

**BASIN URANIUM CORP.**  
(formerly Black Shield Metals Corp.)  
Suite 1430, 800 West Pender Street  
Vancouver, British Columbia Canada V6C 2V6  
Telephone: 778 838-3692

**INFORMATION CIRCULAR**  
as at November 10, 2021  
(except as otherwise indicated)

**This Information Circular is furnished in connection with the solicitation of proxies by the management of BASIN URANIUM CORP. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on Friday, January 7, 2022 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

***IN VIEW OF THE CURRENT AND RAPIDLY EVOLVING COVID-19 OUTBREAK, THE COMPANY REQUESTS THAT IF POSSIBLE ALL SHAREHOLDERS VOTE THEIR SHARES BY PROXY AND AVOID ATTENDING THE MEETING IN PERSON, HOWEVER, IF YOU CHOOSE TO ATTEND THE MEETING IN PERSON, SHAREHOLDERS ARE ASKED TO FOLLOW THE INSTRUCTIONS OF THE PUBLIC HEALTH AGENCY OF CANADA ([canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html](https://canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html))***

***THE COMPANY RESPECTFULLY ASKS SHAREHOLDERS NOT TO ATTEND THE MEETING IN PERSON IF EXPERIENCING ANY OF THE DESCRIBED COVID-19 SYMPTOMS OF FEVER, COUGH OR DIFFICULTY BREATHING, OR IF THEY HAVE BEEN EXPOSED TO ANYONE EXHIBITING COVID-19 SYMPTOMS WITHIN THE LAST 14 DAYS.***

***THE COMPANY MAY TAKE ADDITIONAL PRECAUTIONARY MEASURES IN RELATION TO THE MEETING IN RESPONSE TO FURTHER DEVELOPMENTS IN THE COVID-19 OUTBREAK.***

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In this Information Circular, references to “the Company”, “we” and “our” refer to BASIN URANIUM CORP. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

## **GENERAL PROXY INFORMATION**

### **Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy (the “Proxy”) are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

### **Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

## Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company's transfer agent, Odyssey Trust Company ("Odyssey"), by 10 o'clock a.m. (Pacific Time) Wednesday, January 5, 2022 via fax at (800) 517-4553, or email a copy of the fully signed proxy to Odyssey at [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com); or
- (b) use the internet through the website of the Company's transfer agent at <https://login.odysseytrust.com/pxlogin>. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays, and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

## Beneficial Shareholders

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker (an "intermediary"). In the United States, the vast majority of such Common 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).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial owners – those who object to their name being made known to the issuers of securities which they own (called "OBOS" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "*Communication with Beneficial Owners of Securities of a Reporting Issuer*" that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from our transfer agent. These VIFs are to be completed and returned to Odyssey in the envelope provided or by facsimile. In addition, Odyssey provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions at the meeting with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The

completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting, and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted at the Meeting and to vote your Common Shares at the Meeting.**

#### **Notice to Shareholders in the United States**

The solicitation of proxies involve securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act* of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

#### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by emailing the proxy bearing a later date to Odyssey at [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com) at any time up 10 o'clock a.m. (Pacific Time) Wednesday, January 5, 2022 or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

To the best of our knowledge, except as otherwise disclosed herein, no director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed May 31, 2021 financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and the approval to the of the Company's Company's compensation plans as set out herein.

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

The Company was incorporated under the *Business Corporations Act* (British Columbia) on October 13, 2017 under the name "ZP Mining Inc.". On February 7, 2020, the Company changed its name to "Black Shield Metals Corp." and subsequently, on October 28, 2021, changed its name from "Black Shield Metals Corp." to "Basin Uranium Corp".

Basin Uranium Corp. is a Canadian junior exploration company focused diversified mineral resources. The Company recently acquired the Mann Lake uranium project, located in the Athabasca basin in Northern Saskatchewan, Canada, and is also currently undertaking the CHG gold exploration project located approximately 15 kilometers northwest of the town of Clinton in south-central British Columbia.

The Company is is authorized to issue an unlimited number of Common Shares without par value. The Company's Common Shares are listed on the Canadian Securities Exchange (the "CSE") under stock symbol "NCLR".

The Company is also authorized to issue an unlimited number of preferred shares ("**Preferred Shares**") without par value. The Preferred Shares may be issued in one or more series, and the Board may: (i) determine the maximum number of Preferred Shares of a series that the Company is authorized to issue, determine that there is no such maximum number, or alter any such determination; (ii) create an identifying name for each series of Preferred Shares; and (iii) attach or alter special rights or restrictions to attach to each series of Preferred Shares. At the date of this Information Circular, there were no issued and outstanding Preferred Shares.

As of record date, November 10, 2021, there were 17,946,418 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding of the Company as at November 10, 2021.

#### Escrow Shares

Pursuant to an Offering under Prospectus dated January 13, 2021, the Company entered into an escrow agreement. Dated January 13, 2021. As at November 10, 2021, the below named insiders of the Company hold the below remaining Common Shares under Escrow Agreement.

<b>Name of Insider</b>	<b>Number of Shares held in Escrow</b>
Fred Tejada	90,000
Kevin Ma	90,001
DJG Enterprises Inc. <sup>(1)</sup>	135,000
Desmond M. Balakrishnan Law Corporation <sup>(2)</sup>	495,000
David Goertz	90,000

Notes:

- (1) Shares are registered to David Goertz, a company controlled and beneficially owned by David Goertz.  
 (2) Shares are registered to Desmond Balakrishnan Law Corporation, a company controlled and beneficially owned by Desmond M. Balakrishnan.

### **FINANCIAL STATEMENTS**

The consolidated audited financial statements of the Company for the Company's financial years ended May 31, 2021 and May 31, 2020, the report of the auditor thereon and the related management's discussion and analysis were filed under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com) on August 10, 2021, which will be tabled at the Meeting and which will be available at the Meeting.

### **ELECTION OF DIRECTORS**

#### **Number of Directors**

There are currently four directors of the Company. The Board proposes to nominate for election at the Meeting, five directors. Fred Tjedda will not be standing for election as a director at the Meeting. Shareholders will be asked at the Meeting to approve an ordinary resolution to fix the number of directors to be elected to the Board at five.

At the Meeting, Shareholders will be asked to vote on the following ordinary resolution:

**“BE IT RESOLVED** that the number of directors for election at this Meeting be fixed at five.”

**Management recommends the Shareholders approve the resolution to fix the number of directors of the Company at five. Unless otherwise indicated on the form of Proxy received by the Company, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, in favour of the resolution to fix the number of directors of the Company at five.**

#### **Nominees**

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director's office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the “BCBCA”), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following disclosure sets out the names of management's nominees for election as director, all major offices and positions with the Company and any of its significant affiliates each now holds, the principal occupation, business or employment of each director nominee, the period of time during which each nominee has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Information Circular.

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment <sup>(1)</sup>	Period as a Director of the Company	Shares Beneficially Owned or Controlled <sup>(1)</sup>
<b>Kevin Ma</b> Director British Columbia, Canada	Principal of KGSK Capital Management Corp. and Partner of Calibre Capital Corp., financial advisory and corporate finance firms since 2015. Chartered Accountant since 2006.  <i>Refer to Director Biographies below.</i>	Since January 30, 2020	100,000
<b>Desmond M. Balakrishnan</b> <sup>(3)</sup> Director British Columbia, Canada	Partner, McMillan LLP, a commercial and business law firm since January 2002.  <i>Refer to Director Biographies below.</i>	Since January 30, 2020	550,000 <sup>(2)</sup>
<b>David Goertz</b> <sup>(3)</sup> Director British Columbia, Canada	Partner, Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants since 2005.  <i>Refer to Director Biographies below.</i>	Since February 28, 2020	650,000
<b>Michael Blady</b> Chief Executive Officer and Nominee Director British Columbia, Canada	CEO of the Company since November 2021; CEO of Avant Brands since August 2017; CEO of Golden Ridge Resource since October 2017; Director of various companies from 2018 to 2021  <i>Refer to Nominee Director Biographies below.</i>	Nominee Director	Nil
<b>Jonathan Hamway</b> Nominee Director Ontario, Canada	Founder and CEO of Kincort Capital Partners Ltd., a strategic advisory firm and merchant bank.  <i>Refer to Nominee Director Biographies below.</i>	Nominee Director	Nil

## Notes

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees.
- (2) Shares are registered to Desmond Balakrishnan Law Corporation, a company controlled by Mr. Balakrishnan.
- (3) Member of Audit Committee.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company. At the Meeting the above persons will be nominated for election as director as well as any person nominated pursuant to the Advance Notice Provision (see below). Only persons nominated by management pursuant to this Information Circular or pursuant to the Advance Notice Provision will be considered valid director nominees eligible for election at the Meeting.**

## **Director Biographies**

### ***Kevin Ma – Director***

Mr. Ma, has been a principal of KGSK Capital Management Corp. since 2015 and partner of Calibre Capital Corp. since 2018, where he specializes in corporate finance, mergers & acquisitions, and senior executive and management advisory.

Mr. Ma has been a Chartered Accountant certified by the Chartered Professional Accountants of British Columbia since 2006. Mr. Ma graduated from the University of British Columbia with a Bachelor of Arts degree in 2001 and received a Diploma in Accounting from the University of British Columbia in 2003.

### ***Desmond M. Balakrishnan – Director***

Mr. Balakrishnan is a Vancouver lawyer and has practiced law as a partner at McMillan LLP since January 2002. His areas of practice focus on mergers, acquisitions, international public listings, cannabis law, gaming and entertainment law. Mr. Balakrishnan acted as counsel to companies with respect to corporate governance, regulatory compliance, public listings on the Canadian Securities Exchange, the TSX Venture Exchange, the Toronto Stock Exchange, Nasdaq and the New York Stock Exchange, and debt or equity financings and strategic acquisitions. Mr. Balakrishnan is a director or officer of various public companies and reporting issuers.

Mr. Balakrishnan graduated from Simon Fraser University with a Bachelor of Arts degree in 1994 and from the University of Alberta in 1997 with an LL.B (*with distinction*). Mr. Balakrishnan was called to the bar in British Columbia in 1998. Mr. Balakrishnan is also a member of the Vancouver Bar Association, the Canadian Bar Association and the International Masters of Gaming Law.

### ***David Goertz – Director***

Mr. Goertz is a partner with Dale Matheson Carr-Hilton Labonte, LLP Chartered Professional Accountants. Mr. Goertz has worked with Vancouver based Dale Matheson Carr-Hilton Labonte LLP Chartered Professional Accountants since 2005, becoming partner in the firm in 2011. Mr. Goertz provides accounting, assurance, taxation and business advisory services to private and public companies, not-for-profit organizations and incorporated professionals.

Mr. Goertz graduated from the University of Victoria with Bachelor of Commerce degree in 2000 and has been a Chartered Professional Accountant since 2004.

## **Nominee Director Biographies**

### ***Michael Blady – Nominee Director***

Mr. Blady is an entrepreneur and a geologist with over 12 years' experience in the capital markets. Mr. Blady has been involved in all facets of building, growing, and operating a public company and has successfully helped raise over \$100 million in capital over the course of his career. Mr. Blady's extensive experience managing public companies gives him an appreciation of the best industry practices with respect to financial risk control and disclosure. Mr. Blady holds a B.Sc. from Simon Fraser University and currently sits on several boards of TSX, TSX-v and CSE companies.

### ***Jonathan Hamway – Nominee Director***

Mr. Hamway has been a corporate consultant to public and private natural resource companies for over 12 years. Mr. Hamway is the Founder and CEO of Kincort Capital Partners Ltd., a strategic advisory firm and merchant bank, catered exclusively for junior mining and exploration companies. Mr. Hamway has led / co-led over \$50 million in capital raises and project acquisitions. He has extensive experience managing marketing programs and sourcing financing for several public natural resource companies. Jonathan holds a Bachelor of Science degree from the University of Toronto, specializing in sustainable energy.

