

**NOTICE OF MEETING AND INFORMATION CIRCULAR**  
**2021 ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**Of**  
**CASCADA SILVER CORP.**

**All information in this Information Circular is presented as of November 22, 2021 unless otherwise stated herein.**

**CASCADA SILVER CORP.****NOTICE OF ANNUAL GENERAL MEETING**

The 2021 Annual General Meeting (the "**Meeting**") of the shareholders of Cascada Silver Corp. (the "**Company**") will be held at Suite 1900, 25 Adelaide Street East, Toronto, Ontario, at 10:00 a.m. (local Toronto time) on December 29, 2021 for the following purposes:

1. to receive the audited consolidated financial statements of the Company for its financial year ended June 30, 2021, the Report of the Auditor on those statements, and the related Management Discussion & Analysis;
2. to elect directors for the ensuing year;
3. to re-appoint Clearhouse LLP, Chartered Accountants, an auditor for the ensuing year and to authorize the Directors to fix the auditor's remuneration;
4. to consider and, if deemed appropriate, pass, with or without variation, an ordinary resolution approving and ratifying the Company's stock option plan for the ensuing year; and
5. to consider any amendment to or variation of any matter identified in this notice of Meeting ("**Notice**") and to transact such other business as may properly be brought before the Meeting.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is incorporated by reference into and deemed to form part of this Notice. **Shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares are voted at the Meeting are requested to complete, sign, date and return the enclosed form of Proxy or Voting Instruction Form in accordance with the instructions set forth therein and in the Information Circular. The Proxy or Voting Instruction Form must, to be valid, be properly completed and be received by Computershare Trust Company of Canada, at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 or at 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9 not fewer than 48 hours before the time fixed for the Meeting.**

**IMPORTANT NOTICE**

In light of the ongoing public health crisis related to the novel coronavirus ("**COVID-19**") pandemic, and in order to comply with the measures imposed by the federal and provincial governments, we strongly encourage our shareholders **NOT** to attend the Meeting in person. As part of our social responsibility and preparedness plans in response to COVID-19, we respectfully request that shareholders vote at the Meeting by proxy to ensure the health and safety of shareholders, employees and the communities in which we live. We believe that shareholders voting at the Meeting by proxy in these difficult times will help with complying with public health guidelines and restrictions on public gatherings. We will be instituting COVID-19 safety protocols at the Meeting, which will be based on the public health measures prevailing at that time. If necessary, additional protocols will be provided approximately one week before the date of the Meeting and posted on our website at [www.cascadasilver.com](http://www.cascadasilver.com).

**DATED** at Toronto, Ontario, November 22, 2021.

BY ORDER OF THE BOARD

*Carl Hansen, Director*

**CASCADA SILVER CORP.  
INFORMATION CIRCULAR**

***Solicitation of Proxies***

This Information Circular is furnished in connection with the solicitation of proxies by the management of Cascada Silver Corp. (the "**Company**") for use at the 2021 Annual General Meeting (the "**Meeting**") of the Company shareholders to be held on December 29, 2021 and at any adjournments thereof. Unless the context otherwise requires, references to the Company in this Information Circular include its subsidiaries.

While it is expected that the solicitations will be primarily by mail, proxies may be solicited personally or by telephone, without special compensation, by directors, officers and regular employees of the Company or by agents retained for that purpose. The Company does not have any contract or arrangement for the solicitation with any specially engaged employees or soliciting agents. The Company may reimburse shareholders, nominees or agents for any costs incurred in obtaining from their principals proper authorization to execute proxies. The Company may also reimburse brokers and other persons holding shares in their own name or in the names of their nominees for expenses incurred in sending proxies and proxy materials to the beneficial owners thereof in obtaining their proxies. All costs of all solicitations on behalf of management will be borne by the Company.

For the purposes of Item 3 of Form 51-102F5 under National Instrument 51-102 - "Continuous Disclosure Obligations" ("**NI 51-102**") of the Canadian Securities Administrator (the "**CSA**"), the Company advises that no director of the Company has informed management in writing that such director intends to oppose any action intended to be taken by management at the Meeting.

***Important Notice***

In light of the ongoing public health crisis related to the novel coronavirus ("**COVID-19**") pandemic, and in order to comply with the measures imposed by the federal and provincial governments, we strongly encourage our shareholders **NOT** to attend the Meeting in person. As part of our social responsibility and preparedness plans in response to COVID-19, we respectfully request that shareholders vote at the Meeting by proxy to ensure the health and safety of shareholders, employees and the communities in which we live. We believe that shareholders voting at the Meeting by proxy in these difficult times will help with complying with public health guidelines and restrictions on public gatherings. We will be instituting COVID-19 safety protocols at the Meeting, which will be based on the public health measures prevailing at that time. If necessary, additional protocols will be provided approximately one week before the date of the Meeting and posted on our website at [www.cascadasilver.com](http://www.cascadasilver.com).

***Appointment of Proxy Holder***

Shareholders of the Company who hold shares in their own names are described in this Information Circular as "**registered shareholders**". Only registered shareholders of the Company ("**Registered Shareholders**") or their duly appointed proxy holders are entitled to vote at the Meeting. Voting instructions for non-registered shareholders are set forth below under "*Advice to Beneficial Holders of Shares on Voting Shares*".

The purpose of a proxy is to permit a Registered Shareholder to designate one or more persons as proxy holder(s) to vote on that Registered Shareholder's behalf in accordance with the instructions given by the Registered Shareholder in the proxy. The persons designated as proxy holders in the form of proxy accompanying this Information Circular (the "**Proxy**"), each of whom is a director or officer of or legal counsel to the Company, have been selected by management.

**Each Registered Shareholder has the right to appoint a person, who need not be a shareholder, to attend and act for and on behalf of such shareholder at the Meeting other than the person(s) designated by management in the Proxy accompanying this circular. A Registered Shareholder desiring to appoint some other person as proxy holder may do so by striking out the printed names**

**and inserting the name of the desired person in the space provided in the Proxy, or by executing and delivering another acceptable form of proxy similar to the Proxy.**

If no choice of proxy holder is made in such manner by the Registered Shareholder, then the person first named as proxy holder in the Proxy will exercise the Proxy with automatic substitution of the succeeding named proxy holder if such first named proxy holder does not attend the Meeting and automatic substitution of the third named proxy holder, if any, if such second named proxy holder does not attend the Meeting.

### ***Deposit of Proxy***

Registered Shareholders desiring to vote by Proxy may do so by:

1. depositing a signed and dated Proxy with Computershare Trust Company of Canada ("**Computershare**"), at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, or at Computershare's Vancouver office, 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9; or
2. faxing a signed and dated Proxy to Computershare from within North America to 1-866-249-7775 or from outside North America to 416-263-9524; or
3. using any other method described in the Proxy, such as internet voting, by following the instructions for such method set out in the Proxy, in which case the Registered Shareholder will need the control number set out in the Proxy.

In all cases, to be valid, a Proxy (or other acceptable form of Proxy vote) must be received not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting unless the Chairman of the Meeting exercises his discretion to accept proxies received after that time.

### ***Revocation of Proxy***

A Registered Shareholder which has submitted a Proxy may revoke it either by signing a Proxy bearing a later date and depositing it at the place and within the time aforesaid or by signing and dating a written notice of revocation (in the same manner as the Proxy is required to be executed as set out in the notes to the Proxy) and either depositing the same at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting, or on the day of any adjournment thereof, or registering with the scrutineer at the Meeting as a Registered Shareholder present in person, or in any other manner provided by law, whereupon such proxy shall be deemed to have been revoked. Revocation of a Proxy will not affect any matter on which a vote has been taken before the revocation.

### ***Voting by Proxy***

If the instructions of a Registered Shareholder are certain, the shares represented by any Proxy given by that Registered Shareholder will be voted or withheld from voting on any ballot that may be called for, and where the Registered Shareholder specifies a choice with respect to any matter to be acted on, the shares will be voted or withheld from voting on any ballot that may be called for in accordance with the specified choice. **Where no choice is specified, the Proxy confers discretionary authority on the Registered Shareholder's appointed proxy holder. If a Registered Shareholder has not appointed his or her own proxy holder, such shares will be voted by management's designates in favour of the matters described in the Proxy and, if applicable, for the nominees of management and auditors as identified in the Proxy.**

### ***Exercise of Discretion by Proxy Holder***

The Proxy gives each Registered Shareholder the ability to confer discretionary authority upon the proxy holder with respect to amendments or variations to matters identified in the notice of Meeting and other matters which may properly come before the Meeting. At the time of printing this Information Circular,

Management of the Company knows of no such amendments, variations or other matters which are anticipated to be presented for consideration or action at the Meeting.

***Advice to Beneficial Holders of Shares on Voting Shares***

**The information set forth in this section is of significant importance to any beneficial owner of shares who does not hold title to such shares in his, her or its own name.** Beneficial owners of shares who do not have such shares registered in their own name (referred to in this Information Circular as "**Non-Registered Owners**") should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

Most beneficial owners of shares are Non-Registered Owners. If your shares are listed in an account statement provided to you by an "intermediary" (a term used to refer to, among others, brokerage firms, banks, trust companies and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) (an "**Intermediary**"), then, in almost all cases, those shares will not be registered in your name on the records of the Company. Such shares will more likely be registered under the name of the Non-Registered Owner's Intermediary or an agent of that Intermediary. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the nominee of The Canadian Depository for Securities, which acts as depository for many Canadian brokerage firms and other Intermediaries. In the United States, the vast majority of such shares are registered under the name of Cede & Co., the nominee of Depository Trust Company, which acts as depository for many United States brokers and other Intermediaries. Such Intermediaries and depositories are collectively referred to in this Information Circular as "**Intermediaries**". The Intermediary with which a Non-Registered Owner has a direct relationship, such as the brokerage firm with which the Non-Registered Owner has deposited his shares, is known as the "proximate Intermediary" of that Non-Registered Owner.

