over 35 years of both public and private sector experience, ranging from international roles within the Parliament of Canada as an elected Member of Parliament from 1988 to 1997 to serving on the boards of numerous publicly listed resource companies, including Critical Elements, American Vanadium, and was President of NRStor Remote Communities and Mines.	June 13, 2019	1,076,136 ⁽³⁾
Sean Charland British Columbia, Canada <i>Director</i>	Director of Zimtu Capital Corp. (a financial services company), 2012 to present. Active in venture capital markets for 15 plus years.	Nominee	256,000 ⁽⁴⁾
Charn Deol British Columbia, Canada <i>Director</i>	Mr. Deol has over 35 years of experience in the financial markets. Mr. Deol currently serves on both private and public company boards as a director or in a management capacity. His past and present experiences include providing management and consulting services to companies, project analysis, investor relations, technical market analysis, and the financing of international projects.	Nominee	Nil
David Hodge ⁽²⁾ British Columbia, Canada <i>Director</i>	Businessman; Director of the Company; CEO and Director of Commerce Resources Corp; Director of Dimension Five Technologies Inc.; President, CEO and Director of Zimtu Capital Corp.	August 2, 2019	2,430,423 ⁽⁵⁾

⁽¹⁾ Information has been furnished by the respective nominees individually.

⁽²⁾ Member of the Audit Committee.

⁽³⁾ This number is comprised of: (i) Shares held directly, and (ii) Shares held indirectly through 2562100 Ontario Ltd. Does not include: (i) 680,406 stock options, each of which is exercisable into one Share at a price of \$0.21 per Share until September 30, 2024, all of which vested immediately upon the date of grant, (ii) 1,220,000 stock options, each of which is exercisable into one Share at a price of \$0.32 per Share until February 18, 2025, all of which vested immediately upon the date of grant, (iii) 863,636 warrants, each of which is exercisable into one Share at a price of \$0.155 per Share until February 10, 2021, and \$0.40 after until February 10, 2022, and (iv) 212,500 warrants, each of which is exercisable into one Share at a price of \$0.30 per Share until expiration date September 4, 2022.

⁽⁴⁾ Does not include: (i) 165,000 stock options, each of which is exercisable into one Share at a price of \$0.32 per Share until February 18, 2025, (ii) 156,000 warrants, each of which is exercisable into one Share at a price of \$0.35 per Share until

November 20, 2020, and (iv) 175,000 warrants, each of which is exercisable into one Share at a price of \$0.155 per Share until February 10, 2021, and \$0.40 after until February 10, 2022.

- (5) This number is comprised of: (i) 1,208,423 Shares held directly, and (ii) 1,222,000 Shares held in the name of Deborah Hodge. Does not include: (i) 6,461,732 Shares held in the name of Zimtu Capital Corp., a company which Mr. Hodge is a director; (ii) 612,365 stock options, each of which is exercisable into one Share at a price of \$0.21 per Share until September 30, 2024 all of which vested immediately upon the date of grant, (iii) 763 stock options, each of which is exercisable into one Share at a price of \$0.32 per Share until February 18, 2025 all of which vested immediately upon the date of grant, (iv) 100,000 warrants, each of which is exercisable into one Share at a price of \$0.35 per Share until November 20, 2020, (v) 2,083,333 warrants, each of which is exercisable into one Share at a price of \$0.12 per Share until September 9, 2021, and (vi) 409,090 warrants, each of which is exercisable into one Share at a price of \$0.155 per Share until February 10, 2021, and \$0.40 after until February 10, 2022.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Shares represented by proxies for the election of any other persons as directors.

Management recommends the election of each of the nominees listed above as a director of the Company.

Orders

To the best of management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

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

Bankruptcies

To the best of management's knowledge, no proposed director of the Company has, within 10 years before the date of this Information Circular, been a director or an executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

To the best of management's knowledge, no proposed director of the Company has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Statement of Executive Compensation:

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

"NEO" or "named executive officer" means:

- (a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

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

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

Director and Named Executive Officer Compensation, Excluding Compensation Securities

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

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Ronald MacDonald ⁽²⁾ <i>CEO, Executive Chairman, President and Director</i>	2019 2018	176,000 ⁽⁸⁾ N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	176,000 N/A
Michael Reimann ⁽³⁾ <i>CFO and Director</i>	2019 2018	15,000 ⁽⁹⁾ N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	15,000 N/A
David Hodge ⁽⁴⁾ <i>Director</i>	2019 2018	37,500 ⁽¹⁰⁾ N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	37,500 N/A
Lyndon Patrick ⁽⁵⁾ <i>Director</i>	2019 2018	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A
Jared Lazerson ⁽⁶⁾ <i>Director</i>	2019 2018	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Suresh Singh ⁽⁷⁾ <i>Former President, CEO and Director</i>	2019 2018	N/A 126,667 ⁽¹¹⁾	N/A N/A	N/A N/A	N/A N/A	N/A 25,333	N/A 152,000

(1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

(2) Ronald MacDonald was appointed the CEO and President of the Company on September 19, 2019. Mr. MacDonald was appointed the Executive Chairman of the Company on August 2, 2019. Mr. MacDonald was appointed a director of the Company on June 13, 2019.

(3) Michael Reimann was appointed the CFO of the Company on May 8, 2019. Mr. Reimann was appointed a director of the Company on June 13, 2019.

(4) David Hodge was appointed as a director of the Company on August 2, 2019.

(5) Lyndon Patrick was appointed as a director of the Company on June 13, 2019 and resigned on August 19, 2020.

(6) Jared Lazerson was appointed as the CEO, President and Secretary of the Company on May 8, 2019 and resigned on September 19, 2019. Mr. Lazerson was appointed as a director of the Company on January 31, 2018 and resigned on March 6, 2020.

(7) Suresh Singh was appointed as the CEO, President and a director of the Company on December 8, 2011 and resigned on October 26, 2018.

(8) Management fees paid to 2562100 Ontario Ltd., a company wholly owned and controlled by Ron MacDonald, \$12,000 monthly for first eight months and \$20,000 monthly for the remaining months of the year ended December 2019.

(9) Mr. Reimann was paid for his role as CFO of the Company.

(10) Mr. Hodge was paid for consulting services to the Company.

(11) Mr. Singh was paid for his role as CEO of the Company for the year ended December 2018.