## **Cease Trade Orders and Bankruptcy**

Except as disclosed below, within the last 10 years before the date of this Information Circular no proposed nominee for election as a director of the Company was a director or executive officer of any company (including the Company in respect of which this Information Circular is prepared) acted in that capacity for a company that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant

company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;

- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has 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;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

#### *Kevin Ma*

Kevin Ma, a director of the Company, was a senior officer of Chakana Copper Corp. (“Chakana”), a TSX Venture Exchange listed company, at the time a management cease trade order (“MCTO”) was issued on October 1, 2019 by the British Columbia Securities Commission, as principal regular, in connection with the late filing of Chakana's annual financial statements, management's discussion and analysis and officer's certification for the year ended May 31, 2019. The MCTO was revoked on November 19, 2019 in connection with the completion of the annual filings. Mr. Kevin Ma was the Chief Financial Officer at the time of the issuance of the MCTO.

Kevin Ma, a director of the Company, was a senior officer of Netcoins Holdings Inc. (“Netcoins Holdings”), a CSE listed company, at the time a management cease trade order (“MCTO”) as issued on June 16, 2020 by the British Columbia Securities Commission, as principal regular, in connection with the late filing of Netcoins Holdings’ annual financial statements, management's discussion and analysis and officer's certification for the year ended December 31, 2019. The MCTO was revoked on July 16, 2020 in connection with the completion of the annual filings. Mr. Kevin Ma was the Chief Financial Officer at the time of the issuance of the MCTO.

#### *Desmond M. Balakrishnan*

Desmond M. Balakrishnan, a director of the Company, was a director of Aroway Energy Inc. (“Aroway”) a TSX Venture Exchange listed company at the time a cease trade order was issued by the British Columbia Securities Commission on January 4, 2016 for not having filed its annual financial statements for the year ended June 30, 2015 and its interim financial report for the financial period ended September 30, 2015 and its management’s discussion and analysis for the periods ended June 30, 2015 and September 30, 2015. The cease trade order remains in effect.

#### **Penalties or Sanctions**

No director, executive officer or promoter of the Company, and no shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (f) 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
- (g) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

#### **Conflicts of Interest**

The Company’s directors are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests they may have in any project or opportunity of the Company. To the best of our knowledge, and other than as disclosed in the following paragraph, there are no known existing or potential conflicts of interest among the Company, our directors, officers or other members of management or of any proposed director, officer or other member of management as a result of their outside business interests.

There are potential conflicts of interest to which the directors and officers of the Company will be subject in connection with the operations of the Company. In particular, certain of the directors and officers of the Company are involved in managerial and/or director positions with other companies whose operations may, from time to time, be in direct competition with those of the Company. Conflicts, if any, will be subject to the procedures and remedies available under the BCBCA. The BCBCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall

disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the BCBCA.

### **Advance Notice Provisions**

The Company's Articles were SEDAR under the Company's SEDAR corporate profile at [www.sedar.com](http://www.sedar.com) on September 21, 2020. The Company's Articles include advance notice provisions (the "**Advance Notice Provision**"). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to: (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia); or (ii) a shareholder proposal made pursuant to the provisions of the BCBA.

The purpose of the Advance Notice Provision is to foster a variety of interests of the shareholders and the Company by ensuring that all shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision to the Articles.

The Company has not received notice of a nomination in compliance with the Advance Notice Provision and, as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.**

### **APPOINTMENT OF AUDITOR**

Manning Elliott LLP, Chartered Professional Accountants, of 17<sup>th</sup> Floor, 1030 West Georgia Street, Vancouver, British Columbia, will be nominated at the Meeting for the appointment as auditor of the Company. Manning Elliott LLP was appointed the Company's auditor on September 18, 2020.

**The Board recommends that you vote in favour of appointment of Manning Elliott LLP. Unless otherwise instructed, at the Meeting the proxyholders named in the Company's form of Proxy or Voting Instruction Form will vote FOR the appointment of Manning Elliott LLP.**

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a member's independent judgment.

The current members of the Company's Audit Committee are David Goertz (Chair), Desmond M. Balakrishnan, and Fred Tejada. David Goertz and Fred Tejada are independent members of the Audit Committee. Mr. Tejada will not be standing for election as a Director at the Meeting. Desmond M. Balakrishnan is not independent as he is currently a partner in a law firm that provides legal services to the Company.

All members are considered to be financially literate.



A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

### ***Relevant Education and Experience***

Each member of the Company's Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and provisions;
- 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 individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting

Refer to "Director Biographies" above of the members of the Audit Committee.

### ***Audit Committee Oversight***

The Audit Committee has not made any recommendations to the Board to nominate or compensate any external auditor that was not adopted by the Board.

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

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

### ***External Auditor Service Fees***

Fees incurred for audit and non-audit services during the two financial years ended May 31, 2021 and May 31, 2020, are outlined in the following table:

Nature of Services	Fees Billed by the Auditor During the Period Ended May 31, 2021	Fees Billed by the Auditor During the Period Ended May 31, 2020
Audit Fees <sup>(1)</sup>	\$14,850	\$15,000
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	1,500	Nil
All Other Fees <sup>(4)</sup>	Nil	Nil
Total	\$16,350	\$15,000

### **Notes**

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

### ***Reliance on Certain Exemptions***

The Company is relying on the exemption in section 6.1 of NI 52-110, which exempts venture issuers, as defined in NI 52-110, from certain composition requirements of the audit committee and certain reporting obligations under NI 52-110 for their most recently completed financial year.

## **CORPORATE GOVERNANCE**

### **Board of Directors**

The Company does not have a stand-alone Corporate Governance Committee.

Corporate governance relates to the activities of the board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the board and who are charged with the day-to-day management of the Company. The Company's board of directors (the "**Board**") is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making. The Board is of the view that the Company's general approach to corporate governance, summarized below, is appropriate and substantially consistent with objectives reflected in the guidelines for improved corporate governance in Canada adopted by the Canadian Securities Administrators (the "**Governance Policy**").

The Governance Policy suggest that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "unrelated", or "independent", directors. An "unrelated" director is a director who is independent of management and is 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 a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, the Governance Policy suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder.

The Company's current board consists of four board members. The independent members of the Company's board of directors are Fred Tejada, Kevin Ma and David Goertz. Mr. Tejada will not be standing for election as a director at the Meeting. The non-independent director of the Company is Desmond M. Balakrishnan, by virtue of his position as a partner in a law firm that provides legal services to the Company.

### **Board Mandate**

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

The Board facilitates its independent supervision over management by having regular Board meetings and by establishing and implementing prudent corporate governance policies and procedures.

Directors are expected to attend Board meetings and meetings of committees on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities.

The Board will facilitate independent supervision of management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. In addition, the Board will have access to the Company's external auditors, legal counsel and to any of the Company's officers.

The Board will have a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to management, evaluate management, set policies appropriate for the business of the Company and approve corporate strategies and goals.

The day-to-day management of the business and affairs of the Company will be delegated by the Board to the senior officers of the Company. The Board will give direction and guidance to management and will keep management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board will recommend nominees to the shareholders for election as directors, and immediately following each annual general meeting will appoint members of the Audit Committee.

The Board will exercise its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. To facilitate open and candid discussion among its independent directors, such directors will be encouraged to communicate with each other directly to discuss ongoing issues pertaining to the Company.

### Position Description

Because the Board is a small, working board, it has not developed written position descriptions and does not have a process for assessing the performance of the directors or the chair of Board committees.

### Directorships

The below named directors of the Company participate as a director for other listed companies as follows:

Name	Name of Reporting Company	Name of Exchange or Market
<b>Kevin Ma</b>	Carl Data Solutions Inc.	CSE
	Kalo Gold Corp. (formerly Kalo Gold Holdings Corp.)	TSXV
	Link Global Technologies Inc.	CSE
<b>Desmond M. Balakrishnan</b>	Cognetivity Neurosciences Ltd.	CSE
	Contagious Gaming Inc.	TSXV
	Eat Well Investment Group Inc.	CSE
	GrowMax Resources Corp.	TSXV
	Hempfusion Wellness Inc.	TSX
	Isracann Biosciences Inc. (formerly, Atlas Blockchain Group Inc.)	CSE
	Karam Minerals Inc.	CSE
	Netcoins Holdings Inc.	CSE
	Northern Dynasty Minerals Ltd.	TSXV/NYSE
	Planet Ventures Inc. (formerly, Planet Mining Exploration Inc.)	TSXV
	Savannah Minerals Corp.	NEX
	Solution Financial Inc.	TSX
	Strategem Capital Corporation	TSXV

### Orientation and Continuing Education

When new directors are appointed they receive orientation, commensurate with their previous experience, on the Company's business, assets and industry and on the responsibilities of directors. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

### Ethical Business Conduct

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

The Board encourages ethical business conduct as a matter of sound business practice and by following the rules and regulations of the various regulating bodies governing reporting issuers. The Company requires the highest standards of professional and ethical conduct from its directors and officers.

### Nomination of Directors

The Company does not have a stand-alone nomination committee.

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

The Board is responsible, among other things, for recommending candidates for nomination, appointment, election and re-election to the Board and its committees, and for annually assessing Board performance. The Board will assess potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

### Other Board Committees

The Board has no other committees other than the Audit 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 Audit Committee.

### STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of the below disclosure:

“**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 for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

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

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the 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 *Statement of Executive Compensation - Venture Issuers*, for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

### DIRECTOR AND NAMED EXECUTIVE COMPENSATION

#### Current NEOs and Directors

Based on the definition above, the current NEOs of the Company are: Michael Blady, Chief Executive Officer, and Joel Leonard, Chief Financial Officer and Corporate Secretary. The directors of the Company who are not NEOs are: Kevin Ma, Desmond M. Balakrishnan, Fred Tejada and David Geortz.

#### **Actions of the Company during financial years ended May 31, 2020 and May 31, 2021**

##### ***Directors***

##### Year 2020

Manny Padda served as a director from October 13, 2017 to January 30, 2020

Kevin Ma was re appointed a director on January 30, 2020

Desmond M. Balakrishnan was appointed a director on January 30, 2020

David Goertz was appointed a director on February 28, 2020

##### Year 2021

Fred Tejada was appointed a director on January 6, 2021

##### ***Officers***

##### Year 2020

Manny Padda served as President from October 13, 2017 to January 30, 2020

Kevin Ma served as President from January 30, 2020 to February 28, 2020

Year 2021

Fred Tejada served as President and Chief Executive Officer from February 28, 2020 to November 1, 2021

Michael Blady was appointed Chief Executive Officer on November 1, 2021

Kevin Ma served as Chief Financial Officer from February 28, 2020 to November 1, 2021

Joel Leonard was appointed Chief Financial Officer and Corporate Secretary on November 1, 2021

Joel Leonard was appointed Corporate Secretary on November 17, 2021

**Director and NEO Compensation, Excluding Options and Compensation Securities**

The following table of compensation, excluding options and other compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company who were not NEOs for the completed financial year ended May 31, 2021. Options and other compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” of this Information Circular.

<b>Table of compensation excluding compensation securities</b>							
<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
<b>Michael Blady</b> <sup>(1)</sup> Chief Executive Officer	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Fred Tejada</b> <sup>(2)</sup> Former President, Chief Executive Officer and current Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Joel Leonard</b> <sup>(3)</sup> Chief Financial Officer and Corporate Secretary	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Kevin Ma</b> <sup>(4)</sup> Former Chief Financial Officer and current Director	2021	\$4,500	Nil	Nil	Nil	Nil	\$4,500
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Desmond M. Balakrishnan</b> <sup>(5)</sup> Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>David Goertz</b> <sup>(6)</sup> Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Michael Blady was appointed Chief Executive Officer on November 1, 2021
- (2) Fred Tejada served as President and Chief Executive Officer from February 28, 2020 to November 1, 2021
- (3) Joel Leonard was appointed Chief Financial Officer and Corporate Secretary on November 1, 2021. Mr. Leonard was appointed Corporate Secretary on November 17, 2021.
- (4) Kevin Ma served as President from January 30, 2020 to February 28, 2020. Mr. Ma served as Chief Financial Officer from February 28, 2020 to November 1, 2021.
- (5) Desmond M. Balakrishnan was appointed director of the Company on January 30, 2020.
- (6) David Goertz was appointed director of the Company on February 28, 2020.

**Stock Option Plan and Other Compensation Plans****10% “rolling” Stock Option Plan (Option-Based Awards)**

The Company has in place a 10% “rolling” stock option plan dated for reference September 18, 2020 (the “**Option Plan**”) A copy of the Option Plan was filed under the Company’s SEDAR corporate website at [www.sedar.com](http://www.sedar.com) on January 13, 2021.

