



**MANAGEMENT INFORMATION CIRCULAR**

**AND**

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

**NEOTECH METALS CORP.**  
(Previously Caravan Energy Corp.)

**TO BE HELD ON DECEMBER 15, 2023**

**Dated: November 10, 2023**



**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS  
to be held on December 15, 2023 at 11:00 a.m. (Vancouver time)  
at #220 - 333 Terminal Avenue, Vancouver, British Columbia V6A 4C1**

**NOTICE IS HEREBY GIVEN** that the Annual General & Special Meeting (the “**Meeting**”) of the shareholders (each, a “**Shareholder**”) of Neotech Metals Corp. (the “**Company**”) will be held at 220 - 333 Terminal Avenue, Vancouver, British Columbia V6A 4C1 on Tuesday, December 15, 2023 at 11:00 am (Vancouver time) to consider resolutions for the following purposes:

1. To receive and consider the comparative financial statements of the Company for the financial year ended June 30, 2023, together with the report of the auditor thereon;
2. To set the number of directors at four (4);
3. To elect directors for the ensuing year;
4. To appoint Crowe MacKay LLP as auditor of the Company for the ensuing year and to authorize the directors to determine the remuneration to be paid to the auditor;
5. To approve the Company’s equity incentive plan, as set out under the heading “*Approval of the Equity Incentive Plan*” in the attached Circular; and
6. To transact such other business as may properly be put before the Meeting.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice of Annual General & Special Meeting (this “**Notice**”).

The board of directors of the Company has fixed November 10, 2023 as the record date for the determination of Shareholders entitled to Notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to such Notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

Your vote is very important to us. Registered Shareholders are entitled to vote at the Meeting or in advance of the Meeting by dating, signing and returning the enclosed form of proxy for use at the Meeting or any adjournments or postponements thereof. To be effective, the form of proxy must be deposited with the Company’s registrar and transfer agent, Odyssey Trust Company: (i) by mail, using the enclosed return envelope or one addressed to Odyssey Trust Company, 409 Granville Street, Suite 350, Vancouver, British Columbia V6C 1T2, Attention: Proxy Department; (ii) by hand delivery to Odyssey Trust Company, 409 Granville Street, Suite 350, Vancouver, British Columbia V6C 1T2, Attention: Proxy Department; or (iii) through the internet by using the control number located at the bottom of your form of proxy at <https://login.odysseytrust.com/pxlogin>, on or before 10:00 a.m. (Vancouver time) on August 2, 2023 or not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for the Meeting or any adjournments or postponements thereof.

If you are a non-registered Shareholder of the Company and received this Notice and accompanying materials through a broker, a financial institution, a participant, or a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the Income Tax Act (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (each, an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia this 10<sup>th</sup> day of November, 2023

BY ORDER OF THE BOARD OF DIRECTORS OF  
**NEOTECH METALS CORP.**

/s/ “Reagan Glazier”  
**REAGAN GLAZIER, CEO & Director**

## MANAGEMENT INFORMATION CIRCULAR

as at November 10, 2023

### INTRODUCTION

This information circular (the “**Information Circular**”) accompanies the notice of Annual General & Special Meeting of shareholders (the “**Notice**”) of Neotech Metals Corp. (the “**Company**”) and is furnished to shareholders (each, a “**Shareholder**”) holding common shares (“**Shares**”) of the Company in connection with the solicitation by management of the Company of proxies to be voted at the Annual General & Special Meeting (the “**Meeting**”) of the Shareholders to be held on Friday, December 15, 2023 at 11:00 am (Vancouver time), or at any adjournment or postponement thereof.

### Date and Currency

The date of this Information Circular is November 10, 2023. Unless otherwise stated, all amounts herein are in Canadian dollars.

### MANAGEMENT SOLICITATION OF PROXIES

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

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

### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy (the “**Proxy**”) are officers of the Company. **A registered Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons named as the proxy of the Shareholder and may exercise this right either by inserting that person's name in the blank space provided in the Proxy and striking out the other names or by completing another proper form of proxy.** To be effective, Proxies must be deposited at the office of the Company's registrar and transfer agent, Odyssey Trust Company, 409 Granville Street, Suite 350, Vancouver, British Columbia V6C 1T2, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or adjournment thereof.

Proxies given by registered Shareholders for use at the Meeting may be revoked at any time before their use. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by depositing an instrument in writing signed by the registered Shareholder, or by the registered Shareholder's attorney duly authorized in writing, at the registered office of the Company, 220 - 333 Terminal Avenue, Vancouver, British Columbia V6A 4C1 on or before the last business day preceding the day of the Meeting, or any adjournment thereof, or with the chair of the Meeting on the day of the Meeting, or any adjournment thereof.

### BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders, as many Shareholders do not hold their Shares in their own name. Shareholders holding their Shares through banks, trust companies, securities dealers or brokers, trustees or administrators of RRSPs, RRFs, RESPs and similar plans or other persons (any one of which is herein referred to as an “**Intermediary**”) or otherwise not in their own name (such Shareholders herein referred to as “**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders appearing on the records maintained by the Company's transfer agent as registered Shareholders will be recognized and allowed to vote at the Meeting. If a Shareholder's Shares are listed in an account statement provided to the Shareholder by a broker, in all likelihood those Shares are not registered in the Shareholder's name and that Shareholder is a Beneficial Shareholder. Such Shares are most likely registered in the name of the Shareholder's broker or an agent of that broker. In Canada the vast majority of such Shares are registered under

the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Shares for the broker's clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or "**NOBOs**") or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or "**OBOs**").

In accordance with the requirements of National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the Notice, this Information Circular and a request for voting instructions (a "**VIF**"), instead of a Proxy (the Notice, Information Circular and VIF or Proxy are collectively referred to as the "**Meeting Materials**") indirectly through Intermediaries to the NOBOs and OBOs. The Company does not intend to pay for Intermediaries to forward the Meeting Materials to OBOs. OBOs will not receive the Meeting Materials unless their Intermediaries assume the cost of delivery.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a Proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered Shareholder) how to vote the Beneficial Shareholder's Shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Shares voted. If you have any questions respecting the voting of Shares held through an Intermediary, please contact that Intermediary for assistance.

The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Shares which they beneficially own. A Beneficial Shareholder receiving a VIF cannot use that form to vote Shares directly at the Meeting – Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

All references to Shareholders in this Information Circular and the accompanying instrument of Proxy and Notice are to registered Shareholders unless specifically stated otherwise.

### **Voting and Discretion of Proxies**

The Shares of the Company represented by the Proxies solicited by management of the Company pursuant to this Information Circular will be voted or withheld from voting in accordance with the directions contained therein. **If no directions are given, the Shares will be voted FOR the fixing of the number of directors at four (4), FOR the election of management's nominees as directors of the Company, FOR the appointment of management's nominee as auditors of the Company and authorizing the directors to fix their remuneration and FOR the approval of the Equity Incentive Plan. The Proxy confers discretionary authority on the persons named therein in respect of amendments or variations to the matters referred to in the Notice and in respect of other matters that may properly come before the Meeting, or any adjournment thereof.**

As at the date of this Information Circular, management knows of no such amendments or variations or other matters that may properly come before the Meeting but, if any such amendments, variations or other matters are properly brought before the Meeting, the persons named in the Proxies will vote thereon in accordance with their best judgment.

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

Except as disclosed herein, the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) each proposed nominee for election as a director of the Company; and each associate or affiliate of any of the foregoing.

Directors and officers may however be interested in the approval of the equity incentive plan (the "**Equity Incentive Plan**") as detailed under the heading "*Stock Option and Other Incentive Plans*" and "*Approval of the Equity Incentive Plan*" below, as such persons are entitled to participate in the Equity Incentive Plan.

## VOTING SECURITIES, RECORD DATE AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Shares without par value. As at the date of this Information Circular, 40,266,479 Shares are issued and outstanding. Each Share of the Company carries the right to one vote, and all Shares may be voted at the Meeting.

The record date for the determination of Shareholders entitled to receive notice of and vote at the Meeting has been fixed as November 10, 2023. Except as may be otherwise indicated herein and in the Notice, the affirmative vote of a majority of the votes cast at the Meeting is required for approval of each matter set forth in this Information Circular.

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

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purpose of this Statement of Executive Compensation:

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

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

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

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

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in the two most recently completed financial years ended June 30, 2022 and June 30, 2023:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Reagan Glazier CEO & Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Gurcharn “Charn” Deol Director & Prev CEO	2023	26,000	Nil	Nil	Nil	Nil	26,000
	2022	12,000	Nil	Nil	Nil	Nil	12,000
Robert Krause Director	2023	6,750	Nil	Nil	Nil	Nil	6,750
	2022	5,000	Nil	Nil	Nil	Nil	5,000
Brian Thurston Director	2023	11,000	Nil	Nil	Nil	Nil	11,000
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Philip Ellard CFO	2023	3,640	Nil	Nil	Nil	Nil	3,640
	2022	Nil	Nil	Nil	Nil	Nil	Nil

## Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to any director and/or NEO of the Company or any subsidiary thereof in the year ended June 30, 2023 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof.

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and % of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
N/A	N/A	Nil	Nil	N/A	N/A	N/A	N/A

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price & closing price on date of exercise (\$)	Total value on exercise date (\$)
N/A							

## Stock Option and Other Incentive Plans

### Equity Incentive Plan

The Board of Directors (“**Board**”) has adopted the Equity Incentive Plan under which RSUs, SARs, DSUs, PSUs and Options may be granted to the Company’s directors, officers, bona fide employees and consultants. The Equity Incentive Plan provides participants (each, a “**Participant**”), who may include participants who are citizens or residents of the United States (each, a “**US Participant**”), with the opportunity, through RSUs, SARs, DSUs, PSUs and Options (each, an “**Award**”), to acquire an ownership interest in the Company. The RSUs, SARs, DSUs and PSUs will rise and fall in value based on the value of the Common Shares. Unlike the Options, the RSUs, SARs, DSUs and PSUs will not require the payment of any monetary consideration to the Company.