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 December 31, 2019 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class	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
Ronald MacDonald ⁽²⁾ <i>CEO, Executive Chairman, President and Director</i>	Stock Options	680,406 stock options / 680,406 shares / 1.44% ⁽¹⁾	September 30, 2019	\$0.21	\$0.245	\$0.125	September 30, 2024
Michael Reimann ⁽³⁾ <i>CFO and Director</i>	Stock Options	272,162 stock options / 272,162 shares / 0.58% ⁽¹⁾	September 30, 2019	\$0.21	\$0.245	\$0.125	September 30, 2024
David Hodge ⁽⁴⁾ <i>Director</i>	Stock Options	612,365 stock options / 612,365 shares / 1.30% ⁽¹⁾	September 30, 2019	\$0.21	\$0.245	\$0.125	September 30, 2024
Lyndon Patrick ⁽⁵⁾ <i>Director</i>	Stock Options	272,162 stock options / 272,162 shares / 0.58% ⁽¹⁾	September 30, 2019	\$0.21	\$0.245	\$0.125	September 30, 2024
Jared Lazerson ⁽⁶⁾ <i>Director</i>	Stock Options	612,365 stock options / 612,365 shares / 1.30% ⁽¹⁾	September 30, 2019	\$0.21	\$0.245	\$0.125	September 30, 2024
Suresh Singh <i>Director</i>	Stock Options	N/A	Nil	Nil	Nil	Nil	Nil

- (1) Calculated on a partially diluted basis, based on the 47,123,529 common shares of the Company (“Shares”) outstanding as of the date of grant.
- (2) As at December 31, 2019, Mr. MacDonald held 680,406 stock options which stock options are exercisable at \$0.21 per share until expiry on September 30, 2024.
- (3) As at December 31, 2019, Mr. Reimann held 272,162 stock options which stock options are exercisable at \$0.21 per share until expiry on September 30, 2024.
- (4) As at December 31, 2019, Mr. Hodge held 612,365 stock options which stock options are exercisable at \$0.21 per share until expiry on September 30, 2024.
- (5) As at December 31, 2019, Mr. Patrick held 272,162 stock options which stock options are exercisable at \$0.21 per share until expiry on September 30, 2024.
- (6) As at December 31, 2019, Mr. Lazerson held 612,365 stock options which stock options are exercisable at \$0.21 per share until expiry on September 30, 2024. Mr. Lazerson resigned as a director on March 6, 2020 and all stock options held by Mr. Lazerson expired within 90 days from his resignation on March 6, 2020.

Exercise of Stock Options

No compensation securities were exercised by a Company director or NEO during the Company's most recently completed financial year ended December 31, 2019.

Stock Option Plans and Other Incentive Plans

The Company's current incentive stock option plan (the "Plan") was adopted by the by the Board on August 2, 2019.

The purpose of the Plan is to attract and retain directors, officers, employees and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity acquire an equity interest in the Company through options granted under the Plan.

The Stock Option Plan provides that unless authorized by the shareholders in accordance with applicable securities laws, the aggregate number of Shares reserved for issuance under the Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, is subject to the restrictions imposed under applicable securities laws.

The Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Plan. In granting stock options, the Board reviews the total of stock options available under the Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. Options granted under the Plan will have an exercise price of not less than the minimum prevailing price of the Company's Shares permitted by the Canadian Securities Exchange on the day prior to the date of the grant.

The Board establishes the expiry date for each option at the time such option is granted. The expiry date cannot be longer than the maximum exercise period as determined by the applicable securities laws and the policies of the Canadian Securities Exchange. No Option is exercisable until it has vested. The Board establishes a vesting period or periods at the time each option is granted to an optionee, subject to the compliance with applicable securities laws and the policies of the Canadian Securities Exchange. An optionee who wishes to exercise an Option must pay the exercise price in cash, a certified cheque or a bank draft payable to the Company for the aggregate exercise price for the optioned Shares being acquired.

External Management Companies

The Company has not engaged the services of an external management company to provide executive management services to the Company, directly or indirectly.

Employment, Consulting and Management Agreements

Other than as set forth below, the Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

Agreement with Ronald MacDonald

The Company entered into an agreement with 2562100 Ontario Ltd., a company wholly owned and controlled by Ronald MacDonald pursuant to which Ronald MacDonald agreed to act as Executive Chairman. The term of the agreement is one year, renewable annually, with a monthly fee of \$12,000 and issuance of 1,000,000 free trading shares issued to 02562100 Ontario Ltd. The agreement was terminated on September 1, 2019.

On September 1, 2019, the Company entered into an agreement with Ronald MacDonald (“**MacDonald**”) pursuant to which MacDonald agreed to act as President and CEO, in addition to acting as Executive Chairman. The term of the agreement is one year, renewable annually, with a monthly fee of \$20,000.

Agreement with David Hodge

On August 1, 2019, the Company entered into an agreement with David Hodge (“**Hodge**”) pursuant to which Hodge agreed to provide management with advice on the public capital markets, corporate structuring, financing and use his best efforts to promote the best interest of the Company. The term of the agreement is one year, renewable annually, with a monthly fee of \$7,500.

Agreement with Michael Reimann

On August 1, 2019, the Company entered into an agreement with Michael Reimann (“**Reimann**”) pursuant to which Reimann agreed to act as CFO. The term of the agreement is one year, renewable annually, with a monthly fee of \$4,500.

Oversight and Description of Director and NEO Compensation

The Company’s compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company’s business objectives of improving overall corporate performance and creating long-term value for the Company’s shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company’s current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long term incentives such as stock options.

The Board has not created or appointed a compensation committee given the Company’s current size and stage of development. All tasks related to developing and monitoring the Company’s approach to the compensation of the Company’s NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company’s employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Plan, being the Company’s only equity compensation plan, as of December 31, 2019.

Plan Category	Column (a) Number of shares to be issued upon exercise of outstanding options ⁽¹⁾	Column (b) Weighted-average exercise price of outstanding options	Column (c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by shareholders	N/A	N/A	N/A
Equity compensation plans not approved by shareholders	4,688,000 ⁽²⁾	N/A	24,353 ⁽²⁾
Total	4,688,000 ⁽²⁾	N/A	24,353 ⁽²⁾

(1) The Company does not have any warrants or rights outstanding under any equity compensation plans.