Shareholders are being asked at the Meeting to ratify and approve the adoption of the Company's Option Plan. Attached as Schedule "B" to this Information Circular is a copy of the Option Plan as was filed on SEDAR as referenced above. Refer to heading below "**PARTICULARS OF MATTERS TO BE ACTED UPON – A. Adoption of 10% Rolling Stock Option Plan**".

There are currently 805,000 issued and outstanding stock options at the date of this Information Circular.

The Option Plan provides for a total of 10% of the issued and outstanding Common Shares available for issuance thereunder.

The purpose of the Option Plan is to allow the Company to grant stock options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such stock options ("**Options**") is intended to align the interests of such persons with that of the Company's shareholders.

### ***Terms of the Plan***

#### Administration

The Option Plan is administered by the Board, a special committee of the Board (the "**Committee**") or by an administrator appointed by the Board or the Committee (the "**Administrator**") either of which have full and final authority with respect to the granting of all Options thereunder. Options may be granted under the Option Plan to such directors, officers, employees or consultants of the Company, as the Board, the Committee or the Administrator may from time to time designate.

#### Number of Shares Reserved

Subject to adjustment as provided for in the Option Plan, the aggregate number of Shares which are available for purchase pursuant to Options granted under the Option Plan may not exceed 10% of the number of Shares which are issued and outstanding on the particular date of grant. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to the Option Plan.

#### Exercise Price

The exercise price at which an Option holder may purchase a Common Share upon the exercise of an Option is determined by the Committee and shall be set out in the Option certificate (an "**Option Certificate**") issued in respect of the Option. The exercise price shall not be less than the price determined in accordance with CSE policies while, and if, the Company's Shares are listed on the CSE.

#### Maximum Term of Options

The term of any Option granted under the Option Plan (the "**Term**") is determined by the Board, the Committee or the Administrator, as applicable, at the time the Option is granted but, subject to earlier termination in the event of termination, or in the event of death or disability of the Option holder. In the event of death or disability, the Option shall expire on the earlier of the date which is one year following the date of disability or death and the applicable expiry date of the Option. Options granted under the Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

#### Termination

Subject to such other terms or conditions that may be attached to Options granted under the Option Plan, an Option holder may exercise a Option in whole or in part at any time and from time to time during the Term. Any Option or part thereof not exercised within the Term shall terminate and become null, void and of no effect as of the date of expiry of the Option. The expiry date of an Option shall be the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate or, if no such date is set out in for the Option Certificate the applicable circumstances, the date established, if applicable, under the Option Plan, or in the event of death or disability (as discussed above under "Maximum Term of Options") or in the event of certain triggering events occurring, as provided for under the Option Plan:

- *Ceasing to Hold Office* - In the event that the Option holder holds his or her Option as an executive and such Option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Option shall be, unless otherwise determined by the Committee, the Board or the Administrator, as applicable and expressly provided for in the Option Certificate, the 30th day following the date the Option holder ceases to hold such position unless the Option holder ceases to hold such position as a result of:
  - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
  - (ii) a special resolution having been passed by the shareholders of the Company removing the Option holder as a director of the Company or any subsidiary; or

(iii) an order made by any regulatory authority having jurisdiction to so order;

in which case the expiry date shall be the date the Option holder ceases to hold such position; or

- *Ceasing to be Employed or Engaged* - In the event that the Option holder holds his or her Option as an employee or consultant and such Option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Option shall be, unless otherwise determined by the Committee, the Board or the Administrator, as applicable, and expressly provided for in the Option certificate, the 30th day following the date the Option holder ceases to hold such position as a result of:

(i) termination for cause;

(ii) resigning or terminating his or her position; or

(iii) an order made by any regulatory authority having jurisdiction to so order;

in which case the expiry date shall be the date the Option holder ceases to hold such position.

In the event that the Option holder ceases to hold the position of executive, employee or consultant for which the Option was originally granted, but comes to hold a different position as an executive, employee or consultant prior to the expiry of the Option, the Committee, the Board or the Administrator, as applicable, may, in its sole discretion, choose to permit the Option to stay in place for that Option holder with such Option then to be treated as being held by that Option holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option holder. Notwithstanding anything else contained in the Option Plan, in no case will an Option be exercisable later than the expiry date of the Option.

### **Restricted Share Unit Plan (Share-Based Awards)**

#### ***10% “rolling” Restricted Share Unit Plan (Share-Based Awards)***

On September 30, 2021, the Board adopted a 10% rolling restricted share unit plan dated for reference September 30, 2021. (the “**RSU Plan**”).

Shareholders are being asked at the Meeting to ratify and approve the adoption of the Company’s RSU Plan. A copy of the RSU Plan is attached as Schedule “C” to this Information Circular. Refer to heading below “**PARTICULARS OF MATTERS TO BE ACTED UPON –B. Adoption of 10% “rolling” Restricted Share Unit Plan**” below.

There are currently 925,000 issued and outstanding restricted share units at the date of this Information Circular.

The maximum number of Common Shares made available for issuance pursuant to the RSU Plan shall be determined from time to time, subject to adjustments as provided in the RSU Plan. The RSU Plan is a “rolling” plan and therefore when RSUs are cancelled (whether or not upon payment with respect to vested RSUs) or terminated, Common Shares shall automatically be available for issuance pursuant to the RSU Plan.

#### *Nature and Administration of the RSU Plan*

All Directors, Officers, Consultants and Employees (as defined in the RSU Plan) of the Company and its related entities (“**Eligible Persons**”) are eligible to participate in the RSU Plan (as “**Participants**”), and the Company reserves the right to restrict eligibility or otherwise limit the number of persons eligible for participation as Participants in the RSU Plan. Eligibility to participate as a Participant in the RSU Plan does not confer upon any person a right to receive an award of RSUs.

Subject to certain restrictions, the Board or its appointed committee (the “**Board**”), can, from time to time, award RSUs to Eligible Persons. RSUs will be credited to an account (an “**Account**”) maintained for each Participant on the books of the Company as of the award date. The number of RSUs to be credited to each Participant’s account shall be determined at the discretion of the Board and pursuant to the terms of the RSU Plan.

RSUs and all other rights, benefits or interests in the RSU Plan are not transferable or assignable otherwise than by will or the laws of descent and distribution, and shall be exercisable during the lifetime of the Participant only by the Participant and after death only by the Participant’s legal representative.

#### *Credit for Dividends*

A Participant's Account will be credited with additional RSUs (the “**Dividend RSUs**”) as of each dividend payment date in respect of which cash dividends are paid on Common Shares. The number of Dividend RSUs credited to a Participant’s Account in connection with the payment of dividends on Common Shares will be based on the actual amount of cash dividends that would have been paid to such Participant had he or she been holding such number of Common Shares equal to the number of RSUs credited to the Participant’s Account on the date on which cash dividends are paid on the Common

Shares and the market price of the Common Shares on the payment date. Note that the Company is not obligated to pay dividends on Common Shares.

#### *Resignation, Termination, Leave of Absence or Death*

Generally, if a Participant's employment or service is terminated, or if the Participant resigns from employment with the Company, then all RSUs held by the Participant (whether vested or unvested) shall terminate automatically upon the termination of the Participant's service or employment.

In the event a Participant is terminated by reason of (i) termination by the Company other than for cause or (ii) the Participant's death, the Participant's unvested RSUs shall vest automatically as of such date. In the event the termination of the Participant's services by reason of voluntary resignation, only the Participant's unvested RSUs shall terminate automatically as of such date.

#### *Change of Control*

In the event of a Change of Control, the Board may, in its discretion, without the necessity or requirement for the agreement or consent of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any RSU; (ii) permit the conditional settlement of any RSU, on such terms as it sees fit; (iii) otherwise amend or modify the terms of the RSU, including for greater certainty permitting Participants to settle any RSU, to assist the Participants to tender the underlying Common Shares to, or participate in, the actual or potential Change of Control Event (as defined in the RSU Plan) or to obtain the advantage of holding the underlying Common Shares during such Change of Control Event; and (iv) terminate, following the successful completion of such Change of Control Event, on such terms as it sees fit, the RSUs not settled prior to the successful completion of such Change of Control Event, including, without limitation, for no payment or other compensation. The determination of the Board in respect of any such Change of Control Event shall for the purposes of this RSU Plan be final, conclusive and binding.

#### *Adjustments*

In the event there is a change in the outstanding Common Shares by reason of any stock dividend or split, recapitalization, amalgamation, consolidation, combination or exchange of shares, or other corporate change, the Board shall make, subject to the prior approval of the CSE where necessary, appropriate substitution or adjustment in (i) the number or kind of Common Shares or other securities reserved for issuance pursuant to the RSU Plan, and (ii) the number and kind of Common Shares or other securities subject to unsettled and outstanding RSUs granted pursuant to the RSU Plan.

#### *Vesting*

Each award of RSUs vests on the date(s) (the "Vesting Date") specified by the Board on the award date, and reflected in the applicable RSU agreement certificate.

#### *Limitations under the RSU Plan*

The maximum number of Common Shares made available for issuance pursuant to the RSU Plan shall be determined from time to time by the Board, but in any case, shall not exceed 10% of the Common Shares issued and outstanding from time to time, subject to adjustments as provided in the RSU Plan.

### **Outstanding Compensation Securities**

The following table sets forth details of all stock options granted to or restricted share units awarded to NEOs of the Company or directors of the Company who were not NEOs during the financial years ended May 31, 2021 and May 31, 2020:

<b>Compensation Securities</b>							
<b>Name and position</b>	<b>Type of Compensation security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class</b>	<b>Date of issue or grant M/D/Y</b>	<b>Issue, conversion or exercise price (CAD\$)</b>	<b>Closing price of security or underlying security on date of grant (CAD\$)</b>	<b>Closing price of security or underlying security at year end (CAD\$)</b>	<b>Expiry Date M/D/Y</b>
Michael Blady Chief Executive Officer	RSUs	400,000 (43.2%)	12/07/2021	N/A	\$0.64	N/A	N/A



Compensation Securities							
Name and position	Type of Compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant M/D/Y	Issue, conversion or exercise price (CAD\$)	Closing price of security or underlying security on date of grant (CAD\$)	Closing price of security or underlying security at year end (CAD\$)	Expiry Date M/D/Y
Fred Tejada Former President and CEO and current Director	Options	10,000 (1.2%)	04/12/2021	\$0.10	\$0.10	\$0.15	04/12/2031
Joel Leonard Chief Financial Officer and Corporate Secretary	RSUs	175,000 (18.9%)	12/07/2021	N/A	\$0.64	N/A	N/A
Kevin Ma Former Chief Financial Officer and current Director	Options	100,000 (12.2%)	04/12/2021	\$0.10	\$0.10	\$0.15	04/12/2031
Desmond M. Balakrishnan Director	Options	100,000 (12.2%)	04/12/2021	\$0.10	\$0.10	\$0.15	04/12/2031
David Goertz Director	Options	100,000 (12.2%)	04/12/2021	\$0.10	\$0.10	\$0.15	04/12/2031

### Exercise of Compensation Securities by Directors and NEOs

During the year ended May 31, 2021 no compensation securities were exercised by any director or NEO.

During the year ended May 31, 2020 no compensation securities were exercised by any director or NEO.

### Employment, Consulting and Management Agreements

The Company is not party to any employment, consulting or management agreement with an NEO or a person performing services of a similar capacity.

There are no arrangements for compensation with respect to the termination of NEOs, included in the event of a change of control.

### Oversight and Description of Director and Named Executive Officer Compensation

The Company does not have a stand alone Compensation Committee.

The Board is responsible for the compensation policies and guidelines for the Company and for implementing and overseeing compensation policies.

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that its compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

The Board acts as the Company's compensation committee and in that role is responsible for reviewing and approving corporate goals and objectives relevant to an executive officer's compensation, evaluating the executive officer's performance in light of those goals and objectives and making recommendations with respect to the executive officer's future compensation, based on the evaluation. The Board reviews the compensation of NEOs and will make adjustments, if appropriate, to ensure that the compensation of the NEOs is commensurate with the services they provide.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's share option plan and restricted share unit plan. This structure ensures that a significant portion of executive compensation (stock options) and (restricted share units) are both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. The Board determines the number of stock options and restricted share units to be awarded under the Company's respective compensation plans. The size of awards made subsequent to the commencement of employment takes into account stock options and restricted share units already held by the individual.