The foregoing description of the Equity Incentive Plan does not purport to summarize, in full, all of the provisions of the Equity Incentive Plan. Readers are encouraged to make reference to the Equity Incentive Plan, which is attached as Schedule “B” hereto.

#### Purpose of the Equity Incentive Plan

The stated purpose of the Equity Incentive Plan is to advance the interests of the Company and its subsidiaries, and its shareholders by: (i) providing the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants, (ii) aligning the interests of Participants with that of other shareholders of the Company generally, and (iii) enabling and encouraging Participants to participate in the long-term growth of the Company through the acquisition of Shares as long-term investments.

The following people are eligible to participate in the Equity Incentive Plan: any officer or employee of the Company or any officer or employee of any subsidiary of the Company and, solely for purposes of the grant of Options, any director of the Company or any director of any subsidiary of the Company, and any Consultant (defined under the Equity Incentive Plan as an individual (other than an Employee or a Director of the Company)) or company that: (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to an Affiliate of the Company, other than services provided in relation to a distribution of securities; (b) provides the services under a written contract between the Company or an Affiliate and the individual or the company, as the case may be; (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and (d) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

#### Administration of the Equity Incentive Plan

The Equity Incentive Plan is administered by the Board or such other persons as may be designated by the Board (the “**Administrators**”) based on the recommendation of the Board or the compensation Board of the Board, if applicable. The Administrators determine the eligibility of persons to participate in the Equity Incentive Plan, when Awards will be awarded or granted, the number of Awards to be awarded or granted, the vesting criteria for each award of RSUs, DSUs, SARs and PSUs and grant of Options and all other terms and conditions of each Award and grant, in each case in accordance with applicable securities laws and the requirements of the CSE.

#### Restrictions on the Awards and Grant of Options

The awards of RSUs, DSUs, SARs and PSUs and grants of Options under the Equity Incentive Plan is subject to a number of restrictions:

- (a) The maximum number of Shares issuable pursuant to Awards issued under the Plan shall be equal to 20% of the then issued and outstanding Shares on a rolling basis. To the extent that an Award lapses or the rights of its Participant terminate or are paid out in cash (except in the case of Options which cannot be paid out in cash), any Shares subject to such Award shall again be available for the grant of an Award;
- (b) The maximum number of Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Shares, calculated on the date an Award is granted to the Participant, unless the Company obtains disinterested shareholder approval as required by the policies of the CSE;
- (c) Unless disinterested shareholder approval as required by the policies of the CSE is obtained: (i) the maximum number of Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Shares, calculated at the date an Award is granted to any Insider;
- (d) The maximum number of Shares for which Awards may be issued to any Consultant or persons (in the aggregate) retained to provide Investor Relations Activities (as defined by the CSE) in any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Award is granted to the Consultant or any such person, as applicable; and
- (e) Unless disinterested shareholder approval as required by the policies of the CSE is obtained: (i) the maximum number of Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Shares, calculated at the date an Award is granted to any Insider.

In the event of any corporate event or transaction (collectively, a “**Corporate Reorganization**”) (including, but not limited to, a change in the Shares of the Company or the capitalization of the Company) such as a merger,

arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Board shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price or Grant Price applicable to outstanding Awards, the limit on issuing Awards other than Options granted with an Option Price equal to at least the FMV of a Share on the date of grant or Share Appreciation Rights with a Grant Price equal to at least the FMV of a Share on the date of grant, and any other value determinations applicable to outstanding Awards or to the Plan, as are equitably necessary to prevent dilution or enlargement of Participants' rights under the Plan that otherwise would result from such corporate event or transaction. In connection with a Corporate Reorganization, the Board shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan and the applicable Award Agreement) and the holder will then accept on the exercise of such Option, in lieu of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Board action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

#### Mechanics for RSUs

Each Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, the settlement date for Restricted Share Units, whether such Restricted Share Unit is settled in cash, Shares or a combination thereof or if the form of payment is reserved for later determination by the Board, and any such other provisions as the Board shall determine, provided that unless otherwise determined by the Board or as set out in any Award Agreement, no Restricted Share Unit shall vest later than three years after the date of grant. The Board shall impose, in the Award Agreement at the time of grant, such other conditions and/or restrictions on any Restricted Share Units granted pursuant to the Equity Incentive Plan as it may deem advisable, including, without limitation, restrictions based upon the achievement of specific performance criteria, time-based restrictions on vesting following the attainment of the performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the CSE.

#### Vesting Provisions for RSUs

The Equity Incentive Plan provides that: unless otherwise specified in an Award Agreement, and subject to any provisions of the Equity Incentive Plan or the applicable Award Agreement relating to acceleration of vesting of Restricted Share Units, Restricted Share Units shall vest equally over a three year period such that 1/3 of the Restricted Share Units granted in an Award shall vest on the first, second and third anniversary dates of the date that the Award was granted, and provided that no Restricted Share Unit granted shall vest and be payable after December 31 of the third calendar year following the year of service for which the Restricted Share Unit was granted.

If the date on which a Restricted Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.

#### Termination, Retirement and Other Cessation of Employment in connection with RSUs

If the Award Agreement does not specify the effect of a termination or resignation of employment then the following default rules will apply:

- (a) Death: If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate:
  - (i) all unvested Restricted Share Units as at the Termination Date shall automatically and immediately vest; and
  - (ii) all vested Restricted Share Units (including those that vested pursuant to (i) above) shall be paid to the Participant's estate in accordance with the terms of the Plan and the Award Agreement.
- (b) Disability: If a Participant ceases to be eligible to be a Participant under the Equity Incentive Plan as a result of their Disability, then all Restricted Share Units remain and continue to vest in accordance with the terms of the Equity Incentive Plan for a period of 12 months after the Termination Date, provided that any Restricted Share Units that have not vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.



- (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Restricted Share Units, to determine: (i) whether to accelerate vesting of any or all of such Restricted Share Units, (ii) whether any of such Restricted Share Units shall be cancelled, with or without payment, and (iii) how long, if at all, such Restricted Share Units may remain outstanding following the Termination Date; provided, however, that in no event shall such Restricted Share Units remain outstanding for more than 12 months after the Termination Date. Notwithstanding the above, for U.S. Participants, the treatment of Restricted Share Units upon retirement shall be provided for in the Award Agreement.
- (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Equity Incentive Plan as a result of their termination for Cause, then all Restricted Share Units, whether vested or not, as at the Termination Date shall automatically and immediately be forfeited.
- (e) Termination without Cause or Voluntary Resignation: If a Participant ceases to be eligible to be a Participant under the Equity Incentive Plan for any reason, other than as set out in sections 7.7(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
  - (i) all unvested Restricted Share Units shall automatically and immediately be forfeited, and
  - (ii) all vested Restricted Share Units shall be paid to the Participants in accordance with the terms of the Equity Incentive Plan and the Award Agreement.

#### Mechanics for DSUs

Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Board shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the CSE, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Deferred Share Units.

If the date on which a Deferred Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.

#### Termination, Retirement and Other Cessation of Employment in connection with DSUs

Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Board, need not be uniform among all Deferred Share Units issued pursuant to the Equity Incentive Plan, and may reflect distinctions based on the reasons for termination, provided that provisions shall comply with applicable rules of the CSE.

#### Mechanics for SARs

The Grant Price for each grant of a Freestanding SAR shall be determined by the Board and shall be specified in the Award Agreement. The Grant Price may be based on one hundred percent (100%) of the FMV of the Shares on the date of grant, or set at a premium to the FMV of the Shares on the date of grant, or be indexed to the FMV of the Shares on the date of grant, with the index determined by the Board, in its discretion, provided that the Grant Price may never be less than the FMV of the Shares on the date of Grant. The Grant Price of Tandem SARs shall be equal to the Option Price of the related Option.

Each SAR Award shall be evidenced by an Award Agreement that shall specify the Grant Price, the term of the SAR, and any such other provisions as the Board shall determine.

The term of a SAR granted under the Equity Incentive Plan shall be determined by the Board, in its sole discretion, and no SAR shall be exercisable later than the tenth anniversary date of its grant.

#### Vesting Provisions for SARs

Upon the exercise of a SAR, a Participant shall be entitled to receive payment from the Company in an amount representing the difference between the FMV of the underlying Shares on the date of exercise over the Grant Price. At the discretion of the Board, the payment upon SAR exercise may be in cash, Shares of equivalent value (based on the FMV of the Shares on the date of exercise of the SAR, as defined in the Award Agreement or otherwise defined by the Board thereafter), in some combination thereof, or in any other form approved by the Board at its sole discretion. Payment shall be made no earlier than the date of exercise nor later than 2½ months after the close of the year in which the SAR is exercised. The Board's determination regarding the form of SAR payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the SAR.

### Termination, Retirement and Other Cessation of Employment in connection with SARs

Each Award Agreement shall set forth the extent to which the Participant shall have the right to exercise the SAR following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Board, need not be uniform among all SARs issued pursuant to the Equity Incentive Plan, and may reflect distinctions based on the reasons for termination, provided that such provisions shall comply with the rules of the CSE.

### Mechanics for PSUs

Each Performance Share Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Board shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Board and set forth in the Award Agreement, the value and/or number of each Performance Share Unit that will be paid to the Participant. Subject to the terms of the Equity Incentive Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Share Units shall be entitled to receive payout on the value and number of Performance Share Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Company shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time.

Payment of earned Performance Share Units shall be as determined by the Board and as set forth in the Award Agreement. Subject to the terms of the Plan, the Board, in its sole discretion, may pay earned Performance Share Units in the form of: (i) cash equal to the value of the Shares underlying the earned Performance Share Units at the end of the applicable Performance Period, (ii) a number of Shares issued from treasury equal to the number of earned Performance Share Units at the end of the applicable Performance Period, or (iii) in a combination thereof. Any Shares may be granted subject to any restrictions deemed appropriate by the Board. The determination of the Board with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Shares or payment of any cash amounts be made later than the earlier of (i) 2½ months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

### Termination, Retirement and Other Cessation of Employment in connection with PSUs

Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Board, need not be uniform among all Performance Share Units issued pursuant to the Equity Incentive Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with applicable rules of the CSE.