(2) For more information, please see “Statement of Executive Compensation - Stock Option Plans and Other Incentive Plans”

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Adam Sung Kim Ltd., Chartered Professional Accountants as auditors of the Company for the fiscal year ending December 31, 2020, and to authorize the directors of the Company to fix the remuneration to be to be paid to the auditors for the fiscal year ending December 31, 2020. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Adam Sung Kim Ltd., Chartered Professional Accountants was first appointed auditor of the Company on May 8, 2018.

Management of the Company recommends that Shareholders vote for the appointment of Adam Sung Kim Ltd., Chartered Professional Accountants, as the Company’s auditors for the Company’s fiscal year ending December 31, 2020 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2020.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 *Audit Committees* (“NI 52-110”), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the “**Audit Committee**”):

The Audit Committee Charter

The full text of the Company’s audit committee charter (the “**Audit Committee Charter**”) is attached as Schedule “A” to this information circular.

Composition of the Audit Committee

The Company's Audit Committee is comprised of three directors consisting of Ronald MacDonald, David Hodge and Michael Reimann. As defined in NI 52-110, Mr. MacDonald, the Company's President, CEO and Executive Chairman, and Mr. Reimann, the Company's Chief Financial Officer are not "independent", as Mr. MacDonald and Mr. Reimann are executive officers of the Company, and Mr. Hodge is independent. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

The following sets out the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member and that provides each member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting:

Mr. MacDonald

CEO of the Company since June, 2019. Mr. MacDonald has over 35 years of both public and private sector experience, ranging from international roles within the Parliament of Canada as an elected Member of Parliament from 1988 to 1997 to serving on the boards of numerous publicly listed resource companies, including Critical Elements, American Vanadium, and was President of NRStor Remote Communities and Mines.

Mr. Reimann

Mr. Reimann graduated in Engineering Physics from the Royal Military College of Canada, and obtained a Ph.D. in Physics from the University of British Columbia. He served as an officer in the Royal Canadian Navy for four years, before returning to civilian life and pursuing a career in business. He has over 45 years of experience in senior corporate management in both public and private companies. He was director and CFO of MGX Minerals Corp. until April, 2020.

Mr. Hodge

Businessman; Director of the Company; CEO and Director of Commerce Resources Corp; Director of Dimension Five Technologies Inc.; President, CEO and Director of Zimtu Capital Corp.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-Audit Services*) which provide an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and the Audit Committee, on a case-by-case basis, as applicable.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the last two fiscal years by category, are as follows:

Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2019 ⁽¹⁾	\$13,260	Nil	Nil	Nil
2018 ⁽²⁾	\$10,710	Nil	Nil	Nil

Exemption

The Company is relying on the exemption provided by section 6.1 of National Instrument 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of National Instrument 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company's most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both, carrying more than ten percent of the voting rights attached to the Shares outstanding (each, an “Insider”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

There were no management functions of the Company, which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company, except as otherwise described in this Information Circular.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board facilitates its exercise of independent supervision over the Company’s management through frequent meetings of the Board.

David Hodge is “independent” in that he is independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director’s ability to act with the best interests of the Company, other than the interests and relationships arising from being Shareholders. Ronald MacDonald is the President, CEO and Executive Chairman of the Company and Michael Reimann is the Chief Financial Officer of the Company.

Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name	Name of Reporting Issuer	Trading Market
Ronald MacDonald	N/A	N/A
Michael Reimann	N/A	N/A
David Hodge	Commerce Resources Corp.	TSXV
	Dimension Five Technologies Inc.	CSE
	Zimtu Capital Corp.	TSXV
	Core Assets Corp.	CSE

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, 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.

Nomination of Directors

The Company does not have a stand-alone nomination committee. The full Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the industry are consulted for possible candidates.

Compensation

The Company has not provided compensation to members of the Board or the Company's Chairman at any time and does not intend to provide compensation to any director or the Chairman in the near term other than through awards of Stock Options pursuant to the Company's Stock Option Plan. See "*Statement of Executive Compensation.*"

Other Board Committees

The Company has no other committees other than the Audit Committee and the Compensation Committee.

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

PARTICULARS OF MATTERS TO BE ACTED UPON

Re-Approval of Stock Option Plan

The Board adopted a rolling 10% stock option plan (the "**Plan**") on August 2, 2019. Management of the Company believes that incentive stock options serve an important function in furnishing directors, officers, employees and consultants (collectively, the "**Eligible Parties**") of the Company an opportunity to invest in the Company in a

simple and effective manner and better aligning the interests of the Eligible Parties with those of the Company through ownership of shares in the Company.

The Plan is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the Plan a maximum of 10% of the issued and outstanding shares of the Company at any time, less any shares required to be reserved with respect to options granted by the Company prior to the implementation of the Plan. The Plan is administered by the Board of the Company, or a committee of three directors, if so appointed by the Board (the “**Committee**”). Subject to the provisions of the Plan, the Committee in its sole discretion will determine all options to be granted pursuant to the Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Committee will comply with all regulatory requirements in granting options and otherwise administering the Plan. A summary of some of the additional provisions of the Plan follows:

- (i) the number of securities reserved for issuance under options to acquire the securities granted to eligible persons (as defined in the Plan) shall not exceed 10% of the issued and outstanding shares of the Company;
- (ii) the issuance to any one eligible person (as defined in the Plan), within a 12 month period, of a number of securities shall not exceed 5% of the issued and outstanding shares of the Company;
- (iii) options granted to any one consultant to the Company as a total in any twelve-month period shall not exceed 2% of the issued and outstanding shares of the Company;
- (iv) options granted in any twelve-month period to the Company’s employees and/or consultants and the associates of such employees and/or consultants who are conducting investor relations activities together with the number of Shares represented by all options granted in that period to such employees and/or consultants and the associates of such employees and/or consultants with respect to all of the Company’s other previously established stock option plans or grants shall not exceed 2% of the issued Shares;
- (v) options granted shall be non-assignable and not transferable and shall not have a term in excess of ten years;
- (vi) the exercise price of options granted shall not be less than the Discounted Market Price (as defined by the policies of the Canadian Securities Exchange);
- (vii) all options granted shall be confirmed by executed option agreements; and
- (viii) any amendment to reduce the exercise price of options granted to insiders of the Company shall be subject to approval of the disinterested Shareholders of the Company, the majority vote of the members other than the insiders of the Company.

The Plan provides that other terms and conditions may be attached to a particular option at the discretion of the Board.