Pursuant to National Instrument 54-101 - "Communications with Beneficial Owners of Securities of a Reporting Issuer" ("**NI 54-101**") of the CSA, all Intermediaries are required to seek voting instructions from Non-Registered Owners in advance of each shareholder meeting. Shares held by an Intermediary can, by law, only be voted with instructions from the Non-Registered Owner of such shares. Without specific instructions, Intermediaries are prohibited from voting such shares. **Therefore, Non-Registered Owners should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.** That person is generally the proximate Intermediary of that Non-Registered Owner.

Pursuant to NI 54-101, the Company advises as follows:

*These security-holder materials are being sent to both Registered and Non-Registered Owners of the securities. If you are a Non-Registered Owner and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.*

The notice of Meeting, this Information Circular and other security-holder materials respecting the Meeting, including a Proxy or Voting Instruction Form (a "**VIF**", and collectively, "**Meeting Materials**") are being sent directly to Registered Shareholders. As noted above under "*Appointment of Proxy Holder*", Meeting Materials sent to Registered Shareholders include a Proxy.

There are two kinds of Non-Registered Owners recognized by NI 54-101. Non-Registered Owners who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as non-objecting beneficial owners ("**NOBOs**"). Those Non-Registered Owners who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners ("**OBOs**").

### **Voting Instruction Form**

The purpose of the procedure established by NI 54-101 is to permit Non-Registered Owners to direct the voting of the shares which they beneficially own. Meeting Materials sent to Non-Registered Owners who have not waived the right to receive Meeting Materials, regardless of whether they are NOBOs or OBOs, do not include a Proxy. Instead, pursuant to NI 54-101, they include a VIF. The content of a VIF is almost identical to the content of a proxy. A VIF differs from the proxy insofar as its purpose is limited to instructing the Registered Shareholder (i.e., the Intermediary) or the Company how to vote on behalf of the Non-Registered Owner. By returning a VIF in accordance with the instructions noted on it, a NOBO is able to instruct the Company and an OBO is able to instruct its Intermediary how to vote on behalf of the Non-Registered Owner.

A Non-Registered Owner who wishes to attend the Meeting and vote in person may write their names in the place provided for that purpose on the VIF. A Non-Registered Owner can also write the name of someone else whom the Non-Registered Owner wishes to attend the Meeting and vote on behalf of the Non-Registered Owner. Unless prohibited by law, the person whose name is written in the space provided in the VIF will be appointed as proxy holder for the Non-Registered Owner pursuant to section 2.18 or section 4.5 of NI 54-101 and, as such, will have full authority to present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in the VIF or this Information Circular. A Non-Registered Owner should consult a legal advisor if the Non-Registered Owner wishes to modify the authority of the person to be appointed as proxy holder in any way.

VIFs contain specific instructions, all of which should be followed closely. VIFs, whether provided to the Non-Registered Owner by the Company or by an Intermediary, should be completed and returned in accordance with the specific voting instructions noted on the VIF.

### **Non-Registered Owners who are NOBOs**

NI 54-101 permits the Company to obtain a list of its NOBOs from Intermediaries via its transfer agent, and to send Meeting Materials to NOBOs directly or indirectly. If an issuer elects to send Meeting Materials to NOBOs indirectly, such Meeting Materials are sent to NOBOs by the Intermediaries in the same manner as Meeting Materials are sent to OBOs by the Intermediaries, described under "*Non-Registered Owners who are OBOs*" below.

The Company has elected to send Meeting Materials, including a VIF, directly to NOBOs. It may retain the services of its transfer agent or another agent to handle the mailing of Meeting Materials to NOBOs and the tabulation of votes received from NOBOs. Pursuant to NI 54-101, the Company advises as follows:

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

### **Non-Registered Owners who are OBOs**

Meeting Materials will not be sent to OBOs directly by the Company, and the Company does not intend to pay for any Intermediary to deliver Meeting Materials to OBOs. Accordingly, OBOs will not receive the Meeting Materials unless their Intermediary assumes the costs of delivery. The majority of Intermediaries now delegate responsibility for obtaining voting instructions from OBOs, and mailing Meeting Materials to OBOs, to Broadridge Financial Solutions, Inc. ("**Broadridge**"). In cases where an issuer does not elect to send Meeting Materials to NOBOs directly, the same delegation process typically applies. Broadridge prepares its own form of VIF based on the Proxy, mails that VIF and the other Meeting Materials to OBOs (and NOBOs, where applicable), and tabulates the results of all voting instructions received from the OBOs (and NOBOs, where applicable). Broadridge then delivers such voting results to the issuer or its transfer

agent, where they are added to the votes of Registered Shareholders and any votes of NOBOs which have been submitted directly to the issuer or its transfer agent.

### **Notice and Access**

NI 54-101 permits an issuer to send proxy-related materials to Registered Shareholders and Non-Registered Owners using a procedure referred to as "notice and access". The Company is not using the "notice-and-access" procedure for the Meeting.

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

The Company is authorized to issue an unlimited number of common and preferred shares, of which 64,660,100 common shares were issued and outstanding on November 22, 2021, the record date (the "**Record Date**") for the Meeting. Each Share carries the right to one vote on any poll at meetings of shareholders of the Company. The Company has no other classes of voting securities.

In respect of currently issued and outstanding shares, those persons entitled to receive notice of and to attend and vote at the Meeting in person or by Proxy will be determined by the record of Registered Shareholders of the Company at 4:00 p.m. (local Vancouver time) on the Record Date. If the Company should issue additional shares from treasury after the Record Date, the person or persons to whom those shares are issued shall not be entitled to receive notice of the Meeting, but shall, if included on the record of Registered Shareholders of before the time for the meeting, be entitled to vote at the meeting in person or by Proxy, if they have deposited the Proxy not fewer than 48 hours (Saturdays, Sundays and statutory holidays excluded) before the time for the Meeting.

The quorum required for the transaction of business at the Meeting is one person who is, or who represents by proxy, a shareholder entitled to vote at such meeting.

To the best of the knowledge and belief of the directors and senior officers of the Company, as at the Record Date, no person beneficially owned, directly or indirectly, or exercised control or direction over shares carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

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

No person who has been a director or senior officer of the Company at any time since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of an auditor, except as may be disclosed herein under the heading "Particulars of Matters to be Acted Upon".

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

For the purposes of this Information Circular, as defined in NI 51-102, "**informed person**" means:

- a) a director or executive officer of the Company;
- b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% 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 own securities, for so long as it holds any of its securities.

No informed person of the Company, nor any proposed director of the Company, nor any associate or affiliate of any informed person or proposed director, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year, or has any material interest, direct or indirect, in any proposed transaction which, in either case, has materially affected or would materially affect the Company, except as may otherwise be disclosed herein.

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

No director, proposed director, executive officer, employee or former executive officer, director or employee of the Company or any of its subsidiaries, or any associate of any director, proposed director or executive officer has been indebted to the Company or any subsidiary of the Company at any time since the beginning of the last completed financial year of the Company, other than for routine indebtedness.

### **STATEMENT OF EXECUTIVE COMPENSATION**

#### ***Summary of NEO Compensation***

Form 51-102F6V – "Statement of Executive Compensation-Venture Issuers", adopted by the CSA defines "Named Executive Officers" or "NEOs" to include:

- a) a Chief Executive Officer ("**CEO**") of the Company or an individual performing functions similar to a CEO;
- b) a Chief Financial Officer ("**CFO**") of the Company or an individual performing functions similar to a CFO;
- c) the most highly compensated executive officers of the Company, including any of its subsidiaries, (or the most highly compensated individuals acting in a similar capacity), other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and
- d) each individual who would be a NEO under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Pursuant to Form 51-102F6, the Company provides the following disclosure regarding all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director in the most recently completed year, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given, or otherwise provided to the NEO or director for services provided, directly or indirectly, to the Company or a subsidiary of the Company.

Except as set forth in this Information Circular, no compensation has been awarded to, earned by, paid to, or become payable to any director or NEO, in any capacity with respect to the Company or its subsidiaries, and, to the best of management's knowledge and belief, no compensation has been awarded to, earned by, paid to, or become payable to, a NEO or director, in any capacity with respect to the Company, by another person or company.

#### ***NEO Compensation Discussion and Analysis***

The compensation paid to NEOs directly and indirectly is designed to fairly compensate the NEOs for the time they commit to the Company's affairs. The objective of the compensation is to retain their services and to incent and reward them for those services.

The Company does not have a formally constituted Compensation Committee. Compensation decisions are made by the board of directors of the Company (the "**Board**") as a whole on recommendations from independent directors.



The Company's process for determining executive compensation is straightforward. The Company relies solely on management and the Board's discussions without any formal objectives or criteria. The Board assesses hourly, per diem or monthly cash compensation paid to the NEOs based on their judgment of prevailing market rates for similar services and based upon the proportion of the total time that each individual will dedicate to the affairs of the Company. The objectives of the NEOs are closely aligned with management and the Board's objectives in respect of the Company's current and potential business prospects. Any bonuses for NEOs will be determined according to achievement goals established by the Board. No such goals have been established to date, and no bonuses have been declared or paid.

