



**TACTICAL RESOURCES CORP.**  
c/o Suite 1500 – 1055 West Georgia Street  
Vancouver, British Columbia, Canada V6E 2Y3  
Telephone Number: (778) 588-5483

**INFORMATION CIRCULAR**  
as at October 26, 2023  
(except as otherwise indicated)

**This Information Circular is furnished in connection with the solicitation of proxies by the management of TACTICAL RESOURCES CORP. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on Thursday, December 7, 2023 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

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

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

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

**Appointment of Proxyholders**

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

**Voting by Proxyholder**

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

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

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

## Registered Shareholders

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

- (a) complete, date and sign the Proxy and return it to the Company's transfer agent, Odyssey Trust Company, by 10 o'clock a.m. (Pacific Time) on Tuesday, December 5, 2023 via fax at (800) 517-4553, or email a copy of the fully signed proxy to Odyssey Trust Company at [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com); or
- (b) use the internet through the website of the Company's transfer agent at <https://login.odysseytrust.com/pxlogin>. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

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

## Beneficial Shareholders

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

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker (an "intermediary"). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

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

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

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

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

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

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

The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions,

Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted at the Meeting or to have an alternate representative duly appointed to attend the Meeting and to vote your Common Shares at the Meeting.**

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

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

#### **Revocation of Proxies**

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by emailing the proxy bearing a later date to Odyssey Trust Company at [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com) at any time up 10 o’clock a.m. (Pacific Time) Wednesday, December 5, 2023 or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered shareholder’s Common Shares.

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

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or, otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor, ratification of new Omnibus Incentive Plan and as may be set out herein.

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

The board of directors (the “**Board**”) has fixed October 26, 2023 as the record date (the “**Record Date**”) for the determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company’s common shares trade on the TSX Venture Exchange, under stock symbol “RARE.”

The authorized capital of the Company consists of an unlimited number of Common Shares. As of October 26, 2023, there were 35,674,480 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

The Company filed a Prospectus under the Company’s SEDAR+ corporate website at [www.sedarplus.ca](http://www.sedarplus.ca) on March 3, 2022. An escrow agreement dated February 28, 2022 (the “Escrow Agreement”) as referenced to in the Prospectus was also SEDAR+ filed on March 3, 2022.

At Record Date, October 26, 2023, a total of 385,048 Common Shares remain outstanding under the Escrow Agreement. At October 26, 2023 Record Date, the below named insiders of the Company hold Common Shares in escrow under the Escrow Agreement:

Name	Remaining Amount
Ranjeet Sundher	360,000
Kuljit (Jeet) Basi	16,512

### Principal Holders of Common Shares of the Company

To the knowledge of the directors and executive officers of the Company, as at the Record Date October 26, 2023, the following company beneficially owns, or controls or directly or indirectly holds Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of Company:

Name	Number Common Shares Held and Percentage of Shares
CDS Inc. <sup>(1)</sup>	22,200,757 (62.2%)

Note: <sup>(1)</sup> CDS & Co is a share depository, the beneficial ownership of which is unknown to the Company.

### FINANCIAL STATEMENTS

The consolidated audited financial statements of the Company for the Company’s financial year ended July 31, 2022 and July 31, 2021, the report of the auditor thereon and the related management’s discussion and analysis (the “Financial Statements”) were SEDAR+ filed on November 25, 2022 under the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). The Financial Statements will be tabled at the Meeting and which will be available at the Meeting.

### ELECTION OF DIRECTORS

#### Nominees

There are currently five (5) directors. The Company has determined the number of directors to be elected at the Meeting at five (5). The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director’s office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected at the Meeting will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

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

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment <sup>(1)</sup>	Period as a Director of the Company	Shares Beneficially Owned or Controlled <sup>(1)</sup>
<b>RANJEET SUNDHER</b> <sup>(5)</sup> Chief Executive Officer and Director British Columbia Canada	President of Bolt Metals (2017- present)  Refer to <i>Director Biographies</i> below.	Director and Officer Since November 2, 2020	800,000 <sup>(2)</sup>