At the Meeting, shareholders will be asked to approve the following ordinary resolution (the “**Plan Resolution**”), which must be approved by at least a majority of the votes cast by shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution:

“RESOLVED, as an ordinary resolution of the shareholders of Zinc8 Energy Solutions Inc. (the “**Company**”), that:

1. The Company’s Stock Option Plan (the “**Plan**”), as set forth in the Company’s Information Circular dated November 16, 2020, including the reservation for issuance

under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved;

2. The board of directors of the Company be authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the Canadian Securities Exchange (the "CSE"); and
3. 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 Plan required by the CSE or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan."

The form of the Plan 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 Plan Resolution.

Management of the Company recommends that shareholders vote in favour of the Plan Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Plan Resolution.

Approval of the LTIP

At the Meeting, Shareholders will be asked to pass an ordinary resolution to affirm, ratify and approve the LTIP. The purpose of the LTIP is to align the interests of those directors, employees and consultants designated by the Board as being eligible to participate in the LTIP with those of the Company and its Shareholders and to assist in attracting, retaining and motivating key employees by making a portion of the incentive compensation of participating employees directly dependent upon the achievement of key strategic, financial and operational objectives that are critical to ongoing growth and increasing the long-term value of the Company. In particular, the LTIP is designed to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of directors, key employees and consultants of the Company and its subsidiaries; (b) encouraging such directors, key employees and consultants to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such directors, key employees and consultants with the interests of the Company.

The following is a summary of the LTIP and is qualified in its entirety by the full text of the LTIP, a current copy of which is attached as Schedule "B" hereto. The LTIP remains subject to the approval of the CSE, and is subject to any modifications as may be required by the rules and policies thereof. A copy of the LTIP will be available at the Meeting and is available for review at the offices of the Company at #1 – 8765 Ash Street, Vancouver, British Columbia, V6P 6T3 or at Clark Wilson LLP, the registered offices of the Company, at Suite 800 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1 during normal business hours up to and including the date of the Meeting.

Description of the LTIP

The LTIP is available to directors, key employees and consultants of the Company, as determined by the Board. The maximum number of Shares available for issuance under the LTIP in respect of awards, together with the number of Shares available for issuance in respect of options under the Plan, will be 10% of the issued and outstanding shares of the Company at any time (being the number of Shares issuable pursuant to the Plan), less any shares required to be reserved with respect to options granted by the Company prior to the implementation of the Plan.

So long as it is required by the rules and policies of the Canadian Securities Exchange or such other exchange upon which the Shares may be come listed for trading, (i) the total number of Shares issuable to any participant under the LTIP, within any one-year period, together with Shares reserved for issuance to such participant under all of the Company's other security-based compensation arrangements, shall not exceed 5% of the issued and outstanding Shares, (ii) the total number of Shares issuable to insiders under the LTIP, within any one-year period and at any time, together with Shares reserved for issuance to insiders under all of the Company's other security-based compensation arrangements, shall not exceed 10% of the issued and outstanding Shares, and (iii) the total number of Shares issuable to consultants performing investor relations activities, at any time, together with Shares reserved for issuance to consultants performing investor relations activities under all of the Company's other security-based compensation arrangements, shall not exceed 1% of the issued and outstanding Shares in any twelve month period. If the Exchange requires the number of Shares available for the grant of the Awards to be a lower percentage or a fixed number, then such lower percentage or such fixed number shall be the maximum Shares available for the grant of Awards. Except as otherwise provided in an applicable award agreement or as determined by the Board, neither awards nor any rights under any such awards shall be assignable or transferable other than pursuant to a will or by the laws of descent and distribution.

The LTIP provides for the issuance of "restricted share units", "performance share units" and "deferred share units".

Restricted Share Units. The LTIP provides that the Board may, from time to time, in its sole discretion, grant awards of restricted share units (each, an "**RSU**") to directors, key employees and consultants. Each RSU shall represent one Share on vesting. RSUs shall be subject to such restrictions as the Board may establish in the applicable award agreement. The typical restriction for RSUs is time based (i.e. vesting after a fixed period of time). All RSUs will vest and become payable by the issuance of Shares at the end of the applicable restriction period if all applicable restrictions have lapsed.

Restrictions on any RSUs shall lapse immediately and become fully vested to the participant upon a change of control. Upon the death of a participant, subject to the applicable award agreement, any RSUs that have not vested will be immediately forfeited and cancelled without payment, provided that any RSUs granted to such participant that had vested prior to the participant's death will accrue to the participant's estate in accordance with the LTIP. If a participant's employment is terminated for cause, any RSUs granted to the participant will immediately terminate without payment and be cancelled as of the termination date. If a participant's employment is terminated without cause, is voluntarily terminated by the participant or termination is due to the participant's retirement or disability, any RSUs granted to the participant will, subject to the applicable award agreement, immediately terminate without payment and be cancelled as of the termination date, provided, however, that any RSUs granted to such participant that had vested prior to the participant's termination without cause, voluntary termination, retirement or disability will accrue to the participant in accordance with the LTIP. In the case of directors, if a participant ceases to be a director for any reason, subject to the applicable award agreement, all RSUs granted to such participant will immediately terminate without payment and be cancelled, provided, however, that any RSUs granted to such participant that had vested prior to the participant ceasing to be a director will accrue to the participant in accordance with the LTIP. Where a consultant's service to the Company terminates for any reason, subject to the applicable award agreement and any other contractual commitments between the participant and the Company, all RSUs granted to such participant will immediately terminate without payment and be cancelled, provided, however, that any RSUs granted to such participant that had vested prior to the termination of the participant's service to the Company will accrue to the participant in accordance with the LTIP.

Performance Share Units. The LTIP provides that the Board may, from time to time, in its sole discretion, grant awards of performance share units (each, a "**PSU**") to key employees and consultants. Each PSU shall, contingent upon the attainment of the performance criteria within the applicable performance cycle, represent one Share, unless otherwise specified in the applicable award agreement. The performance criteria will be established by the Board which, without limitation, may include criteria based on the participant's individual performance and/or financial performance of the Company and its subsidiaries. Typical performance criteria could include gross

revenues, EBITDA, share price performance, the attainment of a specified amount of financing or satisfaction of a participant's key performance indicators. The applicable award agreement may provide the Board with the right to revise the performance criteria during a performance cycle or after it has ended, if unforeseen events occur, including, without limitation, changes in capitalization, equity restructuring, acquisitions or divestitures, if such events have a substantial effect on the financial results of the Company and make the application of the performance criteria unfair absent a revision.