Performance goals are subjective because the Company is a junior natural resource company. Performance goals are not based on objective, identifiable measures, such as the company's share price or earnings per share.

No new actions, decisions or policies were made after the end of the most recently completed financial year that could affect a reasonable person's understanding of an NEO's compensation for the most recently completed financial year.

The Company uses option-based awards to incent directors, officers and employees, as well as certain consultants. The Board as a whole is responsible for setting or amending any equity incentive plan under which an option-based award is granted. Previous grants of option-based awards are taken into account when considering new grants.

The Company is a venture issuer and relies on the exemption from the obligation to provide a Share Performance Graph set out in Item 2.2 of Form 51-102F6V; "Statement of Executive Compensation-Venture Issuer".

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

The following table sets forth information concerning compensation since incorporation, other than compensation disclosed under the section "*Stock Options and other compensation securities*", of each NEO followed by compensation of directors who were not also NEOs during the Company's financial year ended June 30, 2021.

<b>Table of compensation excluding compensation securities</b>						
<b>Name and position</b>	<b>Year</b>	<b>Salary or consulting fee (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of all other comp. (\$)</b>	<b>Total (\$)</b>
Carl Hansen CEO, Director	2021	50,094	Nil	Nil	Nil	50,094
Thomas Pladsen CFO, Director	2021	32,570	Nil	Nil	Nil	32,570
Brent Peters Director	2021	Nil	Nil	Nil	Nil	Nil
Robert Suttie Director	2021	Nil	Nil	Nil	Nil	Nil

#### ***Narrative Discussion***

The following discussion describes and explains significant factors necessary to understand the information disclosed in the summary compensation table.

Pursuant to an agreement dated April 1, 2021 among the Company and Carl Hansen, through his consulting firm, Mr. Hansen provides management services as the CEO to the Company for an annual fee of \$180,565 until December 31, 2022 and \$250,000 thereafter. If the Company disposes of any mineral properties for proceeds in excess of \$25 million, the Company shall also pay a bonus of 0.75% of the transaction value to Mr. Hansen. If there is a change of control of the Company during the course of the contract, the Company shall also pay a lump sum of \$500,000 change of control payment to Mr. Hansen. The payment for termination of the agreement by the Company without cause is \$250,000.

Pursuant to an agreement dated April 1, 2021 among the Company and Thomas Pladsen, through his service company Mr. Pladsen provides management services as the CFO to the Company for an annual fee of \$135,423 until December 31, 2022 and \$250,000 thereafter. If the Company disposes of any mineral properties for proceeds in excess of \$25 million, the Company shall also pay a bonus of 0.75% of the transaction value to Mr. Pladsen. If there is a change of control of the Company during the course of the contract, the Company shall also pay a lump sum of \$500,000 change of control payment to Mr. Pladsen. The payment for termination of the agreement by the Company without cause is \$250,000.

### ***Director and NEO Compensation - Stock Options and other Compensation Securities***

The following table sets out for each director and NEO all compensation securities granted or issued by the Company in the most recently completed financial year. All compensation securities granted or issued by the Company are stock options.

<b>Name and position</b>	<b>Number of stock options</b>	<b>Date of grant</b>	<b>Exercise price (\$)</b>	<b>Closing price of common shares on date of grant (\$)</b>	<b>Closing price of common shares at year end (\$)</b>	<b>Expiry date</b>
Carl Hansen CEO, Director	750,000	March 30, 2021	0.15	0.09	0.03	March 30, 2024
Thomas Pladsen CFO, Director	750,000	March 30, 2021	0.15	0.09	0.03	March 30, 2024
Brent Peters Director	250,000	March 30, 2021	0.15	0.09	0.03	March 30, 2024
Robert Suttie Director	250,000	March 30, 2021	0.15	0.09	0.03	March 30, 2024

No compensation securities were exercised by any director or NEO during the most recently completed fiscal year.

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

Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution approving the Company's stock option plan (the "**Plan**"). The Company has no other incentive plans.

The Plan is referred to as a "10% rolling stock option plan" and the Company will seek shareholder approval of the Plan at the Meeting. The Plan and the requirements for approval are more particularly described under "*Particulars of Matters to be Acted On – Stock Option Plan*".

The following table sets out equity compensation plan information required to be disclosed by Form 52-102F5 – "Information Circular" as at the end of the Company's financial year ended June 30, 2021.

<b>Plan Category</b>	<b>Number of shares to be issued upon exercise of outstanding options as at June 30, 2021</b>	<b>Weighted-average exercise price of outstanding options as at June 30, 2021</b>	<b>Number of shares remaining available for future issuance under stock option plan (excluding securities reflected in column (a))<sup>(2)</sup></b>
Equity compensation plans approved by security holders <sup>(1)</sup>	3,925,000	\$0.15	2,481,610

- (1) The Plan permits the grant of stock options exercisable to purchase that number of shares which is equal, in the aggregate, to a maximum of 10% of the number of shares of the Company outstanding at the time of grant.
- (2) If all outstanding options and all options remaining available for grant under the Plan were granted and were exercised, the shares which would be issued upon such exercise would constitute 10% of the Company's issued and outstanding shares on a non-diluted basis. The Company had 64,660,100 shares outstanding on June 30, 2021.

## **CORPORATE GOVERNANCE**

National Instrument 58-101 - "Disclosure of Corporate Governance Practices" ("**NI 58-101**") requires that, whenever management of a venture issuer solicits a proxy from a security holder for the purpose of electing directors to that issuer's board of directors, that issuer must include in its Information Circular for the meeting at which directors are proposed to be elected the disclosure in respect of its corporate governance practices required by Form 58-101F2 – "Corporate Governance Disclosure (Venture Issuers)". The Company is a venture issuer and, accordingly, provides the following prescribed disclosure, having regard to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201 – "Corporate Governance Guidelines". The Guidelines are not prescriptive, but have been considered by the Company in adopting its corporate governance practices.

### ***Board of Directors***

The Board has the overall responsibility for the strategic planning and general management of the business and affairs of the Company. The Board does not have a written mandate. In fulfilling its responsibilities, the Board is responsible for, among other things:

- a) strategic planning for the Company;
- b) identification of the principal business risks of the Company and ensuring the implementation of the appropriate systems to manage these risks;
- c) succession planning for the Company, as well as the appointment, development and monitoring of senior management;
- d) a communications policy for the Company; and,
- e) the integrity of the Company's internal control and management information system.

The Company's Board is currently comprised of four directors.

The Guidelines suggest that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under NI 58-101. Under NI 58-101, which refers in turn to National Instrument 52-110 – "Audit Committees" ("**NI 52-110**"), a director is considered independent if he or she has no direct or indirect "material relationship" with the Company (other than shareholdings) which could, in the view of the Board, reasonably interfere with the exercise of that director's independent judgment.

Of the proposed nominees, Brent Peters and Robert Suttie are "independent" within the meaning of NI 52-110.

The Board facilitates its exercise of independent supervision over management through its committee(s) having a majority of independent directors and through the requirement for approval of such matters as executive compensation by a majority of independent directors as well as a majority of the Board as a whole.

The Company has not historically had regularly scheduled meetings of independent directors at which non-independent directors are not in attendance, as approvals for corporate actions have generally been obtained by unanimous written resolutions.

### ***Directorships***

Each of the following is a director of the following reporting issuers:

- Carl Hansen: Torrent Capital Ltd., Antler Gold Inc., Atex Resources Inc., Carrie Arran Resources Inc.
- Brent Peters: Voyageur Mineral Explorers Corp.
- Thomas Pladsen: Atex Resources Inc., Carrie Arran Resources Inc., Neo Lithium Corp., Northfield Capital Corporation.
- Robert Suttie: North Peak Resources Limited.; BE Resources Inc., Atex Resources Inc..

No other current director or nominee is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a Canadian or foreign jurisdiction.

### ***Orientation and Continuing Education***

The Board ensures that each new nominee has the competencies, skills and personal qualities required to perform his duty properly, and Company management does provide informal orientation and education to new directors respecting the Company's history, properties, performance and strategic plans. However, the Board does not have any formal policies with respect to the orientation of new directors, nor does it take any measures to provide continuing education for the directors. At this stage of the Company's development, and having regard to the background and experience of its directors, the Board does not feel it necessary to have such policies or programs in place. Each director is responsible for keeping informed of Company affairs, and directors are informed not less than quarterly regarding corporate developments in the process of approving financial statements and other continuous disclosure documents.

### ***Ethical Business Conduct***

The Board has adopted a formal written Code of Business Conduct and Ethics. As well, the current limited scope of the Company's operations and the small number of officers and consultants allows the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

### ***Nomination of Directors***

The Board has not historically had a formal process in place with respect to the recruitment or appointment of new directors. Candidates have historically been recruited by existing Board members, and the recruitment process has involved both formal and informal discussions among Board members. The Board does not currently have a Nominating Committee.

### ***Compensation***

The Company does not currently have any Compensation Committee. The Board as a whole determines compensation of directors and the President on recommendations from independent directors. Directors are not currently compensated for acting as directors, save for being granted incentive stock options. The Board is satisfied that currently outstanding stock options adequately reflect the responsibilities and risks involved in being an effective director of the Company.

### ***Other Board Committees***

At the present time, the only standing committee is the Audit Committee. As the Company grows, and its operations and management structure became more complex, the Board expects it will constitute additional formal standing committees, such as a Compensation Committee, and will ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

### ***Assessments***

The Board monitors, but does not formally assess, the performance of individual Board and committee members and their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time.