### Mechanics for Options

Each Option granted pursuant to the Equity Incentive Plan will entitle the holder thereof to the issuance of one Common Share upon achievement of the vesting criteria and payment of the applicable exercise price. Options granted under the Equity Incentive Plan will be exercisable for Common Shares issued from treasury once the vesting criteria established by the Administrators at the time of the grant have been satisfied. However, the Company will continue to retain the flexibility through the amendment provisions in the Equity Incentive Plan to satisfy its obligation to issue Common Shares by making a lump sum cash payment of equivalent value (i.e., pursuant to a cashless exercise), provided there is a full deduction of the number of underlying Common Shares from the Equity Incentive Plan's reserve.

### Vesting Provisions for Options

The Equity Incentive Plan provides that, unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest equally over a four year period such that 1/4 of the Options shall vest on the first, second, third and fourth anniversary dates of the date that the Options were granted.

### Termination, Retirement and Other Cessation of Employment in connection with Options

A person participating in the Equity Incentive Plan will cease to be eligible to participate where there is an Event of Termination. In such circumstances, unless otherwise determined by the Administrators in their discretion, any unvested Options will be automatically cancelled, terminated and not available for exercise and any vested Options may be exercised only before the earlier of: (i) the expiry of the Option; and (ii) six months after the date of the Event of Termination. If a person is terminated for just cause, all Options (whether or not then exercisable) will be automatically cancelled.

### Other Terms

The Option Price for each grant of an Option under the Equity Incentive Plan shall be determined by the Board and shall be specified in the Award Agreement. The Option Price for an Option shall be not less than the FMV of the Shares on the date of grant.

“FMV” is a defined term in the Equity Incentive Plan and means, unless otherwise required by any applicable provision of the Code or any regulations thereunder or by any applicable accounting standard for the Company’s desired accounting for Awards or by the rules of the CSE, a price that is determined by the Board, provided that as long as the Company is listed on the CSE such price cannot be less than the last closing price of the Shares on the CSE less any discount permitted by the rules or policies of the CSE.

No Option shall be exercisable after ten years from the date the Option is granted. Under the Equity Incentive Plan, should the term of an Option expire on a date that falls within a blackout period or within nine business days following the expiration of a blackout period, such expiration date will be automatically extended to the tenth business day after the end of the blackout period.

Unless otherwise determined by the Board, in the event of a change of control, any surviving or acquiring corporation shall assume any Option outstanding under the Equity Incentive Plan on substantially the same economic terms and conditions or substitute or replace similar options for those Options outstanding under the Equity Incentive Plan on substantially the same economic terms and conditions.

### Transferability

Awards granted under the Equity Incentive Plan or any rights of a Participant cannot be transferred, assigned, charged, pledged or hypothecated, or otherwise alienated, whether by operation of law or otherwise.

### Reorganization and Change of Control Adjustments

if there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their employment, or officer or Director position is terminated or they resign for Good Reason within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.

Notwithstanding any other provision of the Equity Incentive Plan, in the event of an actual or potential Change of Control, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit (including, but not limited to those set out in (iii) and (iv) below), the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or potential Change of Control, or (2) providing that any Awards exercised or vested shall be exercisable or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Company will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control. With respect to U.S. Participant, the treatment of Awards upon a Change of Control shall be provided for in the Award Agreement.

### **Pension Plan Benefits**

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

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

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

### Reagan Glazier, Chief Executive Officer

The Company entered into an employment agreement with Mr. Glazier on September 25, 2023, (the “Glazier Employment Agreement”). The Glazier Employment Agreement provides for, among other things, an annual base salary of \$132,000. Mr. Glazier was granted 150,000 Options on October 11, 2023, exercisable at \$0.79 and 850,000 RSUs. Both securities vest in three (3) equal installments every six (6) months over a period of 18 months from the date of issuance.

For the duration of the Glazier Employment Agreement and for a period of one (1) year following termination thereof, Mr. Glazier is bound by non-competition and non-solicitation clauses that provide for, among other things, that Mr.

Glazier may not perform services for any business that is in direct competition with the Company, or solicit, directly or indirectly, any employee or independent contractor of the Company in a manner that conflicts with or interferes with the business of the Company. Mr. Glazier may terminate his employment upon thirty (30) days written notice to the Company. The Company may terminate Mr. Glazier employment at any time for just cause without prior written notice or compensation. In the event Mr. Glazier's employment is terminated without just cause, Mr. Glazier is entitled to notice of termination or payment in lieu of notice (or a combination thereof) in an amount equal to three (3) months' notice or pay in lieu of notice.

Philip Ellard, Chief Financial Officer

On March 15, 2023, the Company entered into an employment agreement for \$1,000 per month for the provision of CFO services.

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

All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the Board of Directors.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the CEO, if any, in this regard.

Executive officers' compensation is currently composed of two major components: a short-term compensation component, which includes salaries to certain NEOs, and a long-term compensation component, which includes the grant of stock options and other equity compensation under the Current Plan. Salaries primarily reward recent performance and equity compensation encourages NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The Company intends to further develop these compensation components.

Salaries for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time.

The second component of the executive officers' compensation is equity compensation. The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the Shareholders of the Company. Therefore, a significant portion of total compensation granted by the Company, being the grant of Option, RSUs, PSUs, RSUs and/or SARs, is based upon overall corporate performance.

Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The Company relies on Board discussion, without formal objectives, criteria and analysis, when determining executive compensation. The Company is in the process of developing formal performance goals that must be satisfied in connection with the payment of executive compensation.

The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in salaries are to be evaluated on an individual basis and are performance and market-based. Compensation will be tied to performance criteria or goals including milestones, agreements or transactions, and the Company will use a "peer group" to determine compensation.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to the Company's Current Plan, being the Company's only equity compensation plan currently in effect:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)
Equity compensation plans approved by securityholders	Nil	N/A
Equity compensation plans not approved by securityholders <sup>(1)</sup>	8,591,000 common shares	N/A
<b>Total</b>	8,591,000 common shares	

<sup>(1)</sup> These numbers reflect the number of securities outstanding at November 10, 2023

### STATEMENT OF CORPORATE GOVERNANCE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, ("**NI 58-101**") of the Canadian Securities Administrators requires each reporting issuer to disclose its corporate governance practices on an annual basis.

Set out below is a description of the Company's approach to corporate governance.

#### Board of Directors

NI 58-101 defines "independence" with reference to the definition of independence contained in National Instrument 52-110-Audit Committees ("**NI 52-110**"). A director is independent if he has no direct or indirect material relationship to the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. Certain types of relationships are by their nature considered to be material relationships and are specified in Section 1.4 of NI 52-110.

As of November 10, 2023, the Board consisted of four (4) directors: Reagan Glazier, Charn Deol, Robert Krause and Brian Thurston. Of the current Board, Robert Krause and Brian Thurston are independent. Reagan Glazier, the CEO of the Company, and Charn Deol, the previous CEO, are not independent.

#### Other Directorships

The following directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer	Securities Exchange
Reagan Glazier	Freegold Ventures Ltd. Starr Peak Mining Ltd. Pacific Bay Minerals Ltd.	TSX TSXV TSXV
Charn Deol	Ambari Brands Inc. Green Battery Minerals Inc.	CSE TSXV
Robert Krause	N/A	N/A
Brian Thurston	International Metal Mining Corp. Vortex Energy Corp.	TSXVCSE

#### Orientation and Continuing Education

The Company does not provide a formal orientation and education program for new directors; however, any new directors will be given the opportunity to familiarize themselves with the Company, the current directors and members of management. Directors are also encouraged and given the opportunity for continuing education.

#### Nomination of Directors

The Board selects new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and senior executives. The Board monitors, but does not formally assess, the performance of individual Board members or committee members or their contributions.

## Other Board Committees

Currently the Company's only committee is an Audit Committee (please refer to the "Audit Committee" section).

## Assessments

The Board relies on experts such as financial advisors and external legal counsel and forms special committees on an ad hoc basis as necessary. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers an external formal assessment process to be inappropriate at this time. The entire Board is responsible for selecting new directors and assessing current directors. A proposed director's credentials are reviewed in advance of a Board meeting by one or more members of the Board prior to the proposed director's nomination and in camera sessions are available at every Board meeting.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

### The Audit Committee's Charter

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached as Schedule "A" to this Information Circular.

### Composition of the Audit Committee

The following are members of the Audit Committee as at November 10, 2023:

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>	Relevant Education and Experience
Charn Deol	N	Y	Mr. Deol has over 35 years of experience in the financial markets. Mr. Deol currently serves on both private and public company boards as a director or in a management capacity. His past and present experiences include providing management and consulting services to companies, project analysis, investor relations, technical market analysis, and the financing of international projects.
Robert Krause	Y	Y	Mr. Krause has a Bachelor of Science (Geology major) from the University of British Columbia. He has been a consulting geologist since 1985. In the 1990s he was project geologist for Milagro Minerals Inc., which was acquired by a senior producer after discovering a greater than one million ounce gold equivalent deposit in Honduras. Mr. Krause is President of his own geology consulting company and served as Vice-President of Exploration for Pacific Cascade Minerals Inc. From 2003 to 2009 he was senior geologist for Auracle Resources Ltd. He also has acted as a director and audit committee member for various public companies. Through his various roles, Mr. Krause is familiar with generating and implementing budgets and managing financial reporting. He has acted as a director for numerous public mining companies.