All PSUs will vest and become payable to the extent that the performance criteria are satisfied in the sole determination of the Board. PSUs granted to a participant shall become fully vested and payable to such participant within 95 days after the last day of the performance cycle or upon a change of control. Upon the death of a participant, subject to the applicable award agreement, all PSUs granted to the participant which, prior to the participant's death, had not vested, will immediately be forfeited and cancelled without payment, provided, however, that the Board may determine, in its discretion, the number of the participant's PSUs that will vest based upon the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed. If a participant's employment is terminated for cause, any PSUs granted to the participant will immediately terminate without payment and be cancelled as of the termination date. If a participant's employment is terminated without cause, by voluntary termination, or if the participant's employment terminates due to retirement or disability, all PSUs granted to the participant which, prior to such termination without cause, voluntary termination, retirement or disability, had not vested, will immediately be forfeited and cancelled without payment, provided, however, that the Board may determine, in its discretion, the number of the participant's PSUs that will vest based upon the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed. Where a consultant's service to the Company terminates for any reason, subject to the applicable award agreement and any other contractual commitments between the participant and the Company, all PSUs granted to such participant will immediately be forfeited and cancelled without payment, provided, however, that the Board may determine, in its discretion, the number of the participant's PSUs that will vest based upon the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Deferred Share Units. The LTIP provides that the Board may, from time to time, in its sole discretion, grant awards of deferred share units (each, a "DSU") to directors in lieu of director fees (but not to key employees or consultants). Directors become participants effective as of the date each is first appointed or elected as a director and cease to be participants at the time they cease to be a director for any reason. The number of DSUs to be granted to a participant shall be calculated by dividing the amount of fees selected by the director by the market price on the grant date. The market price is defined in the LTIP as the five-day weighted average closing price of the Company's Shares on the immediately preceding five trading days prior to the grant date.

Each participant shall be entitled to receive, subsequent to the effective date that the participant ceases to be a director for any reason or any earlier vesting period(s) set forth in the applicable award agreement, either (a) that number of Shares equal to the number of DSUs granted to such participant, or (b) a cash payment in an amount equal to the market price of the DSUs granted to such participant on the trading day following the day that the participant ceases to be a director, net of applicable withholdings, and subject to adjustments if the value of a DSU is determined during applicable black-out periods. Upon the death of a participant, such participant's estate shall be entitled to receive, within 120 days, a cash payment or Shares that would otherwise have been payable upon such participant ceasing to be a director.

Approval of LTIP

The Board is requesting that Shareholders affirm, ratify and approve the LTIP. Accordingly, at the Meeting, Shareholders will be asked to consider, and if thought fit, to approve the following ordinary resolution (the "LTIP Resolution"):

"BE IT HEREBY RESOLVED, as an ordinary resolution of the shareholders of Zinc8 Energy Solutions Inc. (the "Company"), with or without amendment, that:

1. The Long-Term Performance Incentive Plan (the “**LTIP**”), in the form attached as Schedule “B” to the management information circular of the Company dated as of November 16, 2020, be and is hereby affirmed, ratified and approved;
2. the board of directors of the Company be authorized on behalf of the Company to make any amendments to the LTIP as may be required by regulatory authorities, without further approval of the shareholders of the Company, in order to ensure adoption of the LTIP; and
3. 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 or her opinion may be necessary or desirable to give effect to this resolution, including making any amendments to the LTIP as may be required by regulatory authorities, without further approval of the shareholders of the Company.”

Management of the Company recommends that shareholders vote in favour of the LTIP Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the LTIP Resolution.

ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at #1 - 8765 Ash Street, Vancouver, British Columbia V6P 6T3, to request copies of the Company’s financial statements and related Management’s Discussion and Analysis (the “**MD&A**”). Financial information is provided in the Company’s audited financial statements and MD&A for the most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR.

OTHER MATTERS

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved, and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

Dated at Vancouver, British Columbia this 16th day of November, 2020.

ON BEHALF OF THE BOARD OF DIRECTORS OF

ZINC8 ENERGY SOLUTIONS INC.

“Ronald MacDonald”

Ronald MacDonald
President, Chief Executive Officer,
Executive Chairman and Director

Schedule "A"

Audit Committee Charter

[see attached]

ZINC8 ENERGY SOLUTIONS INC.
~~MGX RENEWABLES INC.~~
(the “Company”)

AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company’s audit committee, or its Board in lieu thereof (the “Audit Committee”). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

Composition

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the “Chair”) to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

Meetings

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company’s auditors (the “Auditors”) will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor’s duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (a) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (d) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (a) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (b) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (c) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (d) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (e) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

Complaints

- (a) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (b) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

Authority

- (a) *Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

Reporting

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.

Schedule "B"

Long-Term Performance Incentive Plan

[see attached]

LONG-TERM PERFORMANCE INCENTIVE PLAN

ZINC8 ENERGY SOLUTIONS INC. (the “Company”)

LONG-TERM PERFORMANCE INCENTIVE PLAN – 10% OF ISSUED SHARES

SECTION 1 ESTABLISHMENT AND PURPOSE OF THIS PLAN

The Company wishes to establish this long-term performance incentive plan (the “Plan”). The purpose of this Plan is to promote the long-term success of the Company and the creation of shareholder value by: (i) encouraging the attraction and retention of Directors, Key Employees and Consultants of the Company and its Subsidiaries; (ii) encouraging such Directors, Key Employees and Consultants to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such Directors, Key Employees and Consultants with the interests of the Company.

To this end, this Plan provides for the grant of Restricted Share Units, Performance Share Units and Deferred Share Units to Directors, Key Employees and Consultants of the Company as further described in this Plan.