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment <sup>(1)</sup>	Period as a Director of the Company	Shares Beneficially Owned or Controlled <sup>(1)</sup>
<b>KULJIT BASI</b> <sup>(5)</sup> Director British Columbia Canada	Manager, Processing & Metallurgy at Goldcorp Inc. (2011-2019); Senior Technical Advisory-North America at Newmont Mining (2019-2020); Principal at SVK Metrix (2020-present)  <i>Refer to <b>Director Biographies</b>                      below.</i>	Since November 2, 2020	41,700 <sup>(3)</sup>
<b>MATTHEW CHATTERTON</b> <sup>(5)</sup> Director British Columbia Canada	Manager, Materials and Projects at FLSmidth & Co. A/S (2006-2018); Vice President, Global Production at International Play Company (2018 to 2019), Chief Science Officer at Isracann Biosciences Inc. (2019- current)  <i>Refer to <b>Director Biographies</b>                      below.</i>	Since April 26, 2021	5,000 <sup>(4)</sup>
<b>J. GARRY CLARK</b> Director Ontario, Canada	Executive Director of the Ontario Prospectors Association  <i>Refer to <b>Director Biographies</b>                      below.</i>	Since September 7, 2022	Nil
<b>MANAVDEEP MUKHIJA</b> Director British Columbia, Canada	<i>Refer to <b>Director Biographies</b>                      below.</i>	Since September 29, 2022	Nil

**Notes:**

1. The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
2. Mr. Basi holds a total of 2,500 warrants to purchase a total of 2,500 warrant shares at a warrant exercise price of \$2.50, expiring on March 14, 2024.
3. Mr. Chatterton holds a total of 2,500 warrants to purchase a total of 2,500 warrant shares at a warrant exercise price of \$2.50, expiring on March 14, 2024.
4. Member of Audit Committee.

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

**Advance Notice Provision**

At the Company's annual and special meeting held September 7, 2022, shareholders approved the Company's *Business Corporations Act* (British Columbia) new Articles that provide for advance notice provisions (the "**Advance Notice Provision**"). The Advance Notice Provision provides for advance notice to the Company in circumstances where

nominations of persons for election to the Board of directors of the Company are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

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

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

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision that is available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

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

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees.

### ***Director Biographies***

#### **Ranjeet Sundher, Chief Executive Officer and Director**

Mr. Sundher specializes in early-stage project finance and structure. He has raised over \$50 million for companies in which he was a founder / partner. He has lived in Asia and North America for the last 20 years and has 25 years of capital markets experience. Mr. Sundher has over 25 years of experience in the mining sector and has acted as the President and CEO of public companies in the exploration space, where he has taken mining projects from grassroots exploration to feasibility study. Mr. Sundher has developed and sold several successful private and public companies in the technology, resource and software space. He has also served as a director of several public companies in the mining and technology sectors. He has raised over \$50 million for companies in which he was a founder / partner. Before moving back to North Vancouver in 2020, Ranjeet had lived in Asia for the past 20 years, and has 25 years of capital markets experience. Mr. Sundher is a director of DeepMarkit Corp., Bolt Metals and Brigadier Gold Ltd.

#### **Kuljit Basi, Director**

Mr. Kuljit (Jeet) Basi is an established mining industry professional with over 17 years of technical leadership experience in global public mining companies including Newmont Corporation ("Newmont"), Goldcorp Inc. ("Goldcorp") and Teck Resources Ltd. ("Teck"). Jeet has a passion for growing a collaborative culture of technical excellence focused on maximizing net asset values. Since July 2020 to present, Mr. Basi has been the principal consultant for SVK Metrix Inc. ("SVK"), which company provides consulting advice to numerous natural resource companies including Modern Mining Technology Corp. and Ausenco Engineering. Prior thereto, from July 2019 to February 2020, Mr. Basi held the position of Senior Advisor, Newmont North America, where he was responsible for implementing industry leading best practices in the areas of technical services, project development and strategic planning across all of Newmont's Canadian, U.S. and Mexican assets. Prior thereto, from February 2011 to June 2019, Jeet held various positions with Goldcorp including the position of Corporate Manager of Processing & Metallurgy. During his eight-year tenure with Goldcorp, Mr. Basi established a track record of delivering bottom-line growth across major assets within Goldcorp's global portfolio. Prior to Goldcorp, Mr. Basi worked, from September 2006 to January 2011, at Teck's Highland Valley Copper operation where he most notably was involved in the mill optimization and expansion projects. Mr. Basi is an industry professional and has co-authored multiple publications within the technical community. Mr. Basi obtained his Bachelor of Applied Science in Mining and Mineral Process Engineering degree from the University of British Columbia with a Minor in Commerce in 2006.

**Matthew Chatterton, Director**

Mr. Chatterton brings over 20 years of experience in development and execution of complex projects, including 12 years in the mining division of FLSmidth. His expertise includes project management, facility management, logistics and supply-side processes and procedures at a number of operations in Canada and internationally. He has been involved in the public markets for the last four years, managing IPO processes and transitioning businesses to post listing operations. His expertise includes project management, facility management, logistics, supply side processes and procedures at a number of international manufacturing operations in Canada, China, Bulgaria, the Philippines and Israel. He has managed operational teams as large as eight direct or 120 indirect reports and has managed capital projects in excess of \$35 million for production facilities and laboratories for mining and manufacturing businesses. He is currently the Chief Science Officer at Isracann Biosciences Inc. Mr. Chatterton is a Professional Engineer and graduate of Canada's Queens University with a Master's degree in Chemical Process Engineering (2003). Mr. Chatterton is a Professional Engineer and graduate of Canada's Queens University with a bachelor's degree in Engineering Chemistry (2001) and master's degree in Chemical Process Engineering (2003).