Brian Thurston	Y	Y	Mr. Thurston is a professional geologist and holds an Honours Bachelor of Science degree in Geology from the University of Western Ontario. Mr. Thurston has experience working on projects at various states of development ranging from grass roots to feasibility level. From 2004 to 2006, Mr. Thurston held the position of Country Manager in Ecuador for Aurelian Resources Inc., which was acquired from Kinross Gold Corp. in 2008 for \$1.2 billion. Mr. Thurston transitioned from geologist to corporate positions in 2004 and has founded several public companies and held positions of director and officer, and has served on multiple committees including audit, disclosure, and corporate governance committees.
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- (1) *A member of the Audit Committee is independent if he has no direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the CEO, is deemed to have a material relationship with the Company.*
- (2) *A member of the Audit Committee is financially literate if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.*

### **Relevant Education and Experience**

Each Audit Committee member has gained financial literacy through their years of experience serving as directors of several mining and mineral exploration companies as financial industry executives and serving on numerous other Audit Committees. In these positions, each member would be responsible for receiving financial information relating to their company and obtaining an understanding of the balance sheet, income statement and statement of cash flows and how these statements are integral in assessing the financial position of the Company and its operating results. Each member has significant understanding of the mineral exploration business which the Company engages in and has an appreciation for the relevant accounting principles for that business.

### **Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

### **Reliance on Certain Exemptions**

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

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

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading "External Auditors Service Fees (By Category)".

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

The table below sets out all fees billed by the Company's external auditor in each of the last two fiscal years. In the table "Audit Fees" are fees billed by the Company's external auditor for services provided in auditing the Company's financial statements for the fiscal year. "Audit-Related Fees" are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax Fees" are fees billed by the Company's external auditors for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the external auditor for products and services not included in the foregoing categories:

Financial Year Ended	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
June 30, 2023	\$12,500	\$16,500	Nil	Nil
June 30, 2022	Nil	Nil	Nil	Nil

### INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

As at June 30, 2023, the Company owed \$10,250 to Spiral Investment Corp., a company controlled by Charn Deol and \$250 to 695809 BC Ltd., a company controlled by Robert Krause. These amounts are non-interest bearing, unsecured and due on demand.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no Proposed Nominee for election as a director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, in relation to a securities purchase program or other program.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as stated herein, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company, nor any associate or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transactions or any proposed transactions which has materially affected or would materially affect the Company.

### MANAGEMENT CONTRACTS

The Company entered into a consulting agreement with Treewalk Consulting Inc. ("**Treewalk**"), pursuant to which Treewalk provides accounting, financial, and administrative services to the Company (the "**Treewalk Agreement**"). Treewalk is a private British Columbia company and employs Philip Ellard. During the financial year ended June 30, 2023, the Company paid Treewalk \$17,190 for its services.

Pursuant to the terms of the Treewalk Agreement, the Company or Treewalk may terminate the agreement immediately for failure of the other party to meet its obligations thereunder. Should the Company terminate the Treewalk Agreement without cause before the services have been fully provided, the Company will compensate Treewalk in accordance with the terms of the Treewalk Agreement for the services provided and expenses incurred through the effective date of termination.

### PARTICULARS OF MATTERS TO BE ACTED UPON FINANCIAL STATEMENTS

The audited financial statements of the Company for the financial year ended June 30, 2023 (the "**Financial Statements**") and the report of the auditor thereon, will be presented to Shareholders at the Meeting. The Financial Statements, Auditor's Report, and management's discussion and analysis ("**MD&A**") for the financial year ended June 30, 2023 are available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Notice of Meeting, Circular, Financial Statements and Proxy will be available from Odyssey Trust Company, or from the office of the Company, at #220 – 333 Terminal Avenue, Vancouver, BC V6A 4C1.

### APPOINTMENT OF AUDITOR

The auditor of the Company, Crowe MacKay LLP ("**Crowe Mackay**"), was appointed effective May 30, 2022. The Board proposes to re-appoint Crowe Mackay, as auditor for the Company, to hold office until the close of the next annual general meeting of Shareholders of the Company.

The resolution to approve the appointment of Crowe MacKay will also authorize the Board to fix its remuneration. Management recommends a vote FOR the appointment of PwC as the Company's auditor to hold office until the close of the next annual general meeting of Shareholders at a remuneration to be fixed by the Board. In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy FOR such resolution.



## SETTING NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four (4). The number of directors will be approved if the affirmative vote of at least a majority of Shares represented by Proxy at the Meeting and entitled to vote thereat are voted in favour of setting the number of directors at four (4).

## ELECTION OF DIRECTORS

The Board is elected annually and holds office until the next annual general meeting of the Shareholders or until their successors are elected or appointed. The management of the Company proposes to nominate the persons listed below (the "**Proposed Nominees**") for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the management of the Company will be voted for the Proposed Nominees in this Information Circular.

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 the Proposed Nominees for election as a director, the province or state and country in which ordinarily resident, the period or periods during which each has served as a director, positions held in the Company, their present principal occupations and number of Shares of the Company or shares of any of its subsidiaries beneficially owned by each, or controlled or directed, directly or indirectly as at the date hereof.

Name, Positions with the Company, Province/State and Country of Resident	Principal Occupation and, IF NOT at Present an ELECTED Director, Occupation During the Past Five Years	Period from Which Nominee Has Been Director	Number of Voting Shares Beneficially Owned <sup>2</sup>
Reagan Glazier, CEO Vancouver, BC, Canada	Mr. Glazier has extensive experience in mineral exploration and serves on the boards of a number of publicly listed mineral exploration companies. As Exploration Manager for Surge Copper Corp., he oversaw major drilling campaigns and other copper-gold exploration activities in northern British Columbia. Mr. Glazier is a director of Freegold Ventures Limited, a publicly listed Alaska gold explorer. Mr. Glazier is also a director of Canadian explorer Starr Peak Mining Ltd. Mr. Glazier obtained a Bachelor of Science with a major in Geology from the University of Calgary.	September 29, 2023	100,000
Charn Deol <sup>1</sup> Richmond, BC, Canada	Mr. Deol has over 35 years of experience in the financial markets. He has served on both public and private company boards. His past and current experience includes providing management and consulting services to companies, project analysis, investor relations, technical marker analysis and the financing of international projects. Mr. Deol currently serves as director of Green Battery Metals Inc. and Ambari Brands Inc. Mr. Deol is also contracted as an advisor to the Company.	June 17, 2021	475,000
Robert Krause <sup>1</sup> Brentwood Bay, BC, Canada	Mr. Krause is a geologist with significant experience with junior mining issuers. He previously served as a director of AmmPower Corp. from September 2020 to January 2022, as president of New Destiny Mining Corp from July 2019 to January 2020, as president and director of Banner Resources from January 2005 to July 2019, as a director of Wyn Development from August 2003 to July 2019, as a director of Canada Rare Earth Corp from March 2008 to July 2019 and as a director of	April 13, 2022	Nil

Name, Positions with the Company, Province/State and Country of Resident	Principal Occupation and, IF NOT at Present an ELECTED Director, Occupation During the Past Five Years	Period from Which Nominee Has Been Director	Number of Voting Shares Beneficially Owned <sup>2</sup>
	Remington Resources Inc. from September 2005 to May 2011.		
Brian Thurston <sup>1</sup> Port Moody, BC, Canada	Mr. Thurston has been President and Chief Executive Officer of International Metals Mining Corp. (formerly, Gold State Resources Inc.) since March 5, 2021, President and CEO of Mapache Mining PLC since 2018 and General Manager of MineGate Exploration Inc. since December 2011. He was previously President and CEO of Canadian Mining Corp. from March 2017 to July 2018 and President and CEO of IMC International Mining Corp. (CSE) from March 2017 to November 2020.	April 13, 2022	Nil

<sup>(1)</sup> Member of the audit committee (the "Audit Committee") of the Company.

<sup>(2)</sup> Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at November 10, 2023, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such Shares are held directly.

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

- (a) Except as disclosed below, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:
- (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
  - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this 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; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Charn Deol was the Chief Executive Officer and a director of West Island Brands (previously, Matica Enterprises Inc.). On May 3, 2021, while Mr. Deol was still in office, the Company applied to the British Columbia Securities Commission (the "BCSC") for a management cease trade order for a delay in filing their December 31, 2020 audited financial statements and MD&A as contemplated by National Policy 12-203 – Management Cease Trade Orders and received such management cease trade order. The order was revoked on June 22, 2021 after the relevant documentation was filed.

Charn Deol was an independent director of Cache Exploration Inc. On January 29, 2021, while Mr. Deol was in office, the BCSC issued a cease trade order to Cache Exploration Inc. for failing to file its annual audited financial statements and MD&A for the year ended September 30, 2020. The cease trade order was revoked on April 6, 2021 after the relevant documentation was filed.

On June 4, 2021, while Mr. Deol was still in office, the BCSC issued another cease trade order to Cache Exploration Inc. for failing to file its interim financial statements and MD&A for the period ended March 31, 2021. The order remains in effect.

Brian Thurston was President and a director of Savannah Minerals Corp. (formerly, Upper Canyon Minerals Corp.). On September 10, 2012, while Mr. Thurston was in office, the BCSC issued a cease trade order for failing to file its interim financial statements and MD&A for the three months ended June 30, 2012. The cease trade order was revoked on September 26, 2012 after the relevant documentation was filed. On May 8, 2013, the BCSC issued a cease trade order to Savannah Minerals Corp. for failing to file its interim financial statements and MD&A for the financial period ended December 31, 2012. On August 14, 2013 the Alberta Securities Commission issued a cease trade order to Savannah Minerals Corp. for failure to file the December 31, 2012 audited financial statements and interim financial quarterly reports. On May 16, 2017 the cease trade order issued by the BCSC and the Alberta Securities Commission were revoked after the relevant documentation was filed.

Charn Deol, a director of the Company, declared bankruptcy on September 17, 2012. Mr. Deol was discharged and released from all debts, except those matters referred to in subsection 178(1) of the Bankruptcy and Insolvency Act, on June 28, 2013.

Brian Thurston was an independent director of Refined Metals Corp. (formerly, Chemesis International Inc.). On October 29, 2021, while Mr. Thurston was in office, Refined Metals Corp. announced a delay in the filing of its audited annual financial statements and MD&A for the financial year ended June 30, 2021. Refined Metals Corp. applied to the relevant securities regulators for a management cease trade order as contemplated by National Policy 12-203 – Management Cease Trade Orders and received such management cease trade order. On March 29, 2022, the order was revoked after the relevant documentation was filed.