SECTION 2 DEFINITIONS

2.1 Definitions

As used in this Plan, the following terms shall have the meanings set forth below:

- (a) “**Associate**” has the meaning ascribed thereto in the Securities Act;
- (b) “**Award**” means any award of Restricted Share Units, Performance Share Units or Deferred Share Units granted under this Plan;
- (c) “**Award Agreement**” means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;
- (d) “**Board**” means the board of directors of the Company;
- (e) “**Company**” means Zinc8 Energy Solutions Inc., a company incorporated under the *Canada Business Corporations Act*, and any of its successors or assigns;
- (f) “**Consultant**” means a Person (other than a Key Employee or Director) that:
 - (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or an affiliate of the Company, other than services provided in relation to a distribution (as defined in the *Securities Act*);
 - (ii) provides the services under a written contract between the Company or an affiliate of the Company and the Person, as the case may be;

- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time on the affairs and business of the Company or an affiliate of the Company; and
- (iv) has a relationship with the Company or an affiliate of the Company that enables the Person to be knowledgeable about the business and affairs of the Company,

and includes:

- (v) for a Person that is an individual, a corporation of which such individual is an employee or shareholder, and a partnership of which the individual is an employee or partner; and
 - (vi) for a Person that is not an individual, an employee, executive officer or director of the consultant, *provided that* the individual employee, executive officer or director spends or will spend a significant amount of time on the affairs and business of the Company or an affiliate of the Company;
- (g) **“Deferred Share Unit”** means a right to receive on a deferred basis a payment in either Shares or cash as provided in Section 5.3 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
 - (h) **“Determination Date”** means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;
 - (i) **“Director”** means a member of the Board;
 - (j) **“Disability”** means any medical condition which qualifies a Participant for benefits under a long-term disability plan of the Company or Subsidiary;
 - (k) **“Effective Date”** has the meaning ascribed thereto in Section 8;
 - (l) **“Election Form”** means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in Deferred Share Units under this Plan;
 - (m) **“Eligible Person”** means Directors, Key Employees and Consultants;
 - (n) **“Exchange”** means the Canadian Securities Exchange, or such other exchange upon which the Shares of the Company may become listed for trading;
 - (o) **“Fees”** means the annual board retainer, chair fees, meeting attendance fees or any other fees payable to a Director by the Company;
 - (p) **“Grant Date”** means, for any Award, the date specified by the Board as the grant date at the time it grants the Award or, if no such date is specified, the date upon which the Award was actually granted;
 - (q) **“Insider”** means any insider, as that term is defined in the Securities Act;
 - (r) **“Investor Relations Activities”** means any activities, by or on behalf of the Company or a shareholder of the Company, which promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company
 - (A) to promote the sale of products or services of the Company, or
 - (B) to raise public awareness of the Company, that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
- (ii) activities or communications necessary to comply with the requirements of:
 - (A) applicable securities laws, or
 - (B) Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
- (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (A) the communication is only through the newspaper, magazine or publication; and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (iv) activities or communications that may be otherwise specified by the Exchange
- (s) “**Key Employees**” means employees, including officers, whether Directors or not, and including both full-time and part-time employees of the Company or any Subsidiary who, by the nature of their positions or jobs are, in the opinion of the Board, in a position to contribute to the success of the Company;
- (t) “**Market Unit Price**” means the value of a Share determined by reference to the five-day volume weighted average closing price of a Share on the immediately preceding five (5) Trading Days on which trading in the Shares took place;
- (u) “**Option**” means incentive share purchase options entitling the holder thereof to purchase Shares;
- (v) “**Option Plan**” means the stock option plan of the Company adopted by the Board on June 19, 2019 as amended and restated from time to time;
- (w) “**Participant**” means any Eligible Person to whom Awards under this Plan are granted;
- (x) “**Participant’s Account**” means a notional account maintained for each Participant’s participation in this Plan which will show any Restricted Share Units, Performance Share Units or Deferred Share Units credited to a Participant from time to time;
- (y) “**Performance-Based Award**” means, collectively, Performance Share Units and Restricted Share Units;

- (z) **“Performance Criteria”** means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of the Performance Share Units;
- (aa) **“Performance Cycle”** means the applicable performance cycle of the Performance Share Units as may be specified by the Board in the applicable Award Agreement;
- (bb) **“Performance Share Unit”** means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.2 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (cc) **“Person”** means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (dd) **“Restriction Period”** means the time period between the Grant Date and the Vesting Date of an Award of Restricted Share Units specified by the Board in the applicable Award Agreement, which period shall be no less than 12 months, provided the Board may, in its discretion, permit earlier vesting, no sooner than quarterly, of the Restricted Share Units;
- (ee) **“Restricted Share Unit”** means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.1 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (ff) **“Retirement”** means retirement from active employment with the Company or a Subsidiary with the consent of an officer of the Company or the Subsidiary;
- (gg) **“Securities Act”** means the *Securities Act* (British Columbia), as amended, from time to time;
- (hh) **“Security-Based Compensation Arrangement”** shall have the meaning ascribed thereto in the rules and policies of the Exchange, or in the event that such term is not defined in the rules and policies of the Exchange, shall mean a stock option, including the Option Plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, officers, Insiders, service providers or Consultants of the Company or a Subsidiary, including a share purchase from treasury by a full-time employee, officer, Insider, service provider or Consultant which is financially assisted by the Company or a Subsidiary by way of loan, guarantee or otherwise;
- (ii) **“Shares”** means the common shares of the Company;
- (jj) **“Subsidiary”** means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;
- (kk) **“Termination Date”** means, as applicable:
 - (i) in the event of a Participant’s Retirement, voluntary termination or termination of employment as a result of a Disability, the date on which such Participant ceases to be an employee of the Company or a Subsidiary; and

- (ii) in the event of termination of the Participant's employment by the Company or a Subsidiary, the date on which such Participant is advised by the Company or a Subsidiary, in writing or verbally, that his or her services are no longer required;
- (ll) **"Trading Day"** means any date on which the Exchange is open for trading; and
- (mm) **"Vesting Date"** means in respect of any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement.

SECTION 3 ADMINISTRATION

3.1 Board to Administer Plan

Except as otherwise provided herein, 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 in order to comply with the requirements of this Plan.

3.2 Delegation to Committee

All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by such committee as the Board may determine.

3.3 Interpretation

All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company.

3.4 No Liability

No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors 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 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.

SECTION 4 SHARES AVAILABLE FOR AWARDS

4.1 Limitations on Shares Available for Issuance

- (a) Subject to adjustment in accordance with Section 4.3, the total Shares available for the grant of Awards shall be such number as equals ten (10%) percent of the Shares issued and outstanding in the Company at the time of grant; provided, however, that if the Exchange requires the number of Shares available for the grant of the Awards to be a lower

percentage or a fixed number, then such lower percentage or such fixed number shall be the maximum Shares available for the grant of Awards. For so long as any Awards are outstanding, the Company shall keep available at all times such number of Shares as would be issuable on the due exercise of all of such Awards; and

- (b) the total number of Shares issuable to Persons performing Investor Relations Activities on behalf of the Company pursuant to the Plan, together with Shares issuable to all Persons performing Investor Relations Activities under all of the Company's other Security-Based Compensation Arrangements, shall not exceed one (1%) percent of the issued and outstanding Shares in any twelve-month period.