### **AUDIT COMMITTEE**

As a reporting issuer in British Columbia, the Company is required to have an audit committee. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular the information required by Form 52-110F2 – "Disclosure by Venture Issuers". The required information is set out below. The Company's Audit Committee Charter is attached to this Information Circular as **Schedule A**. The following is a summary of matters relating to the Audit Committee.

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

Robert Suttie, Brent Peters and Carl Hansen are currently members of the Company's Audit Committee.

NI 52-110 provides that a member of an audit committee is independent if the member has no direct or indirect material relationship with the issuer, which could, in the view of the issuer's board of directors, reasonably interfere with the exercise of the member's independent judgment. Robert Suttie and Brent Peters are independent members of the Audit Committee of the Company for the purposes of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements. All members of the Company's Audit Committee are considered to be financially literate as that term is defined in NI 52-110.

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

Mr. Suttie is a financial executive and currently is the CFO and director and member of the audit committee of a number of Canadian reporting issuers. Mr. Peters is a financial executive and has been a CFO and director and member of the audit committees of a number of Canadian reporting issuers. Mr. Hansen, a geologist, has been the CEO and a member of the board of directors and audit committees for a number of Canadian reporting issuers.

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

The Audit Committee has not, at any time since the commencement of the Company's most recently completed financial year, made a recommendation to the Board to nominate or compensate an external auditor which was not adopted by the Board.

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

The Company has not, at any time since the commencement of the Company's most recently completed financial year, relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 51-110.

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

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Engagements for such services are considered on a case-by-case basis.

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

The following table sets forth the fees billed to the Company by its auditor, Clearhouse LLP, Chartered Accountants, for services rendered in respect of the last three financial years for which audits have been completed.

	<b>June 30, 2021</b>
Audit Fees: <sup>(1)</sup>	\$26,237
Audit Related Fees: <sup>(2)</sup>	Nil
Tax Fees: <sup>(3)</sup>	Nil
All Other Fees: <sup>(4)</sup>	Nil

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include fees for 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 fees for all other non-audit services.

### ***Reliance on Exemption in Section 6.1 of NI 52-110***

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

## **PARTICULARS OF MATTERS TO BE ACTED ON**

### **A. Appointment of Auditor**

Management recommends that shareholders vote in favour of reappointing Clearhouse LLP, Chartered Accountants, which firm has been auditor of the Company since incorporation, as the Company's auditor

to hold office until the next annual meeting of shareholders or until it resigns or is removed from office by the Company, with remuneration to be approved by the Board.

Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution, in substantially the following form, subject to such changes as may be recommended or required by counsel or securities regulatory authorities:

"Resolved, as an ordinary resolution, that Clearhouse LLP, Chartered Accountants, be appointed as the Company's auditor until the next annual meeting of shareholders following the Meeting, or until it resigns or is removed from office by the Company, with remuneration to be approved by the board of directors."

**If named as proxy holder, on any ballot, the management designees of the Company named in the Proxy intend to vote the shares represented by each Proxy in respect of which they have been named proxy holder "FOR" the appointment of Clearhouse LLP, Chartered Accountants, as auditor of the Company, unless such Proxy specifies that authority to do so is withheld.**

## **B. Election of Directors**

Each director of the Company holds office until the conclusion of the first Annual General Meeting of shareholders held after his or her appointment, election or re-election, unless that person ceases to be a director or withdraws his or her consent to stand for re-election before such meeting. Accordingly, each person elected or re-elected as a director at the Meeting will hold office until the conclusion of the next Annual General Meeting of shareholders unless that person ceases to be a director or withdraws his or her consent to stand for re-election before such meeting.

The four persons named in the table below are management's nominees for election at the Meeting. Management does not contemplate that any of the nominees will be unable to serve as a Director.

The following table sets out the names of management's nominees for election as directors, their respective Province or State and Country of residence, the periods during which incumbent directors have served as directors and their committee memberships, the positions and offices with the Company and its subsidiaries held by each nominee, if any, the present principal occupation business or employment of each nominee (including the name and principal business of any company in which such employment is carried on, and, for each nominees who has not previously been elected as a director at a meeting of shareholders of the Company, his principal occupation, business or employment during the past five years) and the number of shares beneficially owned, or controlled or directed, by each nominee as of the date of this Information Circular:

<b>Name, Province or State and Country of Residence, and Office Held</b>	<b>Principal Occupation, Business or Employment <sup>(2)</sup></b>	<b>Period as a Director of the Company</b>	<b>Number of Shares Beneficially Owned or Controlled <sup>(2)</sup></b>
Carl Hansen <sup>(1)</sup> Ontario, Canada CEO	Independent consultant	August 25, 2020 to present	3,000,100 (4.6%)
Brent Peters <sup>(1)</sup> Ontario, Canada	Independent financial consultant	January 5, 2021 to present	275,000 (0.4%)
Thomas Pladsen Ontario, Canada CFO	Independent financial consultant	August 25, 2020 to present	3,000,000 (4.6%)
Robert Suttie <sup>(1)</sup> Ontario, Canada	President, Marrelli Support Services Inc.	January 5, 2021 to present	275,000 (0.4%)

(1) Member of Audit Committee.

- (2) The information as to principal occupation, business or employment and shares beneficially owned or controlled by certain of the nominees is not within the knowledge of management, and has been furnished by the respective nominees

As at the date of this Information Circular, the nominated directors of the Company as a group own beneficially, directly or indirectly, or exercise control or direction over an aggregate of 6,550,100 shares, or approximately 10.1%% of the 64,660,100 outstanding shares.

### ***Arrangements and Understandings***

Form 51-102F5 – "Information Circular" under NI 51-102 requires disclosure of any arrangement or understanding between any nominee and any other person or company, except the directors and executive officers of the Company acting solely in such capacity. The Company currently does not have knowledge of any such arrangement or understanding.

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

Form 51-102F5 also requires disclosure of certain background information on nominees. The Company has confirmed with the nominees that no proposed director:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, CEO or CFO of any company (including the Company) that:
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or
- (b) is, as at the date of the information circular, or has been within 10 years before the date of the information circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

except as follows:

- (a) Mr. Suttie served, from March 10, 2011 to October 17, 2013, as the CFO of Strike Minerals Inc. ("**Strike**"), a reporting issuer in the Provinces of British Columbia, Alberta and Ontario. Strike was subject to a management cease trade order issued by the Ontario Securities Commission ("**OSC**") on September 19, 2013 for failure to file its annual financial statements and accompanying management's discussion and analysis for the financial year ended April 30, 2013 within the prescribed time period under applicable securities laws. A full cease trade order was subsequently issued by the applicable securities regulators on February 12, 2014 restricting all trading in the securities of Strike until Strike becomes current with its filings. The cease trade order issued against Strike remains in effect as of the date hereof.
- (b) Mr. Suttie served as the CFO of Engine Media Holdings Inc. ("**Engine**"), a reporting issuer in the Provinces of Alberta and Ontario. Engine was subject to a cease trade order issued by the OSC on January 7, 2019 for failure to file its annual financial statements and accompanying management's discussion and analysis for the financial year ended August 31, 2018, within the prescribed time period under applicable securities laws. A delay in closing a financing delayed the commencement of Engine's annual audit. On April 8, 2019, Engine filed its audited consolidated financial



statements, and the cease trade order was revoked. On January 7, 2020 Engine was subject to a cease trade order issued by the OSC for failure to file its annual financial statements and accompanying management's discussion and analysis for the financial year ended August 31, 2019, within the prescribed period under applicable securities laws. A delay in financing delayed the commencement of certain independent valuations required for Engine's annual audit. On February 17, 2020, Engine filed its audited annual consolidated financial statements, and the cease trade order was revoked. Effective May 11, 2020, Mr. Suttie is no longer associated with this issuer.

### ***Recommendations***

The Board recommends that the shareholders vote "FOR" the election of management's nominees as directors.

**If named as proxy holder, on any ballot, the management designees of the Company named in the Proxy intend to vote the shares represented by each Proxy in respect of which they have been named proxy holder "FOR" the election of each of management's nominees as a director of the Company unless such Proxy specifies that authority to do so is withheld.**

**Management does not contemplate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any of the nominees is unable or declines to stand for election re-election, the management designees of the Company named in the Proxy will vote for another nominee of management, if presented at the Meeting, or to reduce the number of directors accordingly, in their discretion.**

### **C. Stock Option Plan**

The Board has proposed the Plan, which provides for the granting of options to directors, officers, employees and consultants of the Company and subsidiaries of the Company. Stock options are a significant long-term incentive and are viewed as an important aspect of compensation.

The Plan is referred to as a "10% rolling stock option plan", and was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the directors of the Company. The Plan provides that options will be issued pursuant to option agreements to directors, officers, employees and consultants of the Company and subsidiaries of the Company. Options do not vest until such agreement has been executed and delivered to the Company by the grantee. All options expire on a date determined by the Board, but in any event not later than five years after the granting of such options.

The Plan authorizes the Board to grant stock options to eligible persons on the following essential terms:

- a) The aggregate number of shares which may be issued pursuant to options granted under the Plan, unless otherwise approved by shareholders, may not exceed that number which is equal to 10% of the shares of the Company issued and outstanding on the relevant grant date.
- b) The number of shares subject to each option will be determined by the Board, provided that the aggregate number of shares reserved for issuance pursuant to option(s) granted to: (i) any one individual during any 12-month period may not exceed 5% of the issued shares of the Company, unless the additional options are approved by majority of the votes cast by "disinterested shareholders" at a general meeting; (ii) any one Consultant during any 12-month period may not exceed 2% of the issued shares of the Company; (iii) any one Person employed to provide Investor Relations Activities during any 12-month period may not exceed 2% of the issued shares of the Company. In each case, percentages noted in this subsection b) are calculated as at the date of grant of the option, including all other shares under option to such Person at that time.
- c) The exercise price of an option may not be set at a price less than the closing market price of the Company's shares on the trading day immediately preceding the date of grant of the option less a maximum discount of 25%.