At this time NEOs and directors are not allowed to hedge risk the Company's securities.

#### Compensation of Board Members and Named Executive Officers

Compensation for each of the Board members and each of the NEOs is approved by the Board as a whole. Base cash compensation and variable cash compensation levels are based, in part, on assessing appropriate compensation being paid to peer group companies at a similar stage of development.

#### **Risks Associated with the Company's Compensation Practices**

The Board has considered the implications of the risks associated with the Company's compensation policies and practices. The Board is responsible for setting and overseeing the Company's compensation policies and practices. The Board does not provide specific monitoring and oversight of compensation policies and practices, but does review, consider and adjust these matters annually. The Company does not use any specific practices to identify and mitigate compensation policies that could encourage a NEO or individual at a principal business unit or division to take inappropriate or excessive risks. These matters are dealt with on a case-by-case basis. The Company has not identified any risks arising from its compensation practices that are reasonably likely to have a material adverse effect on the Company.

#### Philosophy and Objectives

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

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

The Company relies solely on the discussions of the Board, without any formal objectives, criteria and analysis, for determining executive compensation.

Compensation paid to the NEOs is based on the size and stage of development of the Company and reflects the need to provide incentive and compensation for the time and effort expended by the NEOs, while taking into account the financial and other resources of the Company, as well as increasing shareholder value.

The Company is a junior mineral exploration company without revenue and therefore certain compensation factors are considered and not included within the Company's compensation structure and philosophy. Some of the factors not considered are target share ownership guidelines, pension plans, specific target weightings, and percentage of compensation at risk.

#### **Elements of Executive Compensation Program**

The Company's compensation program consists of the following elements:

- (a) base salary or consulting fees;
- (b) bonus payments; and
- (c) equity participation through the Company's share option plan.

### Base Salary or Consulting Fees

Base salary is the principal component of executive compensation. The base salary for each executive is established by the Board based upon the position held by such executive, competitive market conditions, such executive's related responsibilities, experience and skill base, the functions performed by such executive and the salary ranges for similar positions in comparable companies. When reviewing salary ranges, the Company selects other junior mining issuers listed on the CSE and the TSX Venture Exchange. Individual and corporate performance are also taken into account in determining base salary levels for executives.

The primary element of the Company's compensation program is base salary. The Company's view is that a competitive base salary is a necessary element for retaining qualified executive officers. The amount payable to an executive officer as base salary is determined primarily by the number of years of experience, personal performance, and by comparisons to the base salaries and total compensation paid to executives of comparable publicly-traded companies within the mineral exploration sector in North America.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the mineral exploration sector in North America which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

### **Related Party Transactions**

Key management personnel include the Company's Board of Directors and members of senior management. The Company's related parties include key management personnel, and companies related by way of directors or shareholders in common. Transactions with related parties for goods and services are made on normal commercial terms.

The remuneration of directors and key management personnel during the years ended May 31, 2021 and 2020 was as follows:

	May 31, 2021	May 31, 2020
	\$	\$
Management fees	4,500	-
Share-based compensation	30,824	-
	<b>35,324</b>	-

As at May 31, 2021, accounts payable includes \$4,725 due to a company controlled by the CFO of the Company.

During year ended May 31, 2020, certain key management and directors of the Company subscribed to a private placement consisting of 700,000 common shares priced at \$0.02 for gross proceeds of \$14,000 (refer to Note 8 of Company's 2021 audited year end financial statements).

During year ended May 31, 2020, certain key management and directors of the Company subscribed to a private placement consisting of 300,000 common shares priced at \$0.05 for gross proceeds of \$15,000 ((refer to Note 8 of Company's 2021 audited year end financial statements).

On April 20, 2020, the following management and directors of the Company subscribed to a private placement of Shares as follows: (i) David Goertz, a director of the Company, subscribed for 100,000 Shares priced at \$0.02 for gross proceeds of \$2,000; (ii) Desmond Balakrishnan Law Corporation, an entity controlled by Desmond Balakrishnan, a director of the Company, subscribed for 400,000 Shares priced at \$0.02 for gross proceeds of \$8,000; (iii) Kevin Ma, the CFO, a director, and a promoter of the Company, subscribed for 100,000 Shares priced at \$0.02 for gross proceeds of \$2,000; and (iv) Fred Tejada, the President, CEO, and a director of the Company, subscribed for 100,000 Shares priced at \$0.02 for gross proceeds of \$2,000.

On May 15, 2020, the following managements and directors of the Company subscribed to a private placement of Shares as follows: (i) Desmond Balakrishnan Law Corporation, an entity controlled by Desmond Balakrishnan, a director of the Company, subscribed for 150,000 Shares priced at \$0.05 for gross proceeds of \$7,500; and (ii) DJG Enterprises Inc., an entity controlled by David Goertz, a director of the Company, subscribed for 150,000 Shares priced at \$0.05 for gross proceeds of \$7,500.

### **Bonus Payments**

Each of the executive officers, as well as all employees, is eligible for an annual bonus, payable in cash or through option-based compensation. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash flow and share price performance) and operational criteria (such as significant mineral property acquisitions, resource growth and the attainment of corporate milestones).

The Company did not award any bonuses for the last two financial years ended May 31, 2021 and May 31, 2020.

### Equity Participation

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

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

### Benefits and Perquisites

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. Limited perquisites the Company provides its executives may include a parking allowance or a fee for each Board or Audit Committee meeting attended, to assist with their out-of-pocket expenses.

### Hedging by Directors or NEOs

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. The Company is not, however, aware of any directors or officers having entered into this type of transaction.

As of the date of this Information Circular, entitlement to grants of incentive stock options under the Company's share option plan and restricted share unit awards under the Company's restricted share unit plan are the only equity security elements awarded by the Company to its executive officers and directors.

### **Pension Plan Benefits**

The Company has no pension plan arrangements or benefits with respect to any of its NEOs, directors or employees.

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

The Company has currently one equity compensation plan, a 10% "rolling" share option plan dated for reference September 30, 2018 and a 10% "rolling" restricted share unit plan dated September 30, 2021.

The following table sets out its equity compensation plan information as at the end of the Company's financial year ended May 31, 2021

**Equity Compensation Plan Information**

	<b>Number of securities to be issued upon exercise of outstanding options/restricted share units</b>	<b>Weighted-average exercise price of outstanding options/restricted share units</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans not approved by security holders - (Stock Option Plan)	805,000 Options	\$0.16	995,266
Equity compensation plans not approved by security holders – (Restricted Share Unit Plan)	925,000 Restricted Share Units	\$N/A	975,266
<b>Total</b>	<b>805,000 Options 925,000 Restricted Share Units</b>	<b>\$0.16 \$N/A</b>	<b>995,266 Options 8765,266 Restricted Share Units</b>

The following table sets out its equity compensation plan information as at the end of the Company's financial year ended May 31, 2020

**Equity Compensation Plan Information**

	<b>Number of securities to be issued upon exercise of outstanding options</b>	<b>Weighted-average exercise price of outstanding options</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans not approved by security holders - (Stock Option Plan)	Nil Options	N/A	N/A
Equity compensation plans not approved by security holders –N/A	N/A	\$N/A	N/A
<b>Total</b>	<b>Nil Options</b>		<b>Nil Options</b>

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Other than as set out in this Information Circular, no directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

“**Informed Person**” means:

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

Other than as set out under heading **Related Party Transactions** above, to the knowledge of management of the Company, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director of the Company has any interest, director or indirect, in any transaction since the commencement of the Company’s financial years ended May 31, 2021 and May 31, 2020 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

## MANAGEMENT CONTRACTS

Other than as set out in this Information Circular, there are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### A. Adoption of 10% “rolling” Stock Option Plan

The purpose of the Stock Option Plan is to provide the Company with a share related mechanism to enable the Company to attract, retain and motivate qualified directors, officers, employees and other service providers to reward directors, officers, employees and other service providers for their contribution toward the long term goals of the Company and to enable and encourage such individuals to acquire shares of the Company as long term investments.

At the Meeting, the shareholders will be asked to pass an ordinary resolution to ratify and approve the adoption of the Company’s Stock Option Plan, with or without variation, as follows:

#### Stock Option Plan Resolution

“**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

1. the Company’s 10% “rolling” Stock Option Plan dated for reference September 18, 2020 (the “Option Plan”), is hereby ratified and approved; and
2. any one director or officer of the Company be and is hereby authorized and directed to perform 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 this resolution. including, without limitation, making any changes to the Option Plan required by applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Option Plan.”

An ordinary resolution requires a majority of the votes cast at the Meeting of the Company’s shareholders, in person or represented by proxy.

The Board unanimously recommends shareholders vote FOR the above resolution approving the Stock Option Plan Resolution.

**Proxies received in favour of management will be voted in favour of the Stock Option Plan Resolution unless the shareholder has specified in the Proxy that his or her Common Shares are to be voted against such resolution.**

A copy of the Option Plan is attached as Schedule “B” to this Information Circular. The Option Plan will also be available for inspection at the Meeting.

**B. Adoption of 10% “rolling” Restricted Share Unit Plan**

Management of the Company is seeking shareholder approval at the Meeting to ratify, confirm and approve the adoption of the Company’s 10% “rolling” restricted share unit plan (the “RSU Plan”).

At the Meeting, the shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution to ratify and approve the RSU Plan, with or without variation, as follows:

RSU Plan Resolution

“**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

1. the Company’s 10% “rolling” Restricted Share Unit Plan dated for reference September 30, 2021 (the “RSU Plan”), is hereby ratified and approved; and
2. any one director or officer of the Company be and is hereby authorized and directed to perform 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 this resolution including, without limitation, making any changes to the RSU Plan required by applicable securities regulatory authorities and to complete all transactions in connection with the administration of the RSU Plan.”

An ordinary resolution requires a majority of the votes cast at the Meeting of the Company’s shareholders, in person or represented by proxy.

The Board unanimously recommends shareholders vote FOR the above resolution approving the RSU Plan Resolution.

**Proxies received in favour of management will be voted in favour of the RSU Plan Resolution unless the shareholder has specified in the Proxy that his or her Common Shares are to be voted against such resolution.**

A copy of the RSU Plan is attached as Schedule “C” to this Information Circular. The RSU Plan will also be will also be available for inspection at the Meeting.

**ADDITIONAL INFORMATION**

Financial information is provided in the report of the auditor, consolidated audited financial statements of the Company for the fiscal years ended May 31, 2021 and May 31, 2020, the auditors’ reports thereon and the related management discussion and analysis are filed under the Company’s SEDAR corporate profile at [www.sedar.com](http://www.sedar.com).

Additional information relating to the Company is filed on [www.sedar.com](http://www.sedar.com) and upon request from the Company at telephone 778 838-3692. Copies of documents will be provided free of charge to securityholders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

**OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders has been approved by the Board.

**DATED** at Vancouver, British Columbia, December 9, 2021.

**BY ORDER OF THE BOARD**

*“S/Michael Blady”*

**Michael Blady**  
**Chief Executive Officer**

**Schedule "A"**  
**BASIN URANIUM CORP.**  
**AUDIT COMMITTEE CHARTER**

The following is the text of the Audit Committee's Charter:

**1. Purpose**

This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board, annual evaluation and compliance with this charter. The primary responsibility of the Audit Committee is that of oversight of the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.

**2. Composition**

A majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company, as defined in National Instrument 52-110, provided that should the Company become listed on a more senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange and of NI 52-110.

The Audit Committee will consist of at least three members, all of whom must be directors of the Company. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, each member of the Audit Committee will also satisfy the financial literacy requirements of such exchange and of NI 52-110.