4.2 Accounting for Awards

For purposes of this Section 4:

- (a) if an Award is denominated in Shares, the number of Shares covered by such Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting Awards under this Plan; and
- (b) notwithstanding anything herein to the contrary, any Shares related to Awards which terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of such Shares, or are exchanged with the Board's permission, prior to the issuance of Shares, for Awards not involving Shares, shall be available again for granting Awards under this Plan.

4.3 Anti-Dilution

If the number of outstanding Shares is increased or decreased as a result of a stock split, consolidation or recapitalization and not as a result of the issuance of Shares for additional consideration or by way of stock dividend, the Board may make appropriate adjustments to the number and price (or other basis upon which an Award is measured) of Restricted Share Units, Performance Share Units and/or Deferred Share Units credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.

SECTION 5 AWARDS

5.1 Restricted Share Units

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Restricted Share Units to Directors, Key Employees and Consultants. Restricted Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Restricted Share Units to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each Restricted Share Unit shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of Restricted Share Units granted pursuant to an Award and the Restriction Period in respect of such Restricted Share Units shall be specified in the applicable Award Agreement.

- (b) Restrictions - Restricted Share Units shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.
- (c) Vesting - All Restricted Share Units will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement.
- (d) Death - Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any Restricted Share Units granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Restricted Share Units granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Section 5.1(i) hereof.
- (e) Termination of Employment
 - (i) Where, in the case of a Key Employee, a Participant's employment is terminated by the Company or a Subsidiary for cause, all Restricted Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - (ii) Where, in the case of a Key Employee, a Participant's employment terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement by the Participant, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination without cause, voluntary termination or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(i) hereof.
 - (iii) Upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of Restricted Share Units under this Plan shall cease as of the Termination Date.
- (f) Disability - Where, in the case of a Key Employee, a Participant becomes afflicted by a Disability, all Restricted Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Restricted Share Units; *provided, however*, that no Restricted Share Units may be redeemed during a leave of absence. Where a Key Employee's employment is terminated due to Disability, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of

the Termination Date; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination due to Disability, had vested pursuant to terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(i) hereof.

- (g) Cessation of Directorship - Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Restricted Share Units granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date the Participant ceases to be a Director; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant ceasing to be a Director for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(i) hereof.
- (h) Termination of Service - Where, in the case of Consultants, a Participant's service to the Company terminates for any reason, subject to the applicable Award Agreement and any other contractual commitments between the Participant and the Company, any Restricted Share Units granted to the Participant under this Plan that have not yet vested will be forfeited and cancelled and shall be of no further force or effect as of the date of termination of service; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the termination of the Participant's service to the Company for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(i) hereof.
- (i) Payment of Award - As soon as practicable after each Vesting Date of an Award of Restricted Share Units, the Company shall issue from treasury to the Participant, or if Section 5.1(d) applies, to the Participant's estate, a number of Shares equal to the number of Restricted Share Units credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the Restricted Share Units in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Restricted Share Units.

5.2 Performance Share Units

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Performance Share Units to Key Employees and Consultants. Performance Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Performance Share Units to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each Performance Share Unit shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share. The number of Performance Share Units granted pursuant to an Award, the Performance Criteria which must be satisfied in order for the Performance Share Units to vest and the Performance Cycle in respect of such Performance Share Units shall be specified in the applicable Award Agreement.
- (b) Performance Criteria - The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the Performance Share Units, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the

Performance Criteria and the Award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the Performance Criteria unfair unless a revision is made. Notices will be provided by the Company to applicable regulatory authorities or stock exchanges as may be required with respect to the foregoing.

- (c) Vesting - All Performance Share Units will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle, the determination of which satisfaction shall be made by the Board on the Determination Date.
- (d) Death - Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all Performance Share Units granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever; *provided, however*, the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.2(h) hereof.
- (e) Termination of Employment
 - (i) Where, in the case of Key Employees, a Participant's employment is terminated by the Company or a Subsidiary for cause, all Performance Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - (ii) Where, in the case of Key Employees, other than as may be set forth in the applicable Award Agreement and below, a Participant's employment is terminated by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement, all Performance Share Units granted to the Participant which, prior to the Participant's termination, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date; *provided, however*, the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.2(h) hereof.
 - (iii) In the case of Key Employees, upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of Performance Share Units under this Plan shall cease as of the Termination Date.

- (f) Disability - Where a Participant becomes afflicted by a Disability, all Performance Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Performance Share Units; *provided, however*, that no Performance Share Units may be redeemed during a leave of absence. Where a Participant's employment is terminated due to Disability, all Performance Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date; *provided, however*, that the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.2(h) hereof.
- (g) Termination of Service - Where, in the case of Consultants, a Participant's service to the Company terminates for any reason, subject to the applicable Award Agreement and any other contractual commitments between the Participant and the Company, all Performance Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date; *provided, however*, that the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.2(h) hereof.
- (h) Payment of Award - Payment to Participants in respect of vested Performance Share Units shall be made after the Determination Date for the applicable Award and in any case within ninety-five (95) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made entirely in Shares. The Company shall issue from treasury to the Participant, or if Section 5.2(d) applies, to the Participant's estate, a number of Shares equal to the number of Performance Share Units that have vested. As of the Vesting Date, the Performance Share Units in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Performance Share Units.

5.3 Deferred Share Units

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Deferred Share Units to Directors in lieu of Fees. A Director becomes a Participant effective as of the date he or she is first appointed or elected as a Director and ceases to be a Participant at the time he or she ceases to be a Director for any reason. Deferred Share Units granted to a Participant in accordance with Section 5.3 hereof shall be credited, as of the Grant Date, to the Participant's Account.