- d) Options may be exercisable for a period of up to five years and, in the case of Consultants who are engaged in Investor Relations Activities will vest as to 25% on each of the date of grant and three, six, and nine months after the date of grant.
- e) The options are non-assignable, except in certain circumstances.
- f) The options can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Plan or within a reasonable period (set by the directors in each case) after ceasing to be an eligible optionee or, if the optionee dies, within one year from the date of the optionee's death.
- g) On the occurrence of a takeover bid, issuer bid or going private transaction, the Board will have the right to accelerate the date on which any option becomes exercisable.

At the Meeting, the shareholders will be asked to approve the Plan by ordinary resolution. Specifically, shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution in substantially the following form, subject to such changes as may be recommended by legal counsel or required by Regulatory Authorities:

"Resolved as an ordinary resolution that the Company's Stock Option Plan be and the same is hereby approved and ratified, subject to such changes as may be recommended by legal counsel or required by the TSX Venture Exchange or any other Regulatory Authority, to be effective until the close of the Company's next annual general meeting; and the directors of the Company be authorized to amend such provisions of the Plan as may from time to time be necessary for the Plan to comply with the Policies of the TSX Venture Exchange."

A copy of the Plan is attached as Schedule B to this Information Circular.

The Board recommends that the shareholders vote "FOR" approval and ratification of the Plan.

**If named as proxy holder, on any ballot, the management designees of the Company named in the Proxy intend to vote the shares represented by each Proxy in respect of which they have been named proxy holder "FOR" approval and ratification of the Plan unless such Proxy specifies that the proxy holder is to vote "AGAINST" approval and ratification of the Plan.**

#### **D. Other Business**

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the proxy holders.

#### **RESTRICTED SECURITIES**

No action is proposed to be taken at the Meeting which involves a transaction that would have the effect of converting or subdividing, in whole or in part, existing securities into restricted securities, or creating new restricted securities.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available for review on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative financial statements and Management's Discussion and Analysis for its most recently completed financial year.

Shareholders wishing to request copies of the Company's financial statements and Management's Discussion and Analysis may contact the Company at:

Cascada Silver Corp.  
25 Adelaide Street East, Suite 1900  
Toronto, Ontario, M5C 3A1

**OTHER**

This Information Circular contains information as at November 22, 2021, except where another date is specified. The contents of this Information Circular have been approved and its mailing authorized by the Board by resolution passed on November 22, 2021.

DATED at Toronto, Ontario as of November 22, 2021.

**SCHEDULE A****CASCADA SILVER CORP.****AUDIT COMMITTEE CHARTER**

*This charter (the "Charter") sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Cascada Silver Corp. (the "Company").*

**1.0 Purpose**

*The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:*

- financial reporting and disclosure requirements;*
- ensuring that an effective risk management and financial control framework has been implemented and tested by management of the Company; and*
- external and internal audit processes.*

**2.0 Composition and Membership**

*(a) The Board will appoint the members ("Members") of the Committee. The Members will be appointed to hold office until the next annual general meeting of shareholders of the Company or until their successors are appointed. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will automatically cease to be a Member upon ceasing to be a Director.*

*(b) The Committee will consist of at least three Directors. Members will meet the criteria for independence and financial literacy established by applicable laws and the rules of any stock exchanges upon which the Company's securities are listed, including National Instrument 52-110 — Audit Committees. In addition, each Director will be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of a Member's independent judgment.*

*(c) The Board will appoint one of the Members to act as the chairman of the Committee (the "Chairman"). The secretary of the Company (the "Secretary") will be the secretary of all meetings and will maintain minutes of all meetings and deliberations of the Committee. If the Secretary is not in attendance at any meeting, the Committee will appoint another person who may, but need not, be a Member to act as the secretary of that meeting.*

**3.0 Meetings**

*(a) Meetings of the Committee will be held at such times and places as the Chairman may determine, but in any event not less than four times per year. Twenty-four hours advance notice of each meeting will be given to each Member orally, by telephone, or email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings either in person or by telephone.*

*(b) At the request of the external auditors of the Company, the Chief Executive Officer or the Chief Financial Officer of the Company or any Member, the Chairman will convene a meeting of the Committee. Any such request will set out in reasonable detail the business proposed to be conducted at the meeting so requested.*

*(c) The Chairman, if present, will act as the chairman of meetings of the Committee. If the Chairman is not present at a meeting of the Committee the Members in attendance may select one of their number to act as chairman of the meeting.*

*(d) A majority of Members will constitute a quorum for a meeting of the Committee. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chairman*

*will not have a deciding or casting vote in the case of an equality of votes. Powers of the Committee may also be exercised by written resolutions signed by all Members.*

*(e) The Committee may invite from time to time such persons as it sees fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Committee. The Committee may meet in camera without members of management in attendance for a portion of each meeting of the Committee.*

*(f) In advance of every regular meeting of the Committee, the Chairman, with the assistance of the Secretary, will prepare and distribute to the Members and others as deemed appropriate by the Chairman, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of the Company to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.*

#### *4.0 Duties and Responsibilities*

*The duties and responsibilities of the Committee as they relate to the following matters, are as follows:*

##### *4.1 Financial Reporting and Disclosure*

*(a) review and recommend to the Board for approval, the audited annual financial statements, including the auditors' report thereon, the quarterly financial statements, management discussion and analysis and financial reports prior to the public disclosure of such information, with such documents to indicate whether such information has been reviewed by the Board or the Committee;*

*(b) review and recommend to the Board for approval, where appropriate, financial information contained in any prospectuses, annual information forms, annual report to shareholders, management proxy circular, material change disclosures of a financial nature and similar disclosure documents prior to the public disclosure of such information;*

*(c) review with management of the Company, and with external auditors, significant accounting principles and disclosure issues and alternative treatments under International Financial Reporting Standards ("IFRS"), with a view to gaining reasonable assurance that financial statements are accurate, complete and present fairly the Company's financial position and the results of its operations in accordance with IFRS, as applicable; and*

*(d) seek to ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, periodically assess the adequacy of those procedures and recommend any proposed changes to the Board for consideration.*

##### *4.2 Internal Controls and Audit*

*(a) review the adequacy and effectiveness of the Company's system of internal control and management information systems through discussions with management and the external auditor to ensure that the Company maintains: (i) the necessary books, records and accounts in sufficient detail to accurately and fairly reflect the Company's transactions; (ii) effective internal control systems; and (iii) adequate processes for assessing the risk of material misstatement of the financial statement and for detecting control weaknesses or fraud. From time to time the Committee may assess whether it is necessary or desirable to establish a formal internal audit department having regard to the size and stage of development of the Company at any particular time;*

*(b) satisfy itself that management has established adequate procedures for the review of the Company's disclosure of financial information extracted or derived directly from the Company's financial statements;*

*(c) satisfy itself, through discussions with management, that the adequacy of internal controls, systems and procedures has been periodically assessed in order to ensure compliance with regulatory requirements and recommendations;*

*(d) review and discuss the Company's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities; and*

*(e) review, and in the Committee's discretion make recommendations to the Board regarding, the adequacy of the Company's risk management policies and procedures with regard to identification of the Company's principal risks and implementation of appropriate systems to manage such risks including an assessment of the adequacy of insurance coverage maintained by the Company.*

#### *4.3 External Audit*

*(a) recommend to the Board a firm of external auditors to be nominated for appointment as the external auditor of the Company;*

*(b) ensure the external auditors report directly to the Committee on a regular basis;*

*(c) review the independence of the external auditors, including a written report from the external auditors respecting their independence and consideration of applicable auditor independence standards;*

*(d) review and recommend to the Board the fee, scope and timing of the audit and other related services rendered by the external auditors;*

*(e) review the audit plan of the external auditors prior to the commencement of the audit;*

*(f) establish and maintain a direct line of communication with the Company's external and internal auditors;*

*(g) meet in camera with only the auditors, with only management, and with only the members of the Committee at every Committee meeting where, and to the extent that, such parties are present;*

*(h) oversee the performance of the external auditors who are accountable to the Committee and the Board as representatives of the shareholders, including the lead partner of the independent auditor's team;*

*(i) oversee the work of the external auditors appointed by the shareholders of the Company with respect to preparing and issuing an audit report or performing other audit, review or attest services for the Company, including the resolution of issues between management of the Company and the external auditors regarding financial disclosure;*

*(j) review the results of the external audit and the report thereon including, without limitation, a discussion with the external auditors as to the quality of accounting principles used, any alternative treatments of financial information that have been discussed with management of the Company, the ramifications of their use as well as any other material changes. Review a report describing all material written communication between management and the auditors such as management letters and schedule of unadjusted differences;*

*(k) discuss with the external auditors their perception of the Company's financial and accounting personnel, records and systems, the cooperation which the external auditors received during their course of their review and availability of records, data and other requested information and any recommendations with respect thereto;*

*(l) discuss with the external auditors their perception of the Company's identification and management of risks, including the adequacy or effectiveness of policies and procedures implemented to mitigate such risks;*