**J. Garry Clark, Director**

J. Garry Clark graduated with an HBSc (Geology) from Lakehead University, Thunder Bay, Ontario. Garry is a Professional Geologist registered with the Association of Professional Geoscientists of Ontario. After University he held various exploration Geological positions with Major and Junior explorers. In the late 1980's Garry began his consulting career. Garry presently is a director or advisor for listed junior companies operating in Canada and internationally exploring for gold, base metals and critical metals. He is a member of various audit and compensation committees as well as well as being the Executive Director of the Ontario Prospectors Association.

**Manavdeep Mukhija, Director**

Mr. Mukhija brings over 15 years of experience in the mining industry including roles with global mining companies such as Teck Resources, Barrick, BHP Billiton, and TransAlta. Since June 2023, Mark has served as the Head of Sales – North America for Plotlogic, a mining technology company which utilises artificial intelligence technology aimed at sustainably increasing mineral production and reducing waste. From 2018 to 2023, Mark was the General Manager (Australia) for Motion Metrics, an industrial artificial intelligence and machine learning company catering to the mining industry with a specific focus on safety and productivity. Mr. Mukhija was responsible for the P&L, business development, project management, and logistics of the Motion Metrics (Australia) operations. With BHP Billiton, Mark was responsible for life of mine planning and asset value optimization. At TransAlta, Mr. Mukhija began as the Engineering Team Leader at the Sunhills Mine with 14 direct reports and then moved into a capital planning supervisory role where he was responsible for a \$60mm annual capital expenditure budget for the operation. Mr. Mukhija is a Professional Engineer and graduate from the University of British Columbia with a Bachelor of Applied Science in Mining Engineering (2003).

**Cease Trade Orders and Bankruptcy**

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

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

- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

#### *Exceptions*

Ranjeet Sundher is the current President, Chief Executive Officer and a director of Bolt Metals. On May 1, 2019, at the request of Bolt Metal's management, Bolt Metals was granted a temporary MCTO from the BCSC in connection with Bolt Metals' filing of its audited annual financial statements and management's discussion and analysis for the financial year ended December 31, 2018 (the "Annual Report") and its unaudited interim financial statements and management's discussion and analysis for the financial year ended March 31, 2019 (the "Q1 Report"). On June 27, 2019 Bolt Metals announced that the Annual Report and the Q1 Report had been filed, and the MCTO was subsequently lifted on July 2, 2019.

Kuljit (Jeet) Basi is a former director of Norra Metals Corp. ("**Norra Metals**"). On April 5, 2023, the BCSC ordered that all trading in the securities of Norra Metals cease (the "**Norra Metals CTO**") until it files annual audited financial statements, MD&A, and the certification of annual filings for the year ended November 30, 2022, as required under National Instrument 51-102 – *Continuous Disclosure Obligations*. As of the date of this Information Circular, the Norra Metals CTO has not been revoked or rescinded.

Mathew Chatterton is a current officer of Isracann Biosciences Inc. ("**Isracann**"). On February 1, 2023, at the request of Isracann's management, Isracann was granted a temporary management cease trade order (the "**Isracann MCTO**") from the BCSC in connection with Isracann's filing of its unaudited interim financial statements for the second quarter ended November 30, 2022, including the related MD&A, and CEO and CFO certifications. On April 6, 2023, the CSE announced that Isracann was in default of CSE requirements and is therefore suspended pursuant to CSE Policy 3 effectively immediately (the "**Isracann Suspension**"). The Isracann Suspension is considered a regulatory halt as defined in National Instrument 23-101 – *Trading Rules*. As of the date of this Information Circular, neither the Isracann MCTO nor the Isracann Suspension have been revoked or rescinded.

Matthew Chatterton has been a director of The Vurger Co Ltd ("**Vurger**") since April 4, 2022. Vurger is a private limited company incorporated under the Companies Act 2006 (United Kingdom) on July 11, 2016, and formerly operated a chain of a vegan fast food restaurants in England. On April 28, 2023, Vurger entered administration under the Insolvency Act 1986 (United Kingdom), leading to a "pre-packaged" administration sale of its assets which was announced on May 5, 2023.