### **Approval and Confirmation of the Equity Incentive Plan**

The Company is proposing to adopt the "rolling" Equity Incentive Plan for the issue of RSUs, SARs, DSUs, PSUs and Options (each an "**Award**") to directors, officers, employees, bona fide consultants of or to the Company, or a subsidiary, providing ongoing services to the Company and/or its subsidiaries. All Awards are granted by an agreement or other instrument or document evidencing the Award granted under the Incentive Plan (an "**Award Agreement**"). Awards may be granted alone, in addition to, or in tandem with any other Award.

At the Meeting, shareholders will be asked to consider, and if deemed advisable to approve, an ordinary resolution to approve and adopt the Equity Incentive Plan as set out in Schedule "B" to this Circular. On November 9, 2022 the Board approved the adoption of the Equity Incentive Plan.

The principal features of the Equity Incentive Plan are described in more detail above in the section entitled "*Executive Compensation – Equity Incentive Plan*", which is qualified in its entirety by reference to the full text of the Equity Incentive Plan.

At the Meeting, shareholders will be asked to consider and, if deemed advisable, pass, with or without variation, the following ordinary resolution approving the adoption by the Company of the Equity Incentive Plan (the "**Incentive Plan Resolution**") as follows:

#### **"BE IT RESOLVED THAT:**

1. The equity incentive plan of the Company as set out in Schedule "B to the Company's the management information circular dated November 10, 2023, be and it is hereby confirmed and approved;
2. All prior issuances of awards under the Equity Incentive plan are hereby ratified and confirmed; and
3. any officer or director of the Company be and is hereby authorized, subject to the approval of the applicable regulatory authorities, for and on behalf of the Company, to execute and deliver all documents and instruments and to take such other actions as they may determine to be necessary or desirable to implement this Incentive Plan Resolution and the matters authorized here, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions. "

In accordance with the policies of the CSE, the Equity Incentive Plan must be approved by the majority of votes cast at the Meeting on the Incentive Plan Resolution.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE EQUITY INCENTIVE PLAN RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

**Other Matters to Be Acted Upon**

As of the date of this Management Proxy Circular, management knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in the best judgment of the person or persons voting the proxy.

**ADDITIONAL INFORMATION**

Additional information concerning the Company can be found on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information relating to the Company is provided in the Company's audited financial statements and the MD&A for the year ended June 30, 2023. Shareholders may download the financial statements and MD&A from SEDAR ([www.sedarplus.ca](http://www.sedarplus.ca)) or contact the Company directly to request copies of the financial statements and MD&A by: mail at Unit 35 – 20327 72B Avenue, Langley, BC V6Y 4J6 or e-mail ([stephanie@greystonecorp.com](mailto:stephanie@greystonecorp.com)). Additional financial information concerning the Company may be obtained by any Shareholder free of charge through by contacting the Company at 778-873-0311.

DATED at Vancouver, British Columbia this 10<sup>th</sup> day of November, 2023.

**BY ORDER OF THE BOARD**

/s/ "Reagan Glazier"  
**REAGAN GLAZIER**  
**CEO & Director**

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**Schedule "A"**  
**to the Information Circular of Neotech Metals Corp.**  
(Previously Caravan Energy Corp.)

**AUDIT COMMITTEE CHARTER**

**NEOTECH METALS CORP.**  
**(Previously Caravan Energy Corporation**  
**(the “Company”)**

**AUDIT COMMITTEE CHARTER**

The primary function of the audit committee (the “**Audit Committee**”) is to assist the Company’s board of directors (the “**Board**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting, and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels.

The Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company’s financial reporting and internal control systems and review the Company’s financial statements;
- review and appraise the performance of the Company’s external auditors; and
- provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board.

**Composition**

The Audit Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgement as a member of the Audit Committee. At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Audit Committee Charter, the definition of “financially literate” is 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 presumably be expected to be raised by the Company’s financial statements. The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholder’s meeting.

**Meetings**

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

**Responsibilities and Duties**

To fulfill its responsibilities and duties, the Audit Committee shall:

*Documents/Reports Review*

- (a) Review and update this Audit Committee Charter annually.
- (b) Review the Company’s financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including certification, report, opinion, or review rendered by the external auditors.

- (c) Confirm 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.

*External Auditors*

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company, consistent with the Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board, take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The preapproval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Audit Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Audit Committee. Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one more independent members of the Audit Committee.

## **Financial Reporting Processes**

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgements about the quality and appropriateness of the Issuer's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgements made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgements.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

## **Other**

Review any related-party transactions



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**Schedule "B"**  
**to the Information Circular of Neotech Metals Corp.**  
(Previously Caravan Energy Corp.)

**EQUITY INCENTIVE PLAN**

**CARAVAN ENERGY CORPORATION**

**2022 OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN**

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## CARAVAN ENERGY CORPORATION

### 2022 OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN

#### ARTICLE 1

##### ESTABLISHMENT, PURPOSE AND DURATION

1.1 Establishment of the Plan. The following is the omnibus equity incentive compensation plan of Caravan Energy Corporation (the “**Company**”) pursuant to which stock based compensation Awards (as defined below) may be granted to eligible Participants (as defined below). The name of the plan is the 2022 Omnibus Equity Incentive Compensation Plan (the “**Plan**”).

The Plan permits the grant of Options, Share Appreciation Rights, Restricted Share Units, Deferred Share Units and Performance Share Units (as such terms are defined below). The Plan was adopted by the Board (as defined below) on November 14, 2022 (the “**Effective Date**”).

1.2 Purpose of the Plan. The purposes of the Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants, (ii) align the interests of Participants with that of other shareholders of the Company generally, and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Shares (as defined below) as long-term investments.

#### DEFINITIONS

Whenever used in the Plan, the following terms shall have the respective meanings set forth below, unless the context clearly requires otherwise, and when such meaning is intended, such term shall be capitalized.

“**Affiliate**” means any corporation, partnership or other entity (i) in which the Company, directly or indirectly, has majority ownership interest or (ii) which the Company controls. For the purposes of this definition, the Company is deemed to “**control**” such corporation, partnership or other entity if the Company possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, partnership or other entity, whether through the ownership of voting securities, by contract or otherwise, and includes a corporation which is considered to be a subsidiary for purposes of consolidation under International Financial Reporting Standards.

“**Award**” means, individually or collectively, a grant under the Plan of Options, Share Appreciation Rights, Deferred Share Units, Restricted Share Units or Performance Share Units, in each case subject to the terms of the Plan.

**“Award Agreement”** means either (i) a written agreement entered into by the Company or an Affiliate of the Company and a Participant setting forth the terms and provisions applicable to Awards granted under the Plan; or (ii) a written statement issued by the Company or an Affiliate of the Company to a Participant describing the terms and provisions of such Award. All Award Agreements shall be deemed to incorporate the provisions of the Plan. An Award Agreement need not be identical to other Award Agreements either in form or substance.

**“BCSA”** means the *Securities Act* (British Columbia), as may be amended from time to time.

**“Blackout Period”** means a period of time during which the Participant cannot sell Shares, due to applicable law or policies of the Company in respect of insider trading.

**“Board”** or **“Board of Directors”** means the Board of Directors of the Company as may be constituted from time to time.

**“Cause”** means (i) if the Participant has a written agreement pursuant to which he or she offers his or her services to the Company and the term “cause” is defined in such agreement, “cause” as defined in such agreement; or otherwise (ii) (A) the inability of the Participant to perform his or her duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (B) the failure of the Participant to follow the Company’s reasonable instructions with respect to the performance of his or her duties; (C) any material breach by the Participant of his or her obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (D) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (E) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee.

**“Change of Control”** means the occurrence of any one or more of the following events:

- (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company as a result of which the holders of Shares prior to the completion of the transaction hold or beneficially own, directly or indirectly, less than 50% of the outstanding Voting Securities of the successor corporation after completion of the transaction;
- (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Company and/or any of its subsidiaries to any other person or entity, other than a disposition to a wholly-owned subsidiary in the course of a reorganization of the assets of the Company and its subsidiaries;
- (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;

- (iv) an acquisition by any person, entity or group of persons or entities acting jointly or in concert of beneficial ownership of more than 50% of the Shares; or
- (v) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

**“Code”** means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.

**“Committee”** means the Board of Directors or if so delegated in whole or in part by the Board, the Compensation Committee of the Board of Directors, or any other duly authorized committee of the Board appointed by the Board to administer the Plan.

**“Company”** means Caravan Energy Corporation.

**“Consultant”** means, in relation to the Company, an individual (other than an Employee or a Director of the Company) or company that: (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to an Affiliate of the Company, other than services provided in relation to a distribution of securities; (b) provides the services under a written contract between the Company or an Affiliate and the individual or the company, as the case may be; (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and (d) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

**“CSE”** means the Canadian Securities Exchange (CSE) and at any time the Shares are not listed and posted for trading on the CSE, shall be deemed to mean such other stock exchange or trading platform upon which the Shares trade and which has been designated by the Committee.

**“Deferred Share Unit”** or **“DSU”** means an Award denominated in units that provides the holder thereof with a right to receive Shares or cash or a combination thereof upon settlement of the Award, granted under and subject to the terms of the Plan.

**“Director”** means any individual who is a member of the Board of Directors of the Company.

**“Disability”** means the disability of the Participant which would entitle the Participant to receive disability benefits pursuant to the long-term disability plan of the Company (if one exists) then covering the Participant, provided that the Board may, in its sole discretion, determine that, notwithstanding the provisions of any such long-term disability plan, the Participant is permanently disabled for the purposes of the Plan.



**“Dividend Equivalent”** means a right with respect to an Award to receive cash, Shares or other property equal in value and form to dividends declared by the Board and paid with respect to outstanding Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement, and if specifically provided for in the Award Agreement shall be subject to such terms and conditions set forth in the Award Agreement as the Committee shall determine.

**“Employee”** means any employee or officer of the Company or an Affiliate of the Company. Directors who are not otherwise employed by the Company or an Affiliate of the Company shall not be considered Employees under the Plan.