*(m) review the reasons for any proposed change in the external auditors which is not initiated by the Committee or Board and any other significant issues related to the change, including the response of the incumbent auditors, and enquire as to the qualifications of the proposed auditors before making its recommendations to the Board; and*

*(n) review annually a report from the external auditors in respect of their internal quality control procedures, any material issues raised by the most recent internal quality-control review, or peer review of the external auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issues.*

#### *4.4 Associated Responsibilities*

*(a) monitor and periodically review the Company's procedures for: (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; (ii) the confidential, anonymous submission by Directors, officers and employees of the Company of concerns regarding questionable accounting or auditing matters; (iii) any violations of any applicable law, rule or regulation that relates to corporate reporting and disclosure, or violations of the Company's Code of Business Conduct & Ethics; and*

*(b) review and approve the Company's hiring policies regarding employees and partners, and former employees and partners, of the present and former external auditors of the Company.*

#### *4.5 Non-Audit Services*

*(a) pre-approve all non-audit services to be provided to the Company or any subsidiary entities by its external auditors or by the external auditors of such subsidiary entities. The Committee may delegate to one or more of its members the authority to pre-approve nonaudit services but pre-approval by such member or members so delegated shall be presented to the full Committee at its first scheduled meeting following such pre-approval.*

#### *5.0 Oversight Function*

*While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or comply with IFRS and other applicable requirements. These are the responsibilities of Management and the external auditors. The Committee, the Chairman and any Members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.*

#### *6.0 Reporting*

*The Chairman will report to the Board at each Board meeting on the Committee's activities since the last Board meeting. The Committee will annually review and approve the Committee's report for inclusion in the Annual Information Form. The Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.*

#### *7.0 Access to Information and Authority*

*The Committee will be granted unrestricted access to all information regarding the Company that is necessary or desirable to fulfill its duties and all Directors, officers and employees will be directed to cooperate as requested by Members. The Committee has the authority to retain, at the Company's*

*expense, independent legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve any such firm's fees and other retention terms without prior approval of the Board. The Committee also has the authority to communicate directly with internal and external auditors.*

*8.0 Review of Charter*

*The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.*

*Dated: January 6, 2021*

*Approved by: Audit Committee  
Board of Directors*



## **SCHEDULE B**

### **2021 STOCK OPTION PLAN**

#### **1. PURPOSE**

*The purpose of this 2021 Stock Option Plan (the “2021 Plan”) is to provide Cascada Silver Corp. (“CSC”) and its Subsidiaries, present and future with the means to encourage, attract, retain and motivate certain Eligible Participants by granting such Eligible Participants stock options to purchase common shares (“Common Shares”) in CSC’s capital thus giving them an on-going proprietary interest in CSC.*

#### **2. DEFINITIONS**

*Unless otherwise defined herein, the following terms have the following meanings:*

*“NI 45-106” – means National Instrument 45-106 – Prospectus and Registration Exemptions.*

*“Affiliate” has the meaning given to issues affiliated with another issuer in the British Columbia Securities Act.*

*“Black-out Period” means any period established under a disclosure, insider trading or similar policy of CSC during which Officers, Directors and Employees may not exercise options.*

*“Board” means the Board of Directors of CSC, and, where applicable, includes a committee of the Board of Directors authorized to administer this 2021 Plan pursuant to section 3(a).*

*“Consultant” has the meaning given such term in NI 45-106, and if such term is undefined in such policy then it shall mean an individual (other than an Employee or a Director of CSC) or company that:*

*(a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to CSC or to an Affiliate of CSC, other than services provided in relation to a distribution of securities;*

*(b) provides the services under a written contract between CSC or an Affiliate and the individual or the company, as the case may be;*

*(c) in the reasonable opinion of CSC, spends or will spend a significant amount of time and attention on the affairs and business of CSC or an Affiliate of CSC; and*

*(d) has a relationship with CSC or an Affiliate of CSC that enables the individual to be knowledgeable about the business and affairs of CSC.*

*“CSE” means the Canadian Securities Exchange.*

*“Director” has the meaning given such term in NI 45-106 and at the date of this 2021 Plan means a director, Officer or Management Company Employee of CSC, or a director, Officer or Management Company Employee of any of the Subsidiaries of CSC.*

*“Eligible Participant” means a Director, Employee or Consultant of CSC.*

*“Employee” has the meaning given such term in NI 45-106, and if such term is undefined in such policy then it shall mean:*

*(a) an individual who is considered an employee of CSC or a Subsidiary under the Income Tax Act (Canada) (and for whom income tax, employment insurance and CPP deductions must be made at source);*

*(b) an individual who works full-time for CSC or a Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by CSC or a Subsidiary over the details and methods of work as an employee of CSC or a Subsidiary, but for whom income tax deductions are not made at source; or*

*(c) an individual who works for CSC or a Subsidiary on a continuing and regular basis for a minimum amount of 10 hours per week providing services normally provided by an employee and who is subject to the same control and direction by CSC or a Subsidiary over the details and methods of work as an employee of CSC or a Subsidiary, but for whom income tax deductions are not made at source.*

*“Exchange Rules” means the Policies of the CSE.*

*“Insider” means an insider as defined in the British Columbia Securities Act and NI 45-106.*

*“Investor Relations Activities” has the meaning given such term in NI 45-106 but if undefined in such policy then such term shall mean any activities, by or on behalf of CSC or a shareholder of CSC, that promote or reasonably could be expected to promote the purchase or sale of securities of CSC, but does not include:*

*(a) the dissemination of information provided, or records prepared, in the ordinary course of business of CSC:*

*(i) to promote the sale of products or services of CSC, or*

*(ii) to raise public awareness of CSC, that cannot reasonably be considered to promote the purchase or sale of securities of CSC;*

*(b) activities or communications necessary to comply with the requirements of:*

*(i) applicable securities laws;*

*(ii) Exchange Rules or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over CSC;*

*(c) 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:*

*(i) the communication is only through the newspaper, magazine or publication, and*

*(ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or*

*(d) activities or communications that may be otherwise specified by the CSE, and for this purpose Persons retained to perform Investor Relations Activities shall include any Consultant that performs Investor Relations Activities and any Employee or Director whose role and duties primarily consist of Investor Relations Activities.*

*“Issued Common Shares” means that number of Common Shares issued and outstanding, on a non-diluted basis, at any point in time as confirmed by the transfer agent and registrar for the Common Shares.*

*“Management Company Employee” has the meaning given such term in NI 45-106 and if such term is undefined in such policy then it shall mean an individual employed by a Person providing management services to CSC, which are required for the ongoing successful operation of the business enterprise of CSC, but excluding a Person engaged in Investor Relations Activities.*

*“Market Price” means the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options.*

*“Officer” has the meaning given such term in the British Columbia Securities Act.*

*“Person” means a company or an individual.*

*“Subsidiary” has the meaning given to such term in NI 45-106.*

### 3. ADMINISTRATION

*(a) This 2021 Plan shall be administered by the Board, or any committee of the Board (a “Committee”) appointed by the Board to administer this 2021 Plan.*

*Without limiting the generality of the foregoing, where a Committee has been appointed by the Board to administer this 2021 Plan pursuant to a general resolution passed by the Board, such Committee has authority to:*

*(i) grant to Eligible Participants up to the number of options specified by the Board in the resolution appointing the Committee or in any other subsequent resolution(s) of the Board, the whole on the terms set out in such resolution(s);*

*(ii) exercise rights reserved to CSC under this 2021 Plan;*

*(iii) determine vesting terms and conditions for options granted under this 2021 Plan in accordance with the terms and conditions of this 2021 Plan; and*

*(iv) make all other determinations and take all other actions as it considers necessary or advisable for implementation and administration of this 2021 Plan.*

*(b) The interpretation, construction and application of this 2021 Plan shall be made by the Board and shall be final and binding on all holders of options granted under this 2021 Plan and all persons eligible to participate under the provisions of this 2021 Plan.*

*(c) No member of the Board or Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this 2021 Plan or any options granted under it.*

### 4. COMMON SHARES SUBJECT TO THE 2021 Plan

*(a) Subject to subsection 4(b), the maximum number of Common Shares which may be issued under options granted under this 2021 Plan, from time to time, shall be equal to 10% of the Issued Common Shares.*

*(b) The following limitations apply to grants of options under this 2021 Plan:*

*(i) the aggregate number of options granted to any one Person (and companies owned or controlled by that Person) in a twelve month period must not exceed 5% of the Issued Common Shares, calculated on the date an option is granted to the Person (unless CSC has obtained the requisite Disinterested Shareholder Approval);*

*(ii) the aggregate number of options granted to any one Consultant in a twelve month period must not exceed 2% of the Issued Common Shares, calculated at the date an option is granted to the Consultant;*

*(iii) the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the Issued Common Shares in any twelve month period, calculated at the date an*

*option is granted to any such Person;*

*(iv) the number of Common Shares which may be issued under this 2021 Plan together with the Common Shares reserved for issuance under all other stock option plans of CSC shall not exceed 10% of the Issued Common Shares.*

*(c) Common Shares in respect of which an option is granted under this 2021 Plan but not exercised prior to the termination of such option, due to the expiration, termination or lapse of such option or otherwise, shall be available for options to be granted thereafter pursuant to the provisions of this 2021 Plan. All Common Shares issued pursuant to the exercise of the options granted under this 2021 Plan shall be so issued as fully paid and non-assessable Common Shares.*