The Chair of the Audit Committee will be appointed by the Board

**3. Authority**

In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

- (a) engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;
- (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and
- (c) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

**4. Duties and Responsibilities**

- (A) The duties and responsibilities of the Audit Committee include:
  - 1. recommending to the Board the external auditor to be nominated by the Board;
  - 2. recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;



3. reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);
4. overseeing the work of the external auditor;
5. ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non-audit services provided to Company;
6. ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;
7. ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;
8. reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related MD&A, including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;
9. reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;
10. reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;
11. reviewing and discussing with management and the external auditor all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies prior to such information being disclosed;
12. reviewing the external auditor's report to the shareholders on the Company's annual financial statements;
13. reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;
14. satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;

15. overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;
16. reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;
17. reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board;
18. satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;
19. resolving disputes between management and the external auditor regarding financial reporting;
20. establishing procedures for:
  - a. the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto, and
  - b. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
21. reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
22. pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;
23. overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;
24. establishing procedures for:
  - a. reviewing the adequacy of the Company's insurance coverage, including the Directors' and Officers' insurance coverage;
  - b. reviewing activities, organizational structure, and qualifications of the CFO and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;
  - c. obtaining reasonable assurance as to the integrity of the CEO and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;
  - d. reviewing fraud prevention policies and programs, and monitoring their implementation;

- e. reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:
    - i. tax and financial reporting laws and regulations;
    - ii. legal withholding requirements;
    - iii. environmental protection laws and regulations;
    - iv. other laws and regulations which expose directors to liability; and
- (B) A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.
- (C) On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

#### 5. **Term**

The members of the Audit Committee shall be appointed by designation of the Board and shall continue to be a member thereof until the earlier of (i) the Board, at its discretion, decides to remove the member from the Committee, or (ii) the expiration of his or her term of office as a Director. Vacancies at any time occurring shall be filled by designation of the Board.

#### 6. **Meetings**

The Committee shall meet at least once per year or more frequently as circumstances dictate. A majority of the members appearing at a duly convened meeting shall constitute a quorum and the Committee shall maintain minutes or other records of its meetings and activities. The Chair shall be responsible for leadership of the Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. These documents will be shared with the Board as needed to discharge the Committee's delegated responsibilities and stored in a centralized electronic archive administered by the Corporate Secretary. In case of absence of the Chair, the participating Audit Committee members will designate an interim Chair. The Committee may invite members of Management or others to attend their meetings and they will be asked to step-out during sensitive conversations. As part of its responsibility to foster open communication, the Committee should meet at least annually with each of the CEO and CFO in separate executive sessions to discuss any matters that the Committee or the executive officers believe should be discussed privately with the Committee.

#### 7. **Reports**

The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.

The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

#### 8. **Minutes**

The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

9. **Annual Performance Evaluation**

The Board will conduct an annual performance evaluation of the Audit Committee, taking into account the charter, to determine the effectiveness of the Committee.

**SCHEDULE "B"**  
**10% "ROLLING" STOCK OPTION PLAN**

**BASIN URANIUM CORP.  
(FORMERLY BLACK SHIELD METALS CORP.)**

**STOCK OPTION PLAN**

**DATED FOR REFERENCE SEPTEMBER 18, 2020**

Approved by the board of directors effective on September 18, 2020

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## STOCK OPTION PLAN

### SECTION 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) “**Administrator**” means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, or, if no such person is appointed, the Committee itself.
- (b) “**Associate**” means, where used to indicate a relationship with any person:
  - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
  - (ii) any partner, other than a limited partner, of that person;
  - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
  - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) “**Black-Out**” means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company.
- (d) “**Board**” means the board of directors of the Company.
- (e) “**CSE**” means the Canadian Securities Exchange.
- (f) “**Change of Control**” means an occurrence when either:
  - (i) a Person or Entity, other than the current “control person” of the Company (as that term is defined in the *Securities Act*), becomes a “control person” of the Company; or
  - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.

- (g) “**Committee**” means a committee of the Board to which the responsibility of approving the grant of stock options has been delegated, or if no such committee is appointed, the Board itself.
- (h) “**Company**” means Black Shield Metals Corp.
- (i) “**Consultant**” means an individual who:
  - (i) is engaged to provide, on an ongoing bona fide basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a “distribution” (as that term is described in the *Securities Act*);
  - (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in clause (h)(v) below);
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary; and
  - (iv) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company or is otherwise permitted by applicable Regulatory Rules to be granted Options as a Consultant or as an equivalent thereof,

and includes:

- (i) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a “**Consultant Entity**”); or
  - (ii) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.
- (j) “**Disability**” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment which cannot be accommodated under applicable human rights laws without imposing undue hardship on the Company or any Subsidiary employing or engaging the Person, that the Committee, acting reasonably, determines constitutes a disability.
- (k) “**Employee**” means:
- (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be

permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or

- (ii) an individual who works for the Company or any Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,

and includes:

- (i) a corporation wholly-owned by such individual; and
  - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (l) **“Exchange”** means the stock exchange upon which the Company’s shares principally trade.
  - (m) **“Exchange Policies”** means the policies of the Exchange, as amended from time to time.
  - (n) **“Executive”** means an individual who is a director or officer of the Company or a Subsidiary, and includes:
    - (i) a corporation wholly-owned by such individual; and
    - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
  - (o) **“Exercise Notice”** means the written notice of the exercise of an Option, in the form set out as Schedule B hereto, or by written notice in the case of uncertificated Shares, duly executed by the Option Holder.
  - (p) **“Exercise Period”** means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that the Option has Vested pursuant to the terms and conditions of this Plan and any additional terms and conditions imposed by the Committee, and that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
  - (q) **“Exercise Price”** means the price at which an Option is exercisable as determined in accordance with section 5.3.
  - (r) **“Expiry Date”** means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 5.4, 6.2, 6.3, 6.4 or 11.4.

- (s) “**Expiry Time**” means the time the Option expires on the Expiry Date, which is 4:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.
- (t) “**Grant Date**” means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (u) “**Insider**” means an insider as that term is defined in the *Securities Act*.
- (v) “**Investor Relations Activities**” means any activities, by or on behalf of the Company or shareholder of the Company, that 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;
    - (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.
- (w) “**Market Value**” means the market value of the Shares as determined in accordance with section 5.3.

- (x) “**NI 45-106**” means National Instrument 45-106—*Prospectus Exemptions*.
- (y) “**Option**” means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (z) “**Option Certificate**” means the certificate, in substantially the form set out as Schedule A hereto, evidencing the Option.
- (aa) “**Option Holder**” means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (bb) “**Outstanding Issue**” means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (cc) “**Person or Entity**” means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (dd) “**Personal Representative**” means:
  - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
  - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (ee) “**Plan**” means this stock option plan as from time to time amended.
- (ff) “**Regulatory Approvals**” means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (gg) “**Regulatory Authorities**” means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (hh) “**Regulatory Rules**” means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.

- (ii) **“Related Entity”** means a Person that is controlled by the Company. For the purposes of this Plan, a Person (first person) is considered to control another Person (second person) if the first Person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of
  - (i) ownership of or direction over voting securities in the second Person;
  - (ii) a written agreement or indenture;
  - (iii) being the general partner or controlling the general partner of the second Person; or
  - (iv) being a trustee of the second Person.
- (jj) **“Related Person”** means:
  - (i) a Related Entity of the Company;
  - (ii) a partner, director or officer of the Company or Related Entity;
  - (iii) a promoter of or Person who performs Investor Relations Activities for the Company or Related Entity; and
  - (iv) any Person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total voting rights attached to all voting securities of the Company or Related Entity.
- (kk) **“Securities Act”** means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (ll) **“Share”** or **“Shares”** means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (mm) **“Subsidiary”** means a wholly-owned or controlled subsidiary corporation of the Company.
- (nn) **“Triggering Event”** means:
  - (i) the proposed dissolution, liquidation or wind-up of the Company;
  - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
  - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;

- (iv) a proposed Change of Control of the Company;
  - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
  - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (oo) “Vest”, “Vesting” or “Vested” means that a portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

## 1.2 **Choice of Law**

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed solely in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein without giving effect to the conflicts of laws principles thereof and without reference to the laws of any other jurisdiction. The Company and each Option Holder hereby attorn to the jurisdiction of the Courts of British Columbia.

## 1.3 **Headings**

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

# SECTION 2 GRANT OF OPTIONS

## 2.1 **Grant of Options**

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

## 2.2 **Record of Option Grants**

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;

- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

### 2.3 **Effect of Plan**

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

### 2.4 **Hold Period**

Pursuant to Exchange Policies, where a hold period is applicable, the Option Certificate will include a legend stipulating that the Option is and the Shares upon the exercise of the Option are subject to a four-month hold period commencing on the date of distribution of the Option.

## SECTION 3 PURPOSE AND PARTICIPATION

### 3.1 **Purpose of Plan**

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.

### 3.2 **Participation in Plan**

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants to whom Options are to be granted.

### 3.3 **Limits on Option Grants**

The Company shall only grant Options under this Plan in accordance with Section 10 hereof and, for greater certainty, may not grant any Options under this Plan unless an exemption under NI 45-106 is available. Section 2.24 of NI 45-106 shall not apply to the Plan and all Options granted thereunder to any Employees or Consultants who are engaged in Investor Relations Activities for the Company, any associated Consultant, any executive officer of the Company, any director of the Company or any permitted assign of those Persons if, after the grant:



- (a) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to
  - (i) Related Persons, exceeds 10% of the outstanding securities of the Company, or
  - (ii) a Related Person, exceeds 5% of the outstanding securities of the Company, or
- (b) the number of securities, calculated on a fully diluted basis, issued within 12 months to
  - (i) Related Persons, exceeds 10% of the outstanding securities of the Company, or
  - (ii) a Related Person and the associates of the Related Person, exceeds 5% of the outstanding securities of the Company;

unless the Company obtains security holder approval in accordance with the Regulatory Rules, including the requirements under NI 45-106.

### 3.4 **Limits on Option Grants for Investor Relations Activities**

The maximum number of Options which may be granted within a 12 month period to Employees or Consultants engaged in Investor Relations Activities must not exceed 1% of the Outstanding Issue.

### 3.5 **Notification of Grant**

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

### 3.6 **Copy of Plan**

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

### 3.7 **Limitation on Service**

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

### 3.8 **No Obligation to Exercise**

Option Holders shall be under no obligation to exercise Options.

### 3.9 **Agreement**

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

### 3.10 **Notice**

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

### 3.11 **Representation**

As a condition precedent to the issuance of an Option, the Company must be able to represent to the Exchange as of the Grant Date that the Option Holder is a *bona fide* Executive, Employee or Consultant of the Company or any Subsidiary.

## SECTION 4 NUMBER OF SHARES UNDER PLAN

### 4.1 **Committee to Approve Issuance of Shares**

The Committee shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Committee shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

### 4.2 **Number of Shares**

Subject to adjustment as provided for herein, the number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan, plus any other outstanding incentive stock options of the Company granted pursuant to a previous stock option plan or agreement, will not exceed 10% of the Outstanding Issue. If any Option expires or otherwise terminates for any

reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

#### 4.3 **Fractional Shares**

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

### SECTION 5 TERMS AND CONDITIONS OF OPTIONS

#### 5.1 **Exercise Period of Option**

Subject to sections 5.4, 6.2, 6.3, 6.4 and 11.4, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option.

#### 5.2 **Number of Shares Under Option**

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

#### 5.3 **Exercise Price of Option**

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. Notwithstanding the foregoing, the Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) if the Company's Shares are listed on the CSE, and the Committee determines the CSE to be the Company's primary Exchange, Market Value will be the greater of the closing trading price of the Shares on (i) the trading day prior to the Grant Date and (ii) the Grant Date;
- (b) subject to subparagraph (a) above, for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (c) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraphs (a) or (b) above for the primary organized trading facility on which

the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;

- (d) subject to subparagraph (a), if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (e) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length. Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

#### 5.4 **Termination of Option**

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or sections 6.2, 6.3, 6.4, or 11.4 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 30th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
  - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
  - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary;  
or
  - (iii) an order made by any Regulatory Authority having jurisdiction to so order,

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 30th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:
- (i) termination for cause;
  - (ii) resigning his or her position; or
  - (iii) an order made by any Regulatory Authority having jurisdiction to so order,

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

#### 5.5 **Vesting of Option and Acceleration**

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan.

#### 5.6 **Additional Terms**

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

## SECTION 6 TRANSFERABILITY OF OPTIONS

### 6.1 **Non-transferable**

Except as provided otherwise in this section 6, Options are non-assignable and non-transferable.