**“FMV”** means, unless otherwise required by any applicable provision of the Code or any regulations thereunder or by any applicable accounting standard for the Company’s desired accounting for Awards or by the rules of the CSE, a price that is determined by the Committee, provided that as long as the Company is listed on the CSE such price cannot be less than the last closing price of the Shares on the CSE less any discount permitted by the rules or policies of the CSE.

**“Freestanding SAR”** means a SAR that is not a Tandem SAR, as described herein.

**“Good Reason”** a resignation or Retirement following a Change of Control shall be considered to be for good reason if any of the following occur without the consent of the Participant:

- (i) A substantial and detrimental alteration of his or her position or title or in the nature or status of his or her responsibilities from those in effect immediately prior to the Change of Control,
- (ii) A reduction of 10% or more of his or her base salary or target bonus and cancellation of applicable compensation plans and the failure to replace those plans with substantially comparable plans;
- (iii) The failure to continue to provide employment benefits and perquisites comparable to those enjoyed immediately prior to the Change of Control; or
- (iv) The Participant being relocated to an office or location that is 50 kilometres or more from the current location where he or she is employed.

**“Grant Price”** means the price against which the amount payable is determined upon exercise of a SAR.

**“Insider”** shall have the meaning ascribed thereto in Section 1(1) of the BCSA.

**“ITA”** means the *Income Tax Act* (Canada).

**“Non-Employee Director”** means a Director who is not an Employee.

**“Notice Period”** means any period of contractual notice or reasonable notice that the Company or an Affiliate of the Company may be required at law, by contract or otherwise agrees to

provide to a Participant upon termination of employment, whether or not the Company or Affiliate elects to pay severance *in lieu* of providing notice to the Participant, provided that where a Participant's employment contract provides for an increased severance or termination payment in the event of termination following a Change of Control, the Notice Period for the purposes of the Plan shall be the Notice Period under such contract applicable to a termination which does not follow a Change of Control.

**"Option"** means the conditional right to purchase Shares at a stated Option Price for a specified period of time subject to the terms of the Plan.

**"Option Price"** means the price at which a Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.

**"Participant"** means an Employee, Non-Employee Director or Consultant who has been selected to receive an Award, or who has an outstanding Award granted under the Plan.

**"Performance Period"** means the period of time during which the assigned performance criteria must be met in order to determine the degree of payout and/or vesting with respect to an Award.

**"Performance Share Unit" or "PSU"** means an Award granted under Article 9 herein and subject to the terms of the Plan, denominated in units, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved.

**"Period of Restriction"** means the period when an Award of Restricted Share Units is subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events as determined by the Committee, in its discretion.

**"Person"** shall have the meaning ascribed to such term in Section 1(1) of the BCSA.

**"Restricted Share Unit" or "RSU"** means an Award denominated in units subject to a Period of Restriction, with a right to receive Shares or cash or a combination thereof upon settlement of the Award, granted under Article 7 herein and subject to the terms of the Plan.

**"Retirement" or "Retire"** means a Participant's permanent withdrawal from employment or office with the Company or an Affiliate of the Company on terms and conditions accepted and determined by the Board.

**"Share Appreciation Right" or "SAR"** means the conditional right to receive the difference between the FMV of a Share on the date of exercise over the Grant Price, pursuant to the terms of Article 6 herein and subject to the terms of the Plan.

**"Shares"** means common shares of the Company.

**“Tandem SAR”** means a SAR that the Committee specifies is granted in connection with a related Option pursuant to Article 6 herein and subject to the terms of the Plan, the exercise of which shall require forfeiture of the right to purchase a Share under the related Option (and when a Share is purchased under the Option, the Tandem SAR shall similarly be cancelled) or a SAR that is granted in tandem with an Option but the exercise of such Option does not cancel the SAR, but rather results in the exercise of the related SAR. Regardless of whether an Option is granted coincident with a SAR, a SAR is not a Tandem SAR unless so specified by the Committee at the time of grant.

**“Termination Date”** means the date on which a Participant ceases to be eligible to participate under the Plan as a result of a termination of employment, officer position, board service or consulting arrangement with the Company or any Affiliate of the Company for any reason, including death, Retirement, resignation or termination with or without Cause. For the purposes of the Plan, a Participant’s employment, officer position, board service or consulting arrangement with the Company or an Affiliate of the Company shall be considered to have terminated effective on the last day of the Participant’s actual and active employment, officer position or board or consulting service with the Company or the Affiliate whether such day is selected by agreement with the individual, unilaterally by the Company or the Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice or pay in lieu of notice that is given or that ought to have been given under applicable law in respect of such termination of employment that follows or is in respect of a period after the Participant’s last day of actual and active employment shall be considered as extending the Participant’s period of employment for the purposes of determining his or her entitlement under the Plan.

**“U.S. Participants”** means those Participants that are United States taxpayers.

**“Voting Securities”** shall mean any securities of the Company ordinarily carrying the right to vote at elections of directors and any securities immediately convertible into or exchangeable for such securities.

## ARTICLE 2 ADMINISTRATION

2.1 **General.** The Committee shall be responsible for administering the Plan. The Committee may employ attorneys, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Company, and its officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee shall be final, conclusive and binding upon the Participants, the Company, and all other interested parties. No member of the Committee will be liable for any action or determination taken or made in good faith with respect to the Plan or Awards granted hereunder. Each member of the Committee shall be entitled to indemnification by the Company with respect to any such determination or action in the manner provided for by the Company and its subsidiaries.

2.2 Authority of the Committee. The Committee shall have full and exclusive discretionary power to interpret the terms and the intent of the Plan and any Award Agreement or other agreement ancillary to or in connection with the Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Plan as the Committee may deem necessary or proper. Such authority shall include, but not be limited to, selecting Award recipients, establishing all Award terms and conditions, including grant, exercise price, issue price and vesting terms, whether Awards payout in cash or Shares where applicable, determining any performance goals applicable to Awards and whether such performance goals have been achieved, and, subject to Article 13, adopting modifications and amendments to the Plan or any Award Agreement, including, without limitation, any that are necessary or appropriate to comply with the laws or compensation practices of the jurisdictions in which the Company and its Affiliates operate.

2.3 Delegation. The Committee may delegate to one or more of its members any of the Committee's administrative duties or powers as it may deem advisable; provided, however, that any such delegation must be permitted under applicable corporate law.

### ARTICLE 3 SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

3.1 Maximum Number of Shares Available for Awards. The maximum number of Shares issuable pursuant to Awards issued under the Plan shall be equal to 20% of the then issued and outstanding Shares on a rolling basis. To the extent that an Award lapses or the rights of its Participant terminate or are paid out in cash (except in the case of Options which cannot be paid out in cash), any Shares subject to such Award shall again be available for the grant of an Award.

3.2 Award Grants to Individuals. The maximum number of Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Shares, calculated on the date an Award is granted to the Participant, unless the Company obtains disinterested shareholder approval as required by the policies of the CSE. The maximum number of Shares for which Awards may be issued to any Consultant or persons (in the aggregate) retained to provide Investor Relations Activities (as defined by the CSE) in any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Award is granted to the Consultant or any such person, as applicable.

3.3 Award Grants to Insiders. Unless disinterested shareholder approval as required by the policies of the CSE is obtained: (i) the maximum number of Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Shares, calculated at the date an Award is granted to any Insider.

3.4 Adjustments in Authorized Shares. In the event of any corporate event or transaction (collectively, a "**Corporate Reorganization**") (including, but not limited to, a change

in the Shares of the Company or the capitalization of the Company) such as a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price or Grant Price applicable to outstanding Awards, the limit on issuing Awards other than Options granted with an Option Price equal to at least the FMV of a Share on the date of grant or Share Appreciation Rights with a Grant Price equal to at least the FMV of a Share on the date of grant, and any other value determinations applicable to outstanding Awards or to the Plan, as are equitably necessary to prevent dilution or enlargement of Participants' rights under the Plan that otherwise would result from such corporate event or transaction. In connection with a Corporate Reorganization, the Committee shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan and the applicable Award Agreement) and the holder will then accept on the exercise of such Option, *in lieu* of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

The Committee shall also make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of performance criteria and changes in the length of Performance Periods. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments must comply with Section 409A of the Code with respect to any U.S. Participants.

Subject to the provisions of Article 11 and any applicable law or regulatory requirement, without affecting the number of Shares reserved or available hereunder, the Committee may authorize the issuance, assumption, substitution or conversion of Awards under the Plan in connection with any Corporate Reorganization, upon such terms and conditions as it may deem appropriate. Additionally, the Committee may amend the Plan, or adopt supplements to the Plan, in such manner as it deems appropriate to provide for such issuance, assumption, substitution or conversion as provided in the previous sentence.

ARTICLE 4  
ELIGIBILITY AND PARTICIPATION

4.1 Eligibility. Awards under the Plan shall be granted only to *bona fide* Employees, Non-Employee Directors and Consultants.

4.2 Actual Participation. Subject to the provisions of the Plan, the Committee may, from time to time, in its sole discretion select from among eligible Employees, Non-Employee Directors and Consultants, those to whom Awards shall be granted under the Plan, and shall determine in its discretion the nature, terms, conditions and amount of each Award.

ARTICLE 5  
STOCK OPTIONS

5.1 Grant of Options. Subject to the terms and provisions of the Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion.

5.2 Award Agreement. Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions, if any, upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine.

5.3 Option Price. The Option Price for each grant of an Option under the Plan shall be determined by the Committee and shall be specified in the Award Agreement. The Option Price for an Option shall be not less than the FMV of the Shares on the date of grant.

5.4 Vesting of Options. Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest equally over a four year period such that 1/4 of the Options shall vest on the first, second, third and fourth anniversary dates of the date that the Options were granted.

5.5 Duration of Options. Each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant; provided, however, that, subject to section 6.6, no Option shall be exercisable later than the tenth (10<sup>th</sup>) anniversary date of its grant.

5.6 Blackout Periods. If the date on which an Option is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Option shall be extended to the last day of such 10 business day period.

5.7 Exercise of Options. Options granted under this Article 5 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and

conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant.