*(d) This 2021 Plan is an "evergreen" plan and, accordingly, any exercise of options will, subject to the overall limit provided for at subsection 4(a) above, make new grants available hereunder effectively resulting in a reloading of the number of options available to grant hereunder. In addition, options that have been cancelled, terminated or not exercised, may continue to be issuable under this 2021 Plan as new grants of options made in compliance with this 2021 Plan.*

*(e) The Board (which for these purposes does not include a reference to a Committee) shall allot, set aside and reserve for issuance for the purpose of this 2021 Plan a sufficient number of Common Shares at each meeting of the Board such that the number of Common Shares issuable under section 4 shall be properly allotted, set aside and reserved for issuance.*

## 5. ELIGIBILITY AND GRANT OF OPTIONS

*(a) Options shall be granted only to Eligible Participants or to a registered retirement savings plan established and controlled by an Eligible Participant and provided that in each case, the Eligible Participant is an Eligible Participant at the time of the grant.*

*(b) Subject to the foregoing, the Board shall have full and final authority to determine the Eligible Participants who are to be allocated and granted options under this 2021 Plan and the number of Common Shares subject to each option grant.*

*Subject to section 14, stock options granted under this 2021 Plan shall be for the purchase of Common Shares only, and for no other security.*

*(c) Unless limited by the terms of this 2021 Plan or any regulatory or stock exchange requirement, the Board shall have full and final authority to determine the terms and conditions attached to any grant of options under this 2021 Plan.*

*(d) CSC may only grant options pursuant to resolutions of the Board.*

*(e) CSC may not grant any options while there is an undisclosed material change or undisclosed material fact relating to CSC.*

*(f) In determining options to be granted to Eligible Participants, the Board shall give due consideration to the value of each such Eligible Participant's present and potential contribution to the success of CSC.*

*(g) Any option granted under this 2021 Plan shall be subject to the requirement that, if at any time CSC shall determine that the listing, registration or qualification of the Common Shares subject to such option, or such option itself, upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any stock exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant or exercise of such option or the issuance or purchase of Common Shares thereunder, such option may not be granted, accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board (which for these purposes does not include a reference to a Committee).*

*For certainty, it is expressly stated that CSC may only grant options, and issue Common Shares on exercise thereof, to Eligible Participants resident in jurisdictions in Canada where NI 45-106 has been complied with. However, nothing herein shall be deemed or construed to require CSC to apply for or to obtain such listing, registration, qualification, consent or approval.*

*(h) For options granted to Employees, Consultants or Management Company Employees, CSC and the Eligible Participant are responsible for ensuring and confirming that the Eligible Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.*

*(i) The Board shall complete and file, in accordance with applicable law, or shall cause to be completed and filed, all notices, reports, filings or other documentation required by applicable law, regulatory requirement or stock exchange rule, in connection with a grant of options or an issuance or purchase of Common Shares thereunder.*

## **6. PRICE**

*(a) The option exercise price per Common Share that is subject of any option shall be fixed by the Board when such option is granted.*

*(b) The option exercise price per Common Shares shall not be less than the Market Price.*

*(c) The Board shall not set the exercise price of any option on the basis of a Market Price which does not reflect material information of which the Directors and Officers of CSC are aware but which has not been generally disclosed to the public.*

*(d) The option price per share will be expressed in Canadian dollars.*

## **7. PERIOD OF OPTION AND RIGHTS TO EXERCISE**

*(a) Subject to the provisions of this section 7 and sections 8 and 9 below, options will be exercisable in whole or in part, and from time to time, at any time following the date of grant and prior to the expiry of their term, but provided that if an option expires during a Black-out Period (including expiry of an option under subsections 8(a) and 8(b) below but not including expiry of an option if the Eligible Participant shall cease to be an Eligible Participant for cause), then the option shall remain exercisable until the period ending up to 10 trading days after the end of such Black-out Period, notwithstanding the expiry of its term, except that in no event may such exercise occur more than ten years after the initial grant date of the option.*

*(b) Options shall not be granted for a term exceeding five years (but subject to extension in the case of Black-out Period as described in subsection 7(a) above).*

*(c) Subject to the Board's sole discretion in modifying the vesting of options, from time to time, options granted shall vest, and become exercisable, upon and subject to such terms, conditions and limitations as contained herein and otherwise as the Board may from time to time determine with respect to each option except that options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than twelve months and no more than 25% of such options can vest in any three month period.*

*(d) The Common Shares to be purchased upon each exercise of an option shall be paid for in full in cash by the Eligible Participant at the time of exercise.*

*(e) Except as provided in paragraph 8 and 9 below, no option which is held by an Eligible Participant may be exercised unless the Eligible Participant is then an Eligible Participant, and in the case of an Employee, the Employee has been continually employed by CSC since the date of the grant of the option, but provided that an authorized absence of leave shall not be considered an interruption of employment for purposes of this 2021 Plan.*

## 8. CESSATION OF PROVISION OF SERVICES

*(a) Death of an Eligible Participant. In the event of the death of an Eligible Participant during the term of the Eligible Participant's option, the option theretofore granted to the Eligible Participant shall be exercisable within, but only within, the period of one year next succeeding the Eligible Participant's death, and in no event after the expiry date of the option. Before expiry of an option under this paragraph 8(a), the Board shall notify the Eligible Participant's representative in writing of such expiry no less than twenty days prior to its expiry.*

*(b) Termination of Employment or Office. Subject to the discretion of the Board to determine otherwise (which for these purposes does not include a reference to a Committee) or as otherwise agreed in any contract with any Eligible Participant which has been approved by the Board, and this section 8, if any Eligible Participant shall cease to be an Eligible Participant of, or to, CSC, for any reason, other than for cause or death, he or she may exercise any option issued under this 2021 Plan that is then exercisable, but only within the period that is 30 days from the date that he or she ceases to be an Eligible Participant. Before expiry of an option under this paragraph 8(b), the Board shall notify the former Eligible Participant in writing of such expiry no less than five days prior to its expiry. In the event that an Eligible Participant ceases to be an Eligible Participant because of termination for cause or material violation of any agreement, the options of the Eligible Participant not exercised at such time shall immediately be cancelled on the date of such termination and be of no further force or effect whatsoever notwithstanding anything to the contrary in this 2021 Plan*

*(c) Other. If any Eligible Participant shall cease to be an Eligible Participant for any reason other than provided for in this section 8, the options of the Eligible Participant not exercised at such time shall immediately be cancelled and be of no further force or effect whatsoever, unless otherwise determined by the Board.*

## 9. EXTENSION OF OPTION

*In addition to the provisions of section 8, the Board (which for these purposes does not include a reference to a Committee) may extend the period of time within which an option held by a deceased Eligible Participant may be exercised or within which an option may be exercised by an Eligible Participant who has ceased to be an Eligible Participant but such an extension shall not be granted beyond the original expiry date of the option. Any extensions of options granted under this 2021 Plan are subject to any applicable regulatory or stock exchange approvals required at such time.*

## 10. NON-TRANSFERABILITY OF OPTION

*Subject to applicable law, no option granted under this 2021 Plan shall be assignable or transferable otherwise than:*

*(a) by will or by the laws of descent and distribution, and such option shall be exercisable, during an Eligible Participant's lifetime, only by the Eligible Participant (subject to subsection 8(a)); or*

*(b) to an Eligible Participant's registered retirement savings plan ("RRSP") or registered retirement income fund ("RRIF"), provided that the Eligible Participant is, during the Eligible Participant's lifetime, the sole beneficiary of the RRSP or RRIF.*

## 11. AMENDMENT AND TERMINATION OF THE 2021 Plan

*(a) Subject to subsection 11(b), the Board (which for these purposes does not include a reference to a Committee) may at any time, and from time to time, and without shareholder approval, amend any provision or terminate this 2021 Plan, that is an amendment to fix typographical errors or amendments to clarify the existing provisions of this 2021 Plan that do not substantively alter the scope, nature and intent of the provisions. Any other amendment shall require the approval of the CSE except as provided in subsection 11(c).*

*(b) Notwithstanding subsection 11(a) and any CSE approval to an amendment, the Board (nor the Committee) shall not be permitted to amend:*

*(i) subsection 4(a) in order to change the percentage of Common Shares issuable under this 2021 Plan;*

*(ii) the limitations in subsection 4(b);*

*(iii) section 6 in any manner;*

*(iv) the method for determining the exercise price of options;*

*(v) the definition of "Eligible Participant" or the persons eligible to participate in this 2021 Plan;*

*(vi) the exercise price of any option issued under this 2021 Plan to an Insider where such amendment reduces the exercise price of such option; or*

*(vii) the expiry and termination provisions herein; in each case without first having obtained the approval of a majority of the holders of Common Shares voting at a duly called and held meeting of holders of Common Shares (excluding votes held by any Insider benefiting from the proposed amendment) ("Disinterested Shareholder Approval").*

*(c) CSC may amend the terms of a stock option without the acceptance of the CSE in the following circumstances, but provided CSC issues a news release outlining the terms of the amendment:*

*(i) to reduce the number of Common Shares under option;*

*(ii) to increase the exercise price of an option; or*

*(iii) to cancel an option.*

*(d) Any amendment or termination shall not alter the terms or conditions of any option or impair any right of any optionholder pursuant to any option granted prior to such amendment or termination.*

*(e) Notwithstanding the foregoing, this 2021 Plan will automatically terminate when, and if, any of the authorizations required to authorize this 2021 Plan shall cease.*

## **12. EVIDENCE OF OPTIONS**

*Following the grant of an option in accordance with this 2021 Plan, CSC shall forward to such Eligible Participant, a Notice of Grant (the "Notice") substantially in the form established by CSC from time to time as may be applicable, which Notice shall evidence the grant of the option under this 2021 Plan. CSC shall also forward to the Eligible Participant, in addition to the Notice, a copy of this 2021 Plan (on the first grant of an option) and any other documentation that may be required by applicable law, stock exchange or regulatory requirements.*

## **13. EXERCISE OF OPTION**

*(a) An option may be exercised from time to time by delivering to CSC at its head or registered office, a written notice of exercise specifying the number of Common Shares with respect to which the option is being exercised and accompanied by payment for the full amount of the purchase price of the Common Shares then being purchased.*

*(b) Upon receipt of a certificate of an authorized Officer directing the issue of Common Shares purchased under this 2021 Plan, the transfer agent of CSC is authorized and directed to issue and countersign share*

certificates for the purchased Common Shares in the name of the Eligible Participant or the Eligible Participant's legal personal representative or as may otherwise be directed in writing by the Eligible Participant, including into a book-entry system, if requested.