### 6.2 **Death of Option Holder**

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the date of death and the applicable Expiry Date.

### 6.3 **Disability of Option Holder**

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of one year following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

### 6.4 **Disability and Death of Option Holder**

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within one year after the termination of such engagement, any Options held by such Option Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the death of such Option Holder and the applicable Expiry Date.

### 6.5 **Vesting**

Unless the Committee determines otherwise, Options held by or exercisable by a Personal Representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.

### 6.6 **Deemed Non-Interruption of Engagement**

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

## SECTION 7 EXERCISE OF OPTION

### 7.1 **Exercise of Option**

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, or by written notice in the case of uncertificated Shares, the applicable Option Certificate and a certified cheque or bank draft or wire transfer payable to the Company or its legal counsel in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised during a Black-Out unless the Committee determines otherwise.

### 7.2 **Black Out Period**

If an Option expires, terminates or is cancelled (other than an expiry, termination or cancellation pursuant to section 5.4(a)(i)(ii) or (iii) or section 5.4(b)(i)(ii) or (iii) above) within or immediately after a Black-Out, the Holder may elect for the term of such Option to be extended to the date which is ten (10) business days after the last day of the Black-Out; provided, that, the expiration date as extended by this section 7.2 will not in any event be beyond the later of: (i) December 31 of the calendar year in which the Option was otherwise due to expire; and (ii) the 15th day of the third month following the month in which the Option was otherwise due to expire.

### 7.3 **Issue of Share Certificates**

As soon as reasonably practicable following the receipt of the notice of exercise as described in section 7.1 and payment in full for the Optioned Shares being acquired, the Administrator will direct its transfer agent to issue to the Option Holder the appropriate number of Shares in either certificate form or at the election of the Option Holder, on an uncertificated basis pursuant to the instructions given by the Option Holder to the Administrator. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Shares.

### 7.4 **No Rights as Shareholder**

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the Shares, the decision of the Committee shall be final, conclusive and binding.

### 7.5 **Tax Withholding and Procedures**

Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the

withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Option Holder who wishes to exercise an Option must, in addition to following the procedures set out in section 7.1 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;
- (c) and must in all other respects follow any related procedures and conditions imposed by the Company.

## **SECTION 8 ADMINISTRATION**

### **8.1 Board or Committee**

The Plan shall be administered by the Administrator with oversight by the Committee.

### **8.2 Powers of Committee**

The Committee shall have the authority to do the following:

- (a) oversee the administration of the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
  - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;



- (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
- (iii) subject to any necessary Regulatory Approvals and section 9.2, amend the terms of any Options;
- (iv) determine when Options shall be granted; and
- (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

### 8.3 **Administration by Committee**

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

### 8.4 **Interpretation**

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

## **SECTION 9 APPROVALS AND AMENDMENT**

### 9.1 **Shareholder Approval of Plan**

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of the shareholders of the Company as prescribed by the Regulatory Authority. If shareholder approval is required, any Options granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

## 9.2 **Amendment of Option or Plan**

Subject to any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder; then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company, if required by the Exchange.

## **SECTION 10 CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES**

### 10.1 **Compliance with Laws**

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificates for the Shares or the written notice in the case of uncertificated Shares representing such Shares accordingly.

### 10.2 **Regulatory Approvals**

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section 9.2 of this Plan.

### 10.3 **Inability to Obtain Regulatory Approvals**

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options hereunder, the exercise of those Options or the lawful issuance and sale of any Shares pursuant to such Options, shall relieve the Company of any liability with respect to the failure to complete such transaction.

**SECTION 11**  
**ADJUSTMENTS AND TERMINATION**

**11.1 Termination of Plan**

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan. Unless earlier terminated as provided in this section 11, the Plan shall terminate on, and no more Options shall be granted under the Plan after, the tenth anniversary of the date of the Exchange's acceptance of the Plan.

**11.2 No Grant During Suspension of Plan**

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

**11.3 Alteration in Capital Structure**

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this section 11.3, and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (d) the conversion of outstanding securities of the Company into Shares shall be deemed to be material alterations of the capital structure of the Company. Any adjustment made to any Options pursuant to this section 11.3 shall not be considered an amendment requiring the Option Holder's consent for the purposes of section 9.2 of this Plan.

#### 11.4 **Triggering Events**

Subject to the Company complying with section 11.5 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section 9.2 of the Plan.

#### 11.5 **Notice of Termination by Triggering Event**

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject. Furthermore, if any of the Options granted under this Plan are cancelled prior to their Expiry Date, the Company shall not grant new Options to the same Persons or Entities until thirty (30) days have lapsed from the date of cancellation.

#### 11.6 **Determinations to be Made By Committee**

Adjustments and determinations under this section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

## SCHEDULE A

[Include legends prescribed by Regulatory Authorities, if required.]

### BLACK SHIELD METALS CORP.

#### STOCK OPTION PLAN - OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Stock Option Plan (the “**Plan**”) of Black Shield Metals Corp. (the “**Company**”) and evidences that ♦ [Name of Option Holder] is the holder (the “**Option Holder**”) of an option (the “**Option**”) to purchase up to ♦ common shares (the “**Shares**”) in the capital stock of the Company at a purchase price of CAN \$ ♦ per Share (the “**Exercise Price**”). This Option may be exercised at any time and from time to time from and including the following Grant Date through to and including up to 4:00 p.m. local time in Vancouver, British Columbia (the “**Expiry Time**”) on the following Expiry Date:

- (a) the Grant Date of this Option is ●; and
- (b) subject to sections 5.4, 6.2, 6.3, 6.4 and 11.4 of the Plan, the Expiry Date of this Option is ♦, 20♦.

To exercise this Option, the Option Holder must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, or written notice in the case of uncertificated Shares, which is incorporated by reference herein, together with the original of this Option Certificate and a certified cheque or bank draft payable to the Company or its legal counsel in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

**[Include legends on the certificate or the written notice in the case of uncertificated shares prescribed by Regulatory Authorities, if required.]**

If the Option Holder is a resident or citizen of the United States of America at the time of the exercise of the Option, the certificate(s) representing the Shares will be endorsed with the following or a similar legend:

“The securities represented hereby have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or the securities laws of any state of the United States. The holder hereof, by purchasing such securities, agrees for the benefit of the Company that such securities may be offered, sold or otherwise transferred only (a) to the Company; (b) outside the United States in accordance with Rule 904 of Regulation S under the U.S. Securities Act; (c) in accordance with the exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in compliance with any applicable state securities laws; or (d) in a transaction that does not require registration under the U.S. Securities Act and any applicable state securities laws, and, in the case of paragraph (c) or (d), the seller furnishes to the Company an opinion of counsel of recognized standing in form and substance satisfactory to the Company to such effect.

The presence of this legend may impair the ability of the holder hereof to effect “good delivery” of the securities represented hereby on a Canadian stock exchange.”

**BLACK SHIELD METALS CORP.**  
**by its authorized signatory:**

---

The Option Holder acknowledges receipt of a copy of the Plan and represents to the Company that the Option Holder is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Option Holder agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by the Regulatory Authorities. The Option Holder further acknowledges that if the Plan has not been approved by the shareholders of the Company on the Grant Date, this Option is not exercisable until such approval has been obtained.

Signature of Option Holder:

---

Signature

---

Date signed:

---

Print Name

---

Address

---

## OPTION CERTIFICATE – SCHEDULE

**[Complete the following additional terms and any other special terms, if applicable, or remove the inapplicable terms or this schedule entirely.]**

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. The Options will not be exercisable unless and until they have vested and then only to the extent that they have vested. The Options will vest in accordance with the following:
  - (a) ◆ Shares (◆%) will vest and be exercisable on or after the Grant Date;
  - (b) ◆ additional Shares (◆%) will vest and be exercisable on or after ◆ [date];
  - (c) ◆ additional Shares (◆%) will vest and be exercisable on or after ◆ [date];
  - (d) ◆ additional Shares (◆%) will vest and be exercisable on or after ◆ [date];
  
2. Upon the Option Holder ceasing to hold a position with the Company, other than as a result of the events set out in paragraphs 5.4(a) or 5.4(b) of the Plan, the Expiry Date of the Option shall be ◆ **[Insert date desired that is longer or shorter than the standard 30 days as set out in the Plan]** following the date the Option Holder ceases to hold such position.

**SCHEDULE B**

**BLACK SHIELD METALS CORP.**

**STOCK OPTION PLAN**

**NOTICE OF EXERCISE OF OPTION**

TO: The Administrator, Stock Option Plan  
◆  
◆ [ Address]  
(or such other address as the Company may advise)

The undersigned hereby irrevocably gives notice, pursuant to the Stock Option Plan (the “**Plan**”) of Black Shield Metals Corp. (the “**Company**”), of the exercise of the Option to acquire and hereby subscribes for (**cross out inapplicable item**):

- (a) all of the Shares; or
- (b) of the Shares;

which are the subject of the Option Certificate attached hereto (**attach your original Option Certificate**). The undersigned tenders herewith a certified cheque or bank draft (**circle one**) payable to the Company or to ◆ in an amount equal to the aggregate Exercise Price of the aforesaid Shares and directs the Company to issue a certificate OR a written notice in the case of uncertificated Shares evidencing said Shares in the name of the undersigned to be issued to the undersigned [in the case of issuance of a share certificate, at the following address (**provide full complete address**)]:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The undersigned acknowledges the Option is not validly exercised unless this Notice is completed in strict compliance with this form and delivered to the required address with the required payment prior to 4:00 p.m. local time in Vancouver, BC on the Expiry Date of the Option.

DATED the day \_\_\_\_ of \_\_\_\_\_, 20\_\_ .

\_\_\_\_\_  
**Signature of Option Holder**



**SCHEDULE "C"**  
**10% "ROLLING" RESTRICTED SHARE UNIT PLAN**

**BASIN URANIUM CORP.**  
**(FORMERLY BLACK SHIELD METALS CORP.)**

**RESTRICTED SHARE UNIT PLAN (10% ROLLING)**

EFFECTIVE AS OF SEPTEMBER 30, 2021

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# RESTRICTED SHARE UNIT PLAN

## SECTION 1 PURPOSE AND INTERPRETATION

### 1.1 Purpose

The purpose of the Plan is to promote and advance the interests of the Company by (i) providing Eligible Persons with additional incentive through an opportunity to receive discretionary bonuses in the form of Common Shares of the Company, (ii) encouraging stock ownership by such Eligible Persons, (iii) increasing the proprietary interest of Eligible Persons in the success of the Company, and (iv) increasing the ability to attract, retain and motivate Eligible Persons.