5.8 Payment. Options granted under this Article 5 shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment of the Option Price.

The Option Price upon exercise of any Option shall be payable to the Company in full in cash, certified cheque or wire transfer.

As soon as practicable after receipt of a notification of exercise and full payment of the Option Price, the Shares in respect of which the Option has been exercised shall be issued as fully-paid and non-assessable common shares of the Company. As of the business day the Company receives such notice and such payment, the Participant (or the person claiming through a Participant, as the case may be) shall be entitled to be entered on the share register of the Company as the holder of the number of Shares in respect of which the Option was exercised and to receive as promptly as possible thereafter, but in any event, on or before the 15th day of the third month of the year following the year in which the Option was exercised, a certificate or evidence of book entry representing the said number of Shares. The Company shall cause to be delivered to or to the direction of the Participant Share certificates or evidence of book entry Shares in an appropriate amount based upon the number of Shares purchased under the Option(s).

5.9 Death, Disability, Retirement and Termination or Resignation of Employment.

If the Award Agreement does not specify the effect of a termination or resignation of employment then the following default rules will apply:

- (a) Death: If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate of the Company:
  - (i) all unvested Options as at the Termination Date shall automatically and immediately vest; and
  - (ii) all vested Options (including those that vested pursuant to (i) above) shall continue to be subject to the Plan and exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (b) Disability: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability then all Options remain and continue to vest (and are exercisable) in accordance with the terms of the Plan for a period of 12

months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.

- (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Options, to determine: (i) whether to accelerate vesting of any or all of such Options, (ii) whether any of such Options shall be cancelled, with or without payment, and (iii) how long, if at all, such Options may remain outstanding following the Termination Date; provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date.
- (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Options, whether vested or not, as at the Termination Date shall automatically and immediately expire and be forfeited.
- (e) Termination without Cause or Voluntary Resignation: Subject to section 5.9(f) below, if a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in sections 5.9(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
  - (i) all unvested Options shall automatically and immediately expire and be forfeited, and
  - (ii) all vested Options shall continue to be subject to the Plan and exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (f) Existing Options. Notwithstanding any other provisions herein, in connection with the resignation of the Participants holding Existing Options, the Existing Options shall be exercisable for a period of 90 days after the Termination Date, provided that any Existing Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

5.10 Nontransferability of Options. An Option granted under this Article 5 may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, all Options granted to a Participant under this Article 5 shall be exercisable during such Participant's lifetime only by such Participant.



ARTICLE 6  
SHARE APPRECIATION RIGHTS

6.1 Grant of SARs. Subject to the terms and conditions of the Plan, SARs may be granted to Participants at any time and from time to time and upon such terms as shall be determined by the Committee in its discretion. The Committee may grant Freestanding SARs, Tandem SARs, or any combination of these forms of SARs.

The Grant Price for each grant of a Freestanding SAR shall be determined by the Committee and shall be specified in the Award Agreement. The Grant Price may be based on one hundred percent (100%) of the FMV of the Shares on the date of grant, or set at a premium to the FMV of the Shares on the date of grant, or be indexed to the FMV of the Shares on the date of grant, with the index determined by the Committee, in its discretion, provided that the Grant Price may never be less than the FMV of the Shares on the date of Grant. The Grant Price of Tandem SARs shall be equal to the Option Price of the related Option.

6.2 SAR Agreement. Each SAR Award shall be evidenced by an Award Agreement that shall specify the Grant Price, the term of the SAR, and any such other provisions as the Committee shall determine.

6.3 Term of SAR. The term of a SAR granted under the Plan shall be determined by the Committee, in its sole discretion, and subject to section 6.4, no SAR shall be exercisable later than the tenth (10th) anniversary date of its grant.

6.4 Blackout Periods. If the date on which a SAR is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such SAR shall be extended to the last day of such 10 business day period.

6.5 Exercise of Freestanding SARs. Freestanding SARs may be exercised upon whatever terms and conditions the Committee, in its sole discretion, imposes.

6.6 Exercise of Tandem SARs. With respect to Participants who are not subject to taxation under the ITA, Tandem SARs may be exercised for all or part of the Shares subject to the related Option upon the surrender of the right to exercise the equivalent portion of the related Option, if applicable. With respect to Participants subject to taxation under the ITA, prior to exercising a Tandem SAR the Participant must elect to receive the Tandem SAR in consideration for the disposition of that Participant's right to receive Shares under the Option. A Tandem SAR may be exercised only with respect to the Shares for which its related Option is then exercisable.

6.7 Payment of SAR Amount. Upon the exercise of a SAR, a Participant shall be entitled to receive payment from the Company in an amount representing the difference between the FMV of the underlying Shares on the date of exercise over the Grant Price. At the discretion of the Committee, the payment upon SAR exercise may be in cash, Shares of

equivalent value (based on the FMV of the Shares on the date of exercise of the SAR, as defined in the Award Agreement or otherwise defined by the Committee thereafter), in some combination thereof, or in any other form approved by the Committee at its sole discretion. Payment shall be made no earlier than the date of exercise nor later than 2½ months after the close of the year in which the SAR is exercised. The Committee's determination regarding the form of SAR payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the SAR.

6.8 Termination of Employment. Each Award Agreement shall set forth the extent to which the Participant shall have the right to exercise the SAR following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all SARs issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that such provisions shall comply with the rules of the CSE.

6.9 Nontransferability of SARs. A SAR granted under the Plan may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, all SARs granted to a Participant under the Plan shall be exercisable during such Participant's lifetime only by such Participant.

## ARTICLE 7 RESTRICTED SHARE UNITS

7.1 Grant of Restricted Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Restricted Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

7.2 Restricted Share Unit Agreement. Each Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, the settlement date for Restricted Share Units, whether such Restricted Share Unit is settled in cash, Shares or a combination thereof or if the form of payment is reserved for later determination by the Committee, and any such other provisions as the Committee shall determine, provided that unless otherwise determined by the Committee or as set out in any Award Agreement, no Restricted Share Unit shall vest later than three years after the date of grant. The Committee shall impose, in the Award Agreement at the time of grant, such other conditions and/or restrictions on any Restricted Share Units granted pursuant to the Plan as it may deem advisable, including, without limitation, restrictions based upon the achievement of specific performance criteria, time-based restrictions on vesting following the attainment of the performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the CSE.

7.3 Vesting of Restricted Share Units. Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Restricted Share Units, Restricted Share Units shall vest equally over a three year period such that 1/3 of the Restricted Share Units granted in an

Award shall vest on the first, second and third anniversary dates of the date that the Award was granted, and provided that no Restricted Share Unit granted shall vest and be payable after December 31 of the third calendar year following the year of service for which the Restricted Share Unit was granted.

7.4 Black Out Periods. If the date on which a Restricted Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.

7.5 Nontransferability of Restricted Share Units. The Restricted Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated until the date of settlement through delivery or other payment, or upon earlier satisfaction of any other conditions, as specified by the Committee in its sole discretion and set forth in the Award Agreement at the time of grant or thereafter by the Committee. All rights with respect to the Restricted Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.

7.6 Dividends and Other Distributions. During the Period of Restriction, Participants holding Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Restricted Share Units.

7.7 Death, Disability, Retirement and Termination or Resignation of Employment.

If the Award Agreement does not specify the effect of a termination or resignation of employment then the following default rules will apply:

- (a) Death: If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate:
  - (i) all unvested Restricted Share Units as at the Termination Date shall automatically and immediately vest; and
  - (ii) all vested Restricted Share Units (including those that vested pursuant to (i) above) shall be paid to the Participant's estate in accordance with the terms of the Plan and the Award Agreement.
- (b) Disability: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability, then all Restricted Share Units remain and continue

to vest in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any Restricted Share Units that have not vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.

- (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Restricted Share Units, to determine: (i) whether to accelerate vesting of any or all of such Restricted Share Units, (ii) whether any of such Restricted Share Units shall be cancelled, with or without payment, and (iii) how long, if at all, such Restricted Share Units may remain outstanding following the Termination Date; provided, however, that in no event shall such Restricted Share Units remain outstanding for more than 12 months after the Termination Date. Notwithstanding the above, for U.S. Participants, the treatment of Restricted Share Units upon retirement shall be provided for in the Award Agreement.
- (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Restricted Share Units, whether vested or not, as at the Termination Date shall automatically and immediately be forfeited.
- (e) Termination without Cause or Voluntary Resignation: If a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in sections 7.7(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
  - (i) all unvested Restricted Share Units shall automatically and immediately be forfeited, and
  - (ii) all vested Restricted Share Units shall be paid to the Participants in accordance with the terms of the Plan and the Award Agreement.

7.8 Payment in Settlement of Restricted Share Units. When and if Restricted Share Units become payable, the Participant issued such Restricted Share Units shall be entitled to receive payment from the Company in settlement of such Restricted Share Units: (i) in cash, in an amount equal to the product of the FMV of a Share on the applicable settlement date multiplied by the number of Restricted Share Units being settled, (ii) in a number of Shares (issued from treasury) equal to the number of Restricted Share Units being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Restricted Share Units. In the event settlement is made by payment in cash, such payment shall be made by the earlier of (i) 2½ months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

ARTICLE 8  
DEFERRED SHARES UNITS

8.1 Grant of Deferred Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

8.2 Deferred Share Unit Agreement. Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the CSE, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Deferred Share Units.

8.3 Nontransferability of Deferred Share Units. The Deferred Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated. All rights with respect to the Deferred Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.

8.4 Black Out Periods. If the date on which a Deferred Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.

8.5 Dividends and Other Distributions. Participants holding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Deferred Share Units.

8.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that provisions shall comply with applicable rules of the CSE.

8.7 Payment in Settlement of Deferred Share Units. When and if Deferred Share Units become payable, the Participant issued such Deferred Share Units shall be entitled to

receive payment from the Company in settlement of such Deferred Share Units: (i) in cash, in an amount equal to the product of the FMV of a Share on the applicable settlement date less the stipulated purchase price for the Deferred Share Units being settled, if any, multiplied by the number of Deferred Share Units being settled, (ii) in a number of Shares (issued from treasury) equal to the number of Deferred Share Units being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Deferred Share Units.