(c) Notwithstanding paragraph 5(g), CSC shall not, upon the exercise of any option, be required to register, issue or deliver any Common Shares prior to (a) the listing of such Common Shares on any stock exchange on which the Common Shares may then be listed, and (b) the completion of such registration or other qualification of such Common Shares under any law, rules or regulation as CSC shall determine to be necessary or advisable (including, without limitation, NI 45-106). If any Common Shares cannot be registered, issued or delivered to any Eligible Participant for whatever reason, the obligation of CSC to issue such Common Shares shall terminate and any option exercise price paid to CSC shall be returned to the Eligible Participant without deduction or interest.

(d) If CSC or a Subsidiary or Affiliate is required under the Income Tax Act (Canada) or any other applicable law to make source deductions in respect of any stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable benefit associated with the issuance of Common Shares on exercise of options, then the Eligible Participant shall:

(i) pay to CSC or the Subsidiary or Affiliate, in addition to the exercise price for the options, sufficient cash as is reasonably determined by CSC to be the amount necessary to permit the required tax remittance; or

(ii) permit CSC or the Subsidiary or Affiliate to sell or cause to be sold by a broker or agent engaged by CSC, on behalf of the Eligible Participant, such number of Common Shares issuable to the Eligible Participant on the exercise of such options as is sufficient to fund CSC's or the Subsidiary or Affiliate's obligations to make source deductions; or

(iii) make other arrangements acceptable to CSC to fund the required tax remittance.

(e) The sale of Common Shares by CSC, or by a broker or agent engaged by the CSC or a Subsidiary or Affiliate in accordance with subsection 13(d)(ii), will be made on the exchange on which the Common Shares are then listed for trading.

The Eligible Participant consents to such sale and grants to CSC an irrevocable power of attorney to effect the sale of such Common Shares on his or her behalf and acknowledges and agrees that:

(i) the number of Common Shares sold shall, at a minimum, be sufficient to fund CSC or the Subsidiary or Affiliate's obligations to make source deductions, net of any selling costs, which costs are the responsibility of the Eligible Participant and which the Eligible Participant hereby authorizes to be deducted from the proceeds of such sale;

(ii) in effecting the sale of any such Common Shares, CSC or the Subsidiary or Affiliate or the broker or agent will exercise its sole judgement as to the timing and the manner of sale and will not be obligated to seek or obtain any minimum price;

(iii) neither CSC nor the Subsidiary or Affiliate, nor the broker or agent will be liable for any loss arising out of any sale of such Common Shares, including any loss relating to the pricing, manner of timing of such sales or any delay in transferring any Common Shares to an Eligible Participant or otherwise; and

(iv) the sale price of Common Shares will fluctuate with the market price of the Common Shares and no assurance can be given that any particular price will be received upon any sale.

(f) It is the responsibility of the Eligible Participant to ensure that they adhere to tax legislation in their jurisdiction regarding the reporting of benefits derived from the exercise of options.

(g) In the event any taxation authority should reassess CSC or a Subsidiary or Affiliate for failure to have withheld income tax, or other similar payments from the Eligible Participant, pursuant to the provisions



herein, the Eligible Participant shall reimburse and save harmless CSC, the Subsidiary or Affiliate for the entire amount assessed, including penalties, interest and other charges.

#### 14. ADJUSTMENTS IN SHARES SUBJECT TO THE 2021 Plan

For the purposes of Section 14, any reference to the Board does not include a reference to a Committee.

(a) *Adjustment.* Subject to this section 14, the aggregate number and kind of shares or other securities available or issuable under this 2021 Plan shall be appropriately and equitably adjusted in the event of an arrangement, reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares or other securities of CSC. The options granted under this 2021 Plan may contain such provisions as the Board may determine with respect to adjustments to be made in the number and kind of shares covered by such options and in the option price in the event of any such change.

(b) *Effect of Take-Over Bid.* If a bona fide offer (the "Offer") for Common Shares is made to an Eligible Participant or to shareholders generally or to a class of shareholders which includes an Eligible Participant, which Offer, if accepted in whole or in part, would result in the offeror exercising control over CSC within the meaning of the British Columbia Securities Act, then CSC shall, if instructed by the Board in its sole discretion, notify each Eligible Participant of the full particulars of the Offer. The Board will have the sole discretion to amend, abridge or otherwise eliminate any vesting terms, conditions or schedule so that despite the other terms of this 2021 Plan, any options granted under this 2021 Plan may be exercised in whole or in part by Eligible Participants so as to permit Eligible Participants to tender the Common Shares received upon the exercise of options (the "Optioned Shares") pursuant to the Offer. If:

(i) the Offer is not complied with within the time specified therein;

(ii) the Eligible Participant does not tender the Optioned Shares pursuant to the Offer; or

(iii) all of the Optioned Shares tendered by the Eligible Participant pursuant to the Offer are not taken up and paid for by the offeror in respect thereof;

then, at the discretion of the Board, the Optioned Shares or, in the case of clause (iii) above, the Optioned Shares that are not taken up and paid for, shall be returned by the Eligible Participant and reinstated as authorized but unissued Common Shares and the terms of the option as set forth in this 2021 Plan and the Notice shall again apply to the Option. If any Optioned Shares are returned to CSC under this Section, CSC shall refund the exercise price to the Eligible Participant for such Optioned Shares.

(c) *Effect of Reorganization, Amalgamation, Merger, etc.* If there is a consolidation, reorganization, merger, amalgamation or statutory amalgamation or arrangement of CSC with or into another corporation, a separation of the business of CSC into two or more entities or a transfer of all or substantially all of the assets of CSC to another entity, at the discretion of the Board, upon the exercise of an option under this 2021 Plan, the holder thereof shall be entitled to receive any securities, property or cash which the Eligible Participant would have received upon such consolidation, reorganization, merger, amalgamation, statutory amalgamation or arrangement, separation or transfer if the Eligible Participant had exercised his option immediately prior to the applicable record date or event, as applicable, and the exercise price shall be adjusted as applicable by the Board, unless the Board otherwise determines the basis upon which such option shall be exercisable, and any such adjustments shall be binding for all purposes of this 2021 Plan.

Notwithstanding any other term of this 2021 Plan, the Board has the sole discretion to amend, abridge or eliminate any vesting terms, conditions or schedule or to otherwise amend the conditions of exercise so that any such option may be exercised in whole or in part by the Eligible Participant so as to entitle the Eligible Participant to receive any securities, property or cash which the Eligible Participant would have received upon such consolidation, reorganization, merger, amalgamation, statutory amalgamation or arrangement, separation or transfer if the Eligible Participant had exercised his Option immediately prior to the applicable record date or event.

#### 15. RIGHTS PRIOR TO EXERCISE

*An Eligible Participant shall have no rights whatsoever as a shareholder in respect of any Common Shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of Common Shares in respect of which the Eligible Participant shall have exercised the option to purchase hereunder and which the Eligible Participant shall have actually taken up and paid for in full. For greater certainty a holder of an option under this 2021 Plan shall not be permitted to vote on any arrangement of CSC proposed to the holders of Common Shares of CSC.*

#### 16. NO CONTINUED SERVICE

*The granting of an option to an Eligible Participant under this 2021 Plan shall not impose upon the CSC, any Subsidiary or any Affiliate any obligation whatsoever to retain the Eligible Participant as a service provider of such entity.*

#### 17. GOVERNING LAW

*This 2021 Plan shall be construed in accordance with and be governed by the laws of the Province of British Columbia.*

#### 18. EXPIRY OF OPTION

*On the expiry date of any option granted under this 2021 Plan, and subject to any extension of such expiry date permitted in accordance with this 2021 Plan, such option shall forthwith expire and terminate and be of no further force or effect whatsoever, or as to the Common Shares in respect of which the option has not been exercised.*

#### 19. SUPREMACY

*To the extent there is any inconsistency between this 2021 Plan and Exchange Rules, the Exchange Rules shall prevail.*

#### 20. EFFECTIVE DATE OF THE 2021 PLAN

*This 2021 Plan becomes immediately effective on the date that the approval of a majority of the Board is received.*

#### 21. APPROVAL

*(a) Unless Exchange Rules otherwise provide, this 2021 Plan must receive the approval of shareholders at the annual general meeting of CSC for that year.*

*(b) Where any shareholder approval required in this 2021 Plan is required to be Disinterested Shareholder Approval, such approval must be determined and calculated as required by Exchange Rules (unless Exchange Rules otherwise provide).*

*(c) This 2021 Plan was duly approved the Board on January 6, 2021.*