- (b) Election - Each Director may elect to receive any or all of his or her Fees in Deferred Share Units under this Plan. Elections by Participants regarding the amount of their Fees that they wish to receive in Deferred Share Units shall be made no later than 90 days after this Plan is adopted by the Board, and thereafter no later than December 31 of any given year with respect to Fees for the following year. Any Director who becomes a Participant during a calendar year and wishes to receive an amount of his or her Fees for the remainder of that year in Deferred Share Units must make his or her election within 60 days of becoming a Director.
- (c) Calculation - The number of Deferred Share Units to be credited to the Participant's Account shall be calculated by dividing the amount of Fees selected by a Director in the applicable Election Form by the Market Unit Price on the Grant Date (or such other price as required under Exchange policies) which shall be the 10th business day following each financial quarter end. If, as a result of the foregoing calculation, a Participant shall become entitled to a fractional Deferred Share Unit, the Participant shall only be credited with a full number of Deferred Share Units (rounded down) and no payment or other adjustment will be made with respect to the fractional Deferred Share Unit.
- (d) Payment of Award - Each Participant shall be entitled to receive, after the effective date that the Participant ceases to be a Director for any reason, on a day designated by the Participant and communicated to the Company by the Participant in writing at least 15 days prior to the designated day (or such earlier date after the Participant ceases to be a Director as the Participant and the Company may agree, which date shall be no later than the end of the calendar year following the year in which the Participant ceases to be a Director) and if no such notice is given, then on the first anniversary of the effective date that the Participant ceases to be a Director, at the sole discretion of the Board, either:
- (i) that number of Shares equal to the number of Deferred Share Units credited to the Participant's Account, such Shares to be issued from treasury of the Company; or
 - (ii) a cash payment in an amount equal to the Market Unit Price on the next Trading Day after the Participant ceases to be a Director of the Deferred Share Units credited to a Participant's Account, net of applicable withholdings.
- (e) Exception - In the event that the value of a Deferred Share Unit would be determined with reference to a period commencing at a fiscal quarter-end of the Company and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the Units will be made to the Participant with reference to the five (5) Trading Days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).
- (f) Death - Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, a cash payment or Shares that would have otherwise been payable in accordance with Section 5.3(d) hereof to the Participant upon such Participant ceasing to be Director.
- (g) Deductions - Whenever cash is to be paid on redemption of Deferred Share Units, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered on redemption of Deferred Share Units, the Company shall have the right to

deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by:

- (i) electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld; or
- (ii) delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.

5.4 General Terms Applicable to Awards

- (a) Forfeiture Events - The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of non-competition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.
- (b) Awards May be Granted Separately or Together - Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award or any award granted under any other Security-Based Compensation Arrangement of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other Security-Based Compensation Arrangement of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
- (c) Non-Transferability of Awards - Except as otherwise provided in an Award Agreement or determined by the Board in its sole discretion, no Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.
- (d) Conditions and Restrictions Upon Securities Subject to Awards - The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation:

- (i) restrictions under an insider trading policy or pursuant to applicable law;
 - (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and holders of other Security-Based Compensation Arrangements;
 - (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and
 - (iv) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.
- (e) Share Certificates - All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (f) Conformity to Plan - In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted to become, in all respects, in conformity with this Plan.

5.5 General Terms Applicable to Performance-Based Awards

- (a) Performance Evaluation; Adjustment of Goals - At the time that a Performance-Based Award is first issued, the Board, in the Award Agreement or in another written document, shall specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be:
- (i) judgments entered or settlements reached in litigation;
 - (ii) the write-down of assets;
 - (iii) the impact of any reorganization or restructuring;
 - (iv) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results;
 - (v) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year;
 - (vi) the impact of any mergers, acquisitions, spin-offs or other divestitures; and
 - (vii) foreign exchange gains and losses.
- (b) Adjustment of Performance-Based Awards - The Board shall have the sole discretion to adjust the determinations of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award

Agreement governing the relevant Performance-Based Award. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any Performance-Based Award that will increase the amount payable under any such Award. The Board shall retain the sole discretion to adjust Performance-Based Awards downward or to otherwise reduce the amount payable with respect to any Performance-Based Award.

SECTION 6 AMENDMENT AND TERMINATION

6.1 Amendments and Termination of this Plan

The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to:

- (a) any required approval of any applicable regulatory authority or the Exchange; and
- (b) any approval of shareholders of the Company as required by the rules of the Exchange or applicable law, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
 - (i) amendments of a “housekeeping nature”;
 - (ii) amendments for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
 - (iii) amendments which are necessary to comply with applicable law or the requirements of the Exchange;
 - (iv) amendments respecting administration and eligibility for participation under this Plan;
 - (v) changes to the terms and conditions on which Awards may be or have been granted pursuant to this Plan including changes to the vesting provisions and terms of any Awards;
 - (vi) amendments which alter, extend or accelerate the terms of vesting applicable to any Awards; and
 - (vii) changes to the termination provisions of an Award or this Plan which do not entail an extension beyond the original fixed term.

If this Plan is terminated, prior Awards shall remain outstanding and in effect in accordance with their applicable terms and conditions.

6.2 Amendments to Awards

The Board may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively.

No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either:

- (a) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of any accounting standard; or
- (b) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7 GENERAL PROVISIONS

7.1 No Rights to Awards

No Director, Key Employee, Consultant or other Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award. There is no obligation for uniformity of treatment of Directors, Key Employees, Consultant or holders or beneficiaries of Awards under this Plan. The terms and conditions of Awards need not be the same with respect to each Participant.

7.2 Withholding

The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under this Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under this Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes.

7.3 No Limit on Other Security-Based Compensation Arrangements

Nothing contained in this Plan shall prevent the Company or a Subsidiary from adopting or continuing in effect other Security-Based Compensation Arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

7.4 No Right to Employment

The grant of an Award shall neither constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this Plan or in an applicable Award Agreement.

7.5 No Right as Shareholder

Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholders in respect of any Shares covered by such Participant's Restricted Share Units, Performance Share Units and/or Deferred Share Units until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.

7.6 Governing Law

This Plan and all of the rights and obligations arising herefrom shall be interpreted and applied in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

7.7 Severability

If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.

7.8 No Trust or Fund Created

Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.

7.9 No Fractional Shares

No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.

7.10 Headings

Headings are given to the Sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.

7.11 No Representation or Warranty

The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.

7.12 No Representations or Covenant with Respect to Tax Qualification

Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.

7.13 Conflict with Award Agreement

In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.

7.14 Compliance with Laws

The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:

- (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (b) completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

SECTION 8 EFFECTIVE DATE OF THIS PLAN

8.1 Effective Date

This Plan shall become effective upon the date (the "**Effective Date**") of approval by the Board.

SECTION 9 TERM OF THIS PLAN

9.1 Term

This Plan shall terminate automatically 10 years after the Effective Date and may be terminated on any earlier date as provided in Section 6 hereof.