### 1.2 Definitions

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) “**Account**” means a notional account maintained for each Participant on the books of the Company which will be credited with Restricted Share Units and Dividend RSUs, in accordance with the terms of the Plan;
- (b) “**Affiliate**” means any person that controls or is controlled by the Company or that is controlled by the same person that controls the Company;
- (c) “**Associate**” has the meaning ascribed to that term under the *Securities Act*, R.S.B.C. 1996, c. 418, as amended from time to time;
- (d) “**Affiliated Companies**”, “**Controlled Companies**” and “**Subsidiary Companies**” have the meanings ascribed to those terms under the *Securities Act*, R.S.B.C. 1996, c. 418, as amended from time to time;
- (e) “**Black-Out Period**” means the period during which designated directors, officers, employees and consultants of the Company and, if applicable, any Subsidiary Company, cannot trade Common Shares pursuant to the Company’s insider trading policy which is in effect at that time (which, for certainty, does not include the period during which a cease trade order is in effect to which the Company, or in respect of a Reporting Insider, that Reporting Insider, is subject);
- (f) “**Board**” means the board of directors of the Company or such delegate as referred to by the term in Section 3.1(1);
- (g) “**Business Day**” means any day other than a Saturday, Sunday or a statutory or civic holiday in the City of Vancouver, British Columbia, on which the Stock Exchange is open for trading;
- (h) “**Cause**” means (i) if the Participant has a written agreement with the Company or Subsidiary Companies in which cause is defined, cause as defined therein; or

otherwise (ii) (A) the inability of the Participant to perform his or her duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (B) the failure of the Participant to follow the Company's reasonable instructions with respect to the performance of his or her duties; (C) any material breach by the Participant of his or her obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (D) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (E) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee;

- (i) **“Change of Control Event”** means:
- (i) the acquisition of a sufficient number of voting securities in the capital of the Company so that the acquiror, together with Persons or Entities acting jointly or in concert with the acquiror, becomes entitled, directly or indirectly, to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Company (provided that, prior to the acquisition, the acquiror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Company);
  - (ii) the completion of a consolidation, merger, arrangement or amalgamation of the Company with or into any other entity whereby the voting securityholders of the Company immediately prior to the consolidation, merger, arrangement or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting securities of the consolidated, merged, arranged or amalgamated entity;
  - (iii) the completion of a sale whereby all or substantially all of the Company's undertakings and assets become the property of any other entity and the voting securityholders of the Company immediately prior to the sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale; or
  - (iv) an occurrence when a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.
- (j) **“Common Shares”** means the common shares in the share capital of the Company;
- (k) **“Company”** means Black Shield Metals Corp.;
- (l) **“Consultant”** means a corporate entity or an individual, other than an employee, executive officer or director of the Company or of an Affiliate, that:

- (i) is engaged to provide services to the Company or an Affiliate, other than services provided in relation to a distribution of the Company's securities;
- (ii) provides the services under a written contract with the Company or an Affiliate; and
- (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate;

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

- (m) **"Dividend RSUs"** means a bookkeeping entry credited to a Participant's Account equivalent in value to the dividend, if any, paid on a Common Share in accordance with Section 4.2 of the Plan;
- (n) **"Eligible Person"** means:
  - (i) any director, officer, employee or Consultant of the Company or any of its Subsidiary Companies; and
  - (ii) any Personal Holding Company of any of the persons listed in Section 1.2(m)(i) above;

who is designated by the Board as eligible to participate in the Plan;

- (o) **"Expiry Date"** means the expiry date set out by the Board on the date of approval of a grant and as described in the applicable RSU Grant Letter (which for greater certainty may vary between RSUs granted from time to time), following which an RSU is expired and is thereafter incapable of settlement, and is of no value whatsoever, provided however that in no event shall an Expiry Date be a date that is more than three years from the date of grant;
- (p) **"Market Price"** means, with respect to any particular date, the volume weighted average trading price of the Common Shares as reported on the Stock Exchange for the five (5) trading days immediately preceding that date;
- (q) **"Participant"** means an Eligible Person to whom RSUs have been granted and are outstanding;
- (r) **"Personal Holding Company"** means a personal holding Company that is either wholly owned, or controlled by, any director, executive officer, employee or Consultant of the Company or its Affiliates, and the shares of which are held directly or indirectly by any such person or the person's spouse, minor children and/or minor grandchildren;

- (s) “**Person or Entity**” means an individual, natural person, Company, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity;
- (t) “**Plan**” means this Restricted Share Unit plan of the Company, as amended from time to time;
- (u) “**Reporting Insider**” means a reporting insider as defined under National Instrument 55-104 as may be amended from time to time;
- (v) “**Restricted Share Unit**” or “**RSU**” means a bookkeeping entry equivalent in value to a Common Share credited to a Participant’s Account and representing the right of a Participant to whom a grant of such restricted share units is made to receive one Common Share (or, pursuant to Section 4.3, an amount of cash equal to the Market Value thereof), pursuant and subject to the terms and conditions set forth in this Plan and in the applicable RSU Grant Letter;
- (w) “**RSU Award**” means the number of RSUs determined by the Board to be awarded to the Participant and credited to a Participant’s Account, as evidenced by a RSU Grant Letter;
- (x) “**RSU Grant Letter**” has the meaning given to that term in Section 3.1(3);
- (y) “**Securities Act**” means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (z) “**Settlement Date**” means the Business Day during the Settlement Period on which a Participant elects to settle an RSU in accordance with Section 4.3;
- (aa) “**Settlement Notice**” has the meaning set out in Section 4.3;
- (bb) “**Settlement Period**” means the period starting on the Vesting Date and ending on the Expiry Date;
- (cc) “**Shareholder**” means a holder of a Common Share in the capital of the Company;
- (dd) “**Stock Exchange**” means the Canadian Securities Exchange or if the Common Shares are not listed on the Canadian Securities Exchange, any stock exchange on which the Common Shares are listed or traded, as determined by the Board;
- (ee) “**Termination Date**” means the date on which a Participant ceases to be an Eligible Person. For greater certainty, in the case of a Participant whose employment or term of office with the Company or any Subsidiary Company terminates in the circumstances set out in Section 4.4(1)(a), Section 4.4(1)(b) or

Section 4.4(1)(c), the date that is designated by the Company or any Subsidiary Company, as the last day of the Participant's employment or term of office with the Company or such Subsidiary Company, provided that in the case of termination of employment or term of office by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and "Termination Date" specifically does not include any period of reasonable notice that the Company or any Subsidiary Company may be required at law to provide to the Participant; and

- (ff) "Vesting Date" means the date on which an RSU is vested for the purposes of the Plan.

### **1.3 Interpretation**

Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.

### **1.4 Governing Law**

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

### **1.5 Severability**

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

## **SECTION 2 SHARE CAPITAL**

### **2.1 Shares Reserved**

- (1) Subject to Section 5.3(1), the securities that may be acquired by Participants pursuant to RSUs granted under this Plan shall consist of authorized but unissued Common Shares.
- (2) The Company shall at all times during the term of this Plan ensure that the number of Common Shares it is authorized to issue shall be sufficient to satisfy the requirements of RSUs granted under this Plan.
- (3) The maximum number of Common Shares made available for issuance pursuant to the Plan shall be determined from time to time by the Board, but in any case, shall not exceed 10% of the Common Shares issued and outstanding from time to time, subject to adjustments as provided in the Plan.
- (4) The Plan shall be a "rolling plan" and therefore when RSUs are cancelled (whether or not upon payment with respect to vested RSUs) or terminated, the number of Common



Shares in respect of such cancelled or terminated RSUs shall again be available for the purpose of granting RSU Awards pursuant to the Plan.

### **SECTION 3 ADMINISTRATION**

#### **3.1 General**

- (1) This Plan shall be administered by the Board. Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member of the Board. Any delegation pursuant to this Section 3.1 shall be documented in a resolution of the Board.
- (2) Subject to the terms and conditions set forth herein, the Board is authorized to provide for the awarding, granting, vesting, settlement and method of settlement of RSUs , all on such terms (which may vary between RSUs granted from time to time) as it shall determine. In addition, the Board shall have the authority to:
  - (a) select any directors, officers, employees or Consultants of the Company or Subsidiary Companies of the Company to participate in this Plan; provided that RSUs granted to any Participant shall be approved by the Shareholders if the rules of the Stock Exchange require such approval;
  - (b) construe and interpret this Plan and all agreements entered into hereunder;
  - (c) prescribe, amend and rescind rules and regulations relating to this Plan; and
  - (d) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Participants and on their legal, personal representatives and beneficiaries.
- (3) An RSU Award shall be evidenced by a restricted share unit grant letter (“RSU Grant Letter”), a form of which is attached as Schedule A to this Plan, signed on behalf of the Company, subject to amendment by the Board from time to time, and which shall specify:
  - (a) the number of RSUs subject to the RSU Award to be credited to the Participant’s Account;
  - (b) the date of grant of the RSU Award;
  - (c) the Vesting Date or Vesting Dates applicable to the RSUs subject to the RSU Award;
  - (d) the Settlement Period and Expiry Date applicable to an RSU subject to the RSU Award;

- (e) the nature and duration of the restrictions, if any, to be imposed upon the sale or other disposition of Common Shares acquired upon settlement of the RSU;
  - (f) the nature of the events, if any, and the duration of the period in which any Participant's rights in respect of Common Shares acquired upon settlement of an RSU may be forfeited; and
  - (g) such other terms, conditions and limitations permitted by and not inconsistent with this Plan as the Board may determine.
- (4) No member of the Board (or person acting under delegated authority, nor the Company, will be liable for any action or determination taken or made in the administration, interpretation, construction or application of this Plan, any RSU Grant Letter or any RSU issued pursuant to this Plan, or otherwise in any way in respect of any Participant's participation in this Plan or the holding or settlement of RSUs.

### **3.2 Compliance with Legislation**

- (1) The Plan, the terms of the issue or grant and the settlement of RSUs hereunder and the Company's obligation to sell and deliver Common Shares upon settlement of RSUs shall be subject to all applicable federal, provincial and foreign laws, rules and regulations, the rules and regulations of the Stock Exchange and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any RSU hereunder to issue or sell Common Shares in violation of such laws, rules and regulations or any condition of such approvals.
- (2) No RSU shall be granted and no Common Shares issued or sold thereunder where such grant, issue or sale would require registration of the Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any RSU or issue or sale of Common Shares hereunder in violation of this provision shall be void.
- (3) The Company shall have no obligation to issue any Common Shares pursuant to the Plan unless such Common Shares shall have been duly listed, upon official notice of issuance, with the Stock Exchange. Common Shares issued and sold to Participants pursuant to the settlement of RSUs may be subject to restrictions or limitations on sale or resale under applicable securities laws.
- (4) If Common Shares cannot be issued to a Participant upon the settlement of an RSU due to legal or regulatory restrictions, the obligation of the Company to issue such Common Shares under the Plan shall terminate, at no cost to the Company nor obligation to otherwise compensate a Participant in any way.

### **3.3 Miscellaneous**

- (1) Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approval.

- (2) Nothing contained in the Plan nor in any RSU granted hereunder shall be deemed to give any Participant any interest or title in or to any Common Shares of the Company or any rights as a Shareholder or any other legal or equitable right against the Company whatsoever other than as set forth in the Plan and pursuant to the settlement of any RSU.
- (3) The Plan does not give any Participant or any employee of the Company or any of its Affiliated Companies, Subsidiary Companies or Controlled Companies the right or obligation to continue to serve as a Consultant, director, officer or employee, as the case may be, of the Company or any of its Affiliated Companies, Subsidiary Companies or Controlled Companies. The awarding of RSUs to any Eligible Person is a matter to be determined solely in the discretion of the Board. The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common Shares or any other securities in the capital of the Company or any of its Subsidiary Companies other than as specifically provided for in the Plan.
- (4) The existence of any RSUs shall not affect in any way the right or power of the Company or its Shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.
- (5) No fractional Common Shares shall be issued upon the settlement of RSUs granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Common Share upon the settlement of an RSU, or from an adjustment pursuant to Section 5.3(1) such Participant shall only have the right to receive the next lowest whole number of Common Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

## **SECTION 4 RESTRICTED SHARE UNITS**

### **4.1 Granting of RSUs**

- (1) Where the Board determines to grant an RSU Award to an Eligible Person and sets the terms and conditions applicable to such RSU Award, the Company shall deliver to the Eligible Person a RSU Grant Letter, containing the terms and conditions applicable to such RSU Award.
- (2) On the grant of an RSU Award, the Company will credit the Participant's Account with the number of RSUs granted to such Participant under the terms of the RSU Award.
- (3) The grant of an RSU Award shall entitle the Participant to the conditional right to receive for each RSU credited to the Participant's Account, at the election of the Company, either one Common Share or an amount in cash, net of applicable taxes and contributions to

government sponsored plans, as determined by the Board, equal to the Market Price of one Common Share for each RSU credited to the Participant's Account on the Settlement Date, subject to the conditions set out in the RSU Grant Letter and in the Plan, and subject to all other terms of this Plan.

- (4) An Eligible Person may receive an RSU Award on more than one occasion under the Plan and may receive separate RSU Awards on any one occasion.
- (5) RSUs granted under this Plan to an Eligible Person in a calendar year will (subject to any applicable terms and conditions) represent a right to a bonus or similar award to be received for services rendered by such Eligible Person to the Company or an Affiliate, as the case may be, in the fiscal year ending in, coincident with or before such calendar year, subject to any other determination by the Company.

#### **4.2 Dividends**

- (1) Unless the Board determines otherwise, additional RSUs ("Dividend RSUs") will be credited to a Participant's Account where the Company declares and pays a dividend on Common Shares. The number of Dividend RSUs credited to a Participant's Account in connection with the payment of dividends on Common Shares will be based on the actual amount of cash dividends that would have been paid to such Participant had he been holding such number of Shares equal to the number of RSUs credited to the Participant's Account on the date on which cash dividends are paid on the Shares and the Market Price of the Common Shares on the payment date.
- (2) Dividend RSUs credited to a Participant's Account shall vest and be settled in the same manner and on the same date as the RSUs to which they relate.