## ARTICLE 9 PERFORMANCE SHARE UNITS

9.1 Grant of Performance Share Units. Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Performance Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

9.2 Value of Performance Share Units. Each Performance Share Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the value and/or number of each Performance Share Unit that will be paid to the Participant.

9.3 Earning of Performance Share Units. Subject to the terms of the Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Share Units shall be entitled to receive payout on the value and number of Performance Share Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Company shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time.

9.4 Form and Timing of Payment of Performance Share Units. Payment of earned Performance Share Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Plan, the Committee, in its sole discretion, may pay earned Performance Share Units in the form of: (i) cash equal to the value of the Shares underlying the earned Performance Share Units at the end of the applicable Performance Period, (ii) a number of Shares issued from treasury equal to the number of earned Performance Share Units at the end of the applicable Performance Period, or (iii) in a combination thereof. Any Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Shares or payment of any cash amounts be made later than the earlier of (i) 2½ months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

9.5 Dividends and Other Distributions. Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Performance Share Units.

9.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Performance Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with applicable rules of the CSE.

9.7 Non-transferability of Performance Share Units. Performance Share Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, a Participant's rights under the Plan shall inure during such Participant's lifetime only to such Participant.

## ARTICLE 10 BENEFICIARY DESIGNATION

10.1 Beneficiary. A Participant's "beneficiary" is the person or persons entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of the Participant's death. A Participant may designate a beneficiary or change a previous beneficiary designation at such times as prescribed by the Committee and by using such forms and following such procedures approved or accepted by the Committee for that purpose. If no beneficiary designated by the Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at the Participant's death, the beneficiary shall be the Participant's estate.

10.2 Discretion of the Committee. Notwithstanding the provisions above, the Committee may, in its discretion, after notifying the affected Participants, modify the foregoing requirements, institute additional requirements for beneficiary designations, or suspend the existing beneficiary designations of living Participants or the process of determining beneficiaries under this Article 10, or both, in favor of another method of determining beneficiaries.

ARTICLE 11  
RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

11.1 Employment. Nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Company or an Affiliate of the Company to terminate any Participant's employment, consulting or other service relationship with the Company or the Affiliate at any time, nor confer upon any Participant any right to continue in the capacity in which he or she is employed or otherwise serves the Company or the Affiliate.

Neither an Award nor any benefits arising under the Plan shall constitute part of an employment or service contract with the Company or an Affiliate of the Company, and, accordingly, subject to the terms of the Plan, the Plan may be terminated or modified at any time in the sole and exclusive discretion of the Committee or the Board without giving rise to liability on the part of the Company or its Affiliates for severance payments or otherwise, except as provided in the Plan.

For purposes of the Plan, unless otherwise provided by the Committee, a transfer of employment of a Participant between the Company and an Affiliate or among Affiliates of the Company, shall not be deemed a termination of employment. The Committee may provide, in a Participant's Award Agreement or otherwise, the conditions under which a transfer of employment to an entity that is spun off from the Company or an Affiliate of the Company shall not be deemed a termination of employment for purposes of an Award.

11.2 Participation. No Employee or other Person eligible to participate in the Plan shall have the right to be selected to receive an Award. No person selected to receive an Award shall have the right to be selected to receive a future Award, or, if selected to receive a future Award, the right to receive such future Award on terms and conditions identical or in proportion in any way to any prior Award.

11.3 Rights as a Shareholder. A Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the holder of such Shares.

ARTICLE 12  
CHANGE OF CONTROL

12.1 Change of Control and Termination of Employment. Subject to section 12.2, if there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their employment, or officer or Director position is terminated or they resign for Good Reason within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.



12.2 Discretion to Board. Notwithstanding any other provision of the Plan, in the event of an actual or potential Change of Control, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit (including, but not limited to those set out in (iii) and (iv) below), the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or potential Change of Control, or (2) providing that any Awards exercised or vested shall be exercisable or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Company will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control. With respect to U.S. Participant, the treatment of Awards upon a Change of Control shall be provided for in the Award Agreement.

12.3 Non-Occurrence of Change of Control. In the event that any Awards are conditionally exercised pursuant to section 12.2 above and the Change of Control does not occur, the Board may, in its sole discretion, determine that any (i) Awards so exercised shall be reinstated as the type of Award prior to such exercise, and (ii) Shares issued be cancelled and any exercise or similar price received by the Company shall be returned to the Participant.

12.4 Agreement with Purchaser in a Change of Control. In connection with a Change of Control, the Board may be permitted to condition any acceleration of vesting on the Participant entering into an employment, confidentiality or other agreement with the purchaser as the Board deems appropriate.

## ARTICLE 13 AMENDMENT AND TERMINATION

13.1 Amendment and Termination. The Board may, at any time, suspend or terminate the Plan. Subject to compliance with any applicable law, including the rules of the CSE, the Board may also, at any time, amend or revise the terms of the Plan and any Award Agreement. No such amendment of the Plan or Award Agreement may be made if such amendment would materially and adversely impair any rights arising from any Awards previously granted to a Participant under the Plan without the consent of the Participant or the representatives of his or her estate, as applicable. Any amendment that would cause an Award held by a Participant that is a U.S. taxpayer to fail to comply with Section 409A of the Code shall be null and void with respect to such Participant.

13.2 Reduction of Option Price or Grant Price. Disinterested shareholder approval as required by the policies of the CSE shall be obtained for any reduction in the Option Price of an Option or the Grant Price of a SAR if the Participant is an Insider of the Company at the time of the proposed amendment.

ARTICLE 14  
WITHHOLDING

14.1 Withholding. The Company or any of its Affiliates shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company or the Affiliate, an amount sufficient to satisfy federal, provincial and local taxes or domestic or foreign taxes required by law or regulation to be withheld with respect to any taxable event arising from or as a result of the Plan or any Award hereunder. The Committee may provide for Participants to satisfy withholding requirements by having the Company withhold and sell Shares or the Participant making such other arrangements, including the sale of Shares, in either case on such conditions as the Committee specifies.

14.2 Acknowledgement. Participant acknowledges and agrees that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company. Participant further acknowledges that the Company: (a) makes no representations or undertakings regarding the treatment of any taxes in connection with any aspect of the Plan; and (b) does not commit to and is under no obligation to structure the terms of the Plan to reduce or eliminate Participant's liability for taxes or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction, Participant acknowledges that the Company may be required to withhold or account for taxes in more than one jurisdiction.

ARTICLE 15  
SUCCESSORS

Any obligations of the Company or its Affiliates under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or its Affiliates, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Company or the Affiliate, as applicable.

ARTICLE 16  
GENERAL PROVISIONS

16.1 Delivery of Title. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:

- (a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (b) Completion of any registration or other qualification of the Shares under any applicable law or ruling of any governmental body that the Company determines to be necessary or advisable.

16.2 Investment Representations. The Committee may require each Participant receiving Shares pursuant to an Award under the Plan to represent and warrant in writing that the Participant is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.

16.3 Uncertificated Shares. To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a noncertificated basis to the extent not prohibited by applicable law or the rules of the CSE.

16.4 No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Shares and any rights thereto shall be forfeited or otherwise eliminated.

16.5 Other Compensation and Benefit Plans. Nothing in the Plan shall be construed to limit the right of the Company or an Affiliate of the Company to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.

16.6 No Constraint on Corporate Action. Nothing in the Plan shall be construed (i) to limit, impair or otherwise affect the Company's or its Affiliates' right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or its Affiliates to take any action which such entity deems to be necessary or appropriate.

16.7 Compliance with Canadian Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable. In addition to any applicable resale restrictions under Canadian securities laws, where Awards are granted pursuant to section 2.24 of National Instrument 45-106, the Awards and any Shares issued on the exercise of such Awards must be legended with a four month hold period commencing on the date the Awards were granted, unless written approval is obtained from the CSE.

16.8 Compliance with U.S. Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to the registration requirements of the U.S. Securities Act of 1933, as amended or an exemption from such registration requirements. If the Awards or Shares are not so registered and no such registration exemption is available, the Company shall not be required to issue any Shares otherwise issuable hereunder.

ARTICLE 17  
LEGAL CONSTRUCTION

17.1 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

17.2 Severability. In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

17.3 Requirements of Law. The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. The Company or an Affiliate of the Company shall receive the consideration required by law for the issuance of Awards under the Plan.

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

17.4 Governing Law. The Plan and each Award Agreement shall be governed by the laws of the Province of British Columbia excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.

17.5 Compliance with Section 409A of the Code.

- (a) To the extent the Plan is applicable to a particular Participant subject to the Code, it is intended that the Plan and any Awards made hereunder shall not provide for the payment of “deferred compensation” within the meaning of Section 409A of the Code or shall be structured in a manner and have such terms and conditions that would not cause such a Participant to be subject to taxes and interest pursuant to Section 409A of the Code. The Plan and any Awards made hereunder shall be administrated and interpreted in a manner consistent with this intent.
- (b) To the extent that any amount or benefit in favour of a Participant who is subject to the Code would constitute “deferred compensation” for purposes of Section 409A of the Code would otherwise be payable or distributable under the Plan or any Award Agreement by reason of the occurrence of a Change of Control or the Participant’s disability or separation from service, such amount or

benefit will not be payable or distributable to the Participant by reason of such circumstance unless: (i) the circumstances giving rise to such Change of Control, disability or separation from service meet the description or definition of “change in control event,” “disability,” or “separation from service,” as the case may be, in Section 409A of the Code and applicable proposed or final Treasury regulations thereunder, and (ii) the payment or distribution of such amount or benefit would otherwise comply with Section 409A of the Code and not subject the Participant to taxes and interest pursuant to Section 409A of the Code. This provision does not prohibit the vesting of any Award or the vesting of any right to eventual payment or distribution of any amount or benefit under the Plan or any Award Agreement.

- (c) The Committee shall use its reasonable discretion to determine the extent to which the provisions of this section 17.5 will apply to a Participant who is subject to taxation under the ITA.