#### **4.3 Settlement of Restricted Share Units**

- (1) Subject to the provisions of the Plan and in particular Section 4.4 and Section 5.2 and any vesting limitations imposed by the Board in its sole unfettered discretion at the time of grant, RSUs subject to an RSU Award may be settled by a Participant during the Settlement Period applicable to the RSU by delivery to the Company of a notice (the "Settlement Notice") in a form attached to the RSU Grant Letter. As soon as practicable following the receipt of the Settlement Notice, RSUs will be settled by the Company through the delivery by the Company of such number of Common Shares equal to the number of RSUs then being settled or, at a Company's election, an amount in cash, net of applicable taxes and contributions to government sponsored plans, equal to the Market Price at the Settlement Date of one Common Share for each RSU then being settled. Where, prior to the Expiry Date, a Participant fails to elect to settle an RSU, the Participant shall be deemed to have elected to settle such RSUs on the day immediately preceding the Expiry Date.
- (2) Notwithstanding the foregoing, if the Company elects to issue Common Shares in settlement of RSUs:

- (a) the Company may arrange for such number of the Common Shares to be sold as it deems necessary or advisable to raise an amount at least equal to its determination of such applicable taxes, with such amount being withheld by the Company; or
  - (b) the Company may elect to settle for cash such number of RSUs as it deems necessary or advisable to raise funds sufficient to cover such withholding taxes with such amount being withheld by the Company; or
  - (c) the Company may, as a condition of settlement in the form of Common Shares, require the Participant to pay the applicable taxes as determined by the Company or make such other arrangement acceptable to the Company in its discretion (if at all) as it deems necessary or advisable.
- (3) Subject to the terms of the Plan, as soon as practicable after receipt of any of the amount, undertaking or election listed in Section 4.3(2), the Company will forthwith cause the transfer agent and registrar of the Common Shares to deliver to the Participant a certificate or certificates in the name of the Participant or a statement of account, at the discretion of the Company, representing in the aggregate Common Shares issued to the Participant.
- (4) Notwithstanding any other provision of the Plan:
- (a) no RSU shall be capable of settlement after the Expiry Date; provided, however, that if the Expiry Date in respect of an RSU falls on, or within nine (9) Business Days immediately following, a date upon which such Participant is prohibited from exercising such RSU due to a Black-Out Period or other trading restriction imposed by the Company, then the Expiry Date of such RSU shall be automatically extended to the tenth (10th) Business Day following the date the relevant Black-Out Period or other trading restriction imposed by the Company is lifted, terminated or removed. The foregoing extension applies to all RSUs regardless of the date of grant and shall not be considered an extension of the term thereof as otherwise referred to in the Plan;
  - (b) the Settlement Period shall be automatically reduced in accordance with Section 4.4 upon the occurrence of any of the events referred to therein; and
  - (c) no RSU in respect of which Shareholder approval is required under the rules of the Stock Exchange shall be settled until such time as such RSU has been so approved.

#### **4.4 Termination of Service**

- (1) Except as otherwise determined by the Board:
- (a) all RSUs held by the Participant (whether vested or unvested) shall terminate automatically upon the termination of the Participant's service with the Company or any Subsidiary Companies for any reason other than as set forth in paragraph (b) and (c) below;

- (b) in the case of a termination of the Participant's service by reason of (A) termination by the Company or any Subsidiary Companies other than for Cause, or (B) the Participant's death, the Participant's unvested RSUs shall vest automatically as of such date, and on the earlier of the original Expiry Date and any time during the ninety (90) day period commencing on the date of such termination of service (or, if earlier, the Termination Date), the Participant (or his or her executor or administrator, or the person or persons to whom the Participant's RSUs are transferred by will or the applicable laws of descent and distribution) will be eligible to request that the Company settle his vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the Termination Date) the Participant fails to elect to settle a vested RSU, the Participant shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the Termination Date) and to receive Common Shares in respect thereof;
- (c) in the case of a termination of the Participant's services by reason of voluntary resignation, only the Participant's unvested RSUs shall terminate automatically as of such date, and any time during the ninety (90) day period commencing on the date of such termination of service (or, if earlier, the Termination Date), the Participant will be eligible to request that the Company settle his vested RSUs. Where, prior to the 90th day following such termination of service (or, if earlier, the Termination Date) the Participant fails to elect to settle a vested RSU, the Participant shall be deemed to have elected to settle such RSU on such 90th day (or, if earlier, the Termination Date) and to receive Common Shares in respect thereof;
- (d) for greater certainty, where a Participant's employment or term of office terminates by reason of termination by the Company or any Subsidiary Companies for Cause then any RSUs held by the Participant, whether or not vested at the Termination Date, immediately terminate and are cancelled on the Termination Date or at a time as may be determined by the Board, in its sole discretion;
- (e) a Participant's eligibility to receive further grants of RSUs under this Plan ceases as of the earliest of the date the Participant resigns from the Company or any Subsidiary Company and the date that the Company or any Subsidiary Company provides the Participant with written notification that the Participant's employment or term of office, as the case may be, is terminated, notwithstanding that such date may be prior to the Termination Date; and
- (f) for the purposes of the Plan, a Participant shall not be deemed to have terminated service where: (i) the Participant remains in employment or office within or among the Company or any Subsidiary Company or (ii) the Participant is on a leave of absence approved by the Board.

#### **4.5 Non-transferability of RSUs**

RSUs shall not be transferable or assignable by the Participant otherwise than by will or the laws of descent and distribution, and shall be exercisable during the lifetime of a Participant only by the Participant and after death only by the Participant's legal representative.

#### **4.6 Hold Period**

Pursuant to Stock Exchange Policies, where a hold period is applicable, the RSU Grant Letter will include a legend stipulating that the RSU Award is subject to a four-month hold period commencing from the date of grant of the RSU Award.

### **SECTION 5 TERMINATION, AMENDMENTS AND ADJUSTMENTS**

#### **5.1 Amendment and Termination**

- (1) The Board may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable law, and subject to any required regulatory approval.
- (2) No such amendment, suspension or termination shall alter or impair any RSUs or any rights pursuant thereto granted previously to any Participant without the consent of such Participant.
- (3) If the Plan is terminated, the provisions of the Plan and any administrative guidelines, and other rules and regulations adopted by the Board and in force at the time of the Plan termination shall continue in effect during such time as an RSU or any rights pursuant thereto remain outstanding.
- (4) With the consent of the affected Participant, the Board may amend or modify any outstanding RSU in any manner to the extent that the Board would have had the authority to initially grant such award as so modified or amended, including without limitation, to change the date or dates as of which the RSU becomes exercisable, subject to the prior approval of the Stock Exchange where necessary.

#### **5.2 Change of Control**

- (1) Notwithstanding any other provision of this Plan, in the event of an actual or potential Change of Control Event, the Board may, in its discretion, without the necessity or requirement for the agreement or consent of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any RSU; (ii) permit the conditional settlement of any RSU, on such terms as it sees fit; (iii) otherwise amend or modify the terms of the RSU, including for greater certainty permitting Participants to settle any RSU, to assist the Participants to tender the underlying Common Shares to, or participate in, the actual or potential Change of Control Event or to obtain the advantage of holding the underlying Common Shares during such Change of Control Event; and (iv) terminate, following the successful completion of such Change of Control Event, on such terms as it sees fit, the RSUs not settled prior to the successful completion of such

Change of Control Event, including, without limitation, for no payment or other compensation.

The determination of the Board in respect of any such Change of Control Event shall for the purposes of this Plan be final, conclusive and binding.

### **5.3 Adjustments**

- (1) If there is a change in the outstanding Common Shares by reason of any stock dividend or split, recapitalization, amalgamation, consolidation, combination or exchange of shares, or other corporate change, the Board shall make, subject to the prior approval of the Stock Exchange where necessary, appropriate substitution or adjustment in
  - (a) the number or kind of Common Shares or other securities reserved for issuance pursuant to the Plan, and
  - (b) the number and kind of Common Shares or other securities subject to unsettled and outstanding RSUs granted pursuant to the Plan;

provided, however, that no substitution or adjustment shall obligate the Company to issue fractional RSUs or Common Shares.

- (2) If the Company is reorganized, amalgamated with another Company or consolidated, the Board shall make such provisions for the protection of the rights of Participants as the Board in its discretion deems appropriate.

## **SECTION 6 GENERAL**

### **6.1 Effective Date**

The Plan shall be effective upon the approval of the Plan by the Board.

### **6.2 Notice**

Any Notice required to be given by this Plan shall be in writing and shall be given by registered mail, postage prepaid, or delivered by courier or by facsimile transmission addressed, if to the Company, to the operations office of the Company in Vancouver, British Columbia, Attention: Corporate Secretary; or if to a Participant, to such Participant at his address as it appears on the books of the Company or in the event of the address of any such Participant not so appearing, then to the last known address of such Participant; or if to any other person, to the last known address of such person.

### **6.3 Tax Withholdings**

The Company shall be entitled to withhold such number of Common Shares or amount of cash payable to a Participant, either under this Plan or otherwise, or make such other arrangement as are contemplated under Section 4.3(2), as it may deem necessary or advisable so



as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local law relating to the withholding or remittance of tax or other relevant amounts. It is the responsibility of the Participant to complete and file any tax returns which may be required within the periods specified under applicable laws as a result of the Participant's participation in the Plan. The Company shall not be responsible for any tax consequences to a Participant as a result of the Participant's participation in the Plan.

#### **6.4 Rights of Participants**

No person entitled to settle any RSU granted under this Plan shall have any of the rights or privileges of a Shareholder in respect of any Common Shares issuable upon settlement of such RSU until such Common Shares have been issued to such person.

#### **6.5 Right to Issue Other Shares**

The Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Common Shares, varying or amending its share capital or corporate structure or conducting its business in any way whatsoever.

#### **6.6 Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Company and a Participant, including without limitation, the legal representatives of such Participant or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

#### **6.7 Funding of the Plan**

The Plan shall be unfunded. No funds will be set aside to guarantee the payment of RSUs, which will remain an unfunded liability recorded on the books of the Company.

**SCHEDULE A**

**BLACK SHIELD METALS CORP.**

**RESTRICTED SHARE UNIT PLAN**

**RESTRICTED SHARE UNIT GRANT LETTER**

TO: \_\_\_\_\_ [Name of Participant]

Dear \_\_\_\_\_ [Name of Participant]

**BLACK SHIELD METALS CORP.** (the “**Company**”) hereby confirms a grant of restricted share units (“**RSU Units**”) to \_\_\_\_\_ [Name of Participant] (the “**Participant**”) (as defined in the Company’s Restricted Share Unit Plan (the “**RSU Plan**”) described in the table below pursuant to the Company’s RSU Plan.

This grant is made pursuant to the terms and conditions of the Company’s RSU Plan, as amended from time to time, and is incorporated herein by reference and made a part of this letter agreement. Each RSU Unit granted to the Participant named herein represents the right of the Participant to receive one Common Share in the share capital of the Company on the date(s) or pursuant to the terms specified below. Capitalized terms not otherwise defined herein shall have the same meanings as in the RSU Plan.

No. of RSU Units	Grant Date	Expiry Date

*[include any specific/additional vesting period or other conditions]*

**The Company and the undersigned Participant hereby confirms that the undersigned Participant is a bona fide Director, Officer, Consultant, or Employee as the case may be.**

**DATED** \_\_\_\_\_, 20\_\_\_\_.

**BLACK SHIELD METALS CORP.**

Per: \_\_\_\_\_  
Authorized Signatory

The undersigned hereby accepts such grant, acknowledges being a Participant under the RSU Plan, agrees to be bound by the provisions thereof and agrees that the RSU Plan will be effective

as an agreement between the Company and the undersigned with respect to the RSU Units granted or otherwise issued to him/her/it.

**DATED** \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Participant's Signature

\_\_\_\_\_  
Name of Participant (*print*)

**OR**

*[NAME OF COMPANY PARTICIPANT]*

By:

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Name of Authorized Signatory