#### **Penalties or Sanctions**

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

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

#### **Conflicts of Interest**

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

There are potential conflicts of interest to which the directors and officers of the Company will be subject in connection with the operations of the Company. In particular, certain of the directors and officers of the Company are involved in managerial and/or director positions with other companies whose operations may, from time to time, be in direct competition with those of the Company. Conflicts, if any, will be subject to the procedures and remedies available under the *Business Corporations Act* (British Columbia) (the "BCBCA"). The BCBCA provides that in the event that a director



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

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the nominees named herein as directors of the Company.**

**The Board recommends that you vote in favour of the election of the nominees named herein as directors of the Company.**

#### **APPOINTMENT OF AUDITOR**

At the Meeting, Manning Elliott LLP, Chartered Professional Accountants, located at 17<sup>th</sup> Floor, 1020 West Georgia Street, Vancouver, British Columbia Canada V6E 2Y3, will be recommended by management and the Board for appointment as auditor of the Company. Manning Elliott LLP has been the Company's auditor since September 2020.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Manning Elliott LLP, Chartered Professional Accountants, as auditor of the Company until the close of the next annual general meeting.**

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

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

##### **Audit Committee Charter**

The Charter of the Company's Audit Committee is attached as Schedule "A" to this Information Circular.

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

The current members of the Audit Committee are:

<b>Name</b>	<b>Independence<sup>(1)</sup></b>	<b>Financial Literacy<sup>(1)</sup></b>
Matthew Chatterton	Independent	Financially Literate
Kuljit Basi	Not Independent	Financially Literate
J. Garry Clark	Independent	Financially Literate

##### **Notes:**

- (1) As defined under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").
- (2) Kuljit Basi is not independent as Mr. Basi receives compensation as a consultant to the Company

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

See "*Director Biographies*" above for the education and experience of each member of the Audit Committee relevant to the performance of their duties as a member of the Audit Committee.

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

At no time has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

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

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

- (A) the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*);
- (B) the exemption in subsection 6.1.1(4) of NI 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*);

- (C) the exemption in subsection 6.1.1(5) of NI 52-110 (*Events Outside Control of Member*);
- (D) the exemption in subsection 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignation*); or
- (E) an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

### Pre-Approval Policies and Procedures

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

### External Auditor Service Fees

The following table sets out the audit fees incurred by the Company during financial years ended July 31, 2022 and July 31, 2021 for audit fees are as follows:

Year Ended	Audit Fees	Audit Related Fees <sup>(1)</sup>	Tax Fees <sup>(2)</sup>	All Other Fees <sup>(3)</sup>
July 31, 2022	\$34,500	\$11,500	\$4,000	Nil
July 31, 2021	\$25,000	\$6,500	\$1,750	\$15,750

#### Notes:

- (1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

### Exemption

The Company is relying on the exemption in section 6.1 of NI 52-110 from the requirements of Parts 3 (Composition of the *Audit Committee*) and 5 (*Reporting Obligations*).

## CORPORATE GOVERNANCE

### General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the Company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Company's board of directors (the "**Board**") is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

### Board of Directors

The Company's Board currently consists of five (5) directors, Ranjeet Sundher, Kuljit Basi, Kuljit Basi, Matthew Chatterton and Manavdeep Mukhija, of which three (3) are independent based upon the tests for independence set forth in NI 52-110. Ranjeet Sundher is not independent by virtue of his position as CEO of the Company and Kuljit Basi is not independent as Mr. Basi receives compensation as a consultant to the Company. The Board believes that good corporate governance improves corporate performance and benefits all shareholders. Regulatory authorities have implemented National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, which prescribes certain disclosure of the Company's corporate governance practices.

### Directorships

The below named Directors of the Company also serve as directors of other Reporting Issuers

Name of Director	Other Reporting Issuer	Name of Exchange or Market
Ranjeet Sundher	Bolt Metals Corp.	CSE
	Brigadier Gold Limited	TSXV
	DeepMarkit Corp.	TSXV
Matthew Chatterton	UniDoc Health Corp.	CSE
J. Garry Clark	Bolt Metals Corp.	CSE
	Bullet Exploration Inc.	TSXV
	Canadian Palladium Resources Inc.	CSE
	DeepMarkit Corp.	TSXV
	Ophir Gold Corp.	TSXV
	Superior Canadian Resources Inc.	TSXV
	Wedgemount Resources Corp.	CSE
	General Copper Gold Corp.	CSE
	Brigadier Gold Limited	TSXV
Manavdeep Mukhjia	POWR Lithium Corp.	CSE
	Three Sixty Solar Ltd. (formerly, Liberty One Lithium Corp.)	Aequitas NEO Exchange

### **Orientation and Continuing Education**

The Board briefs all new directors with the policies of the Board, and other relevant corporate and business information. In particular, the Board oversees an orientation program to familiarize new directors with the Company's business and operations, including the Company's reporting structure, strategic plans, significant financial, accounting and risk issues and compliance programs and policies, management and the external auditors. The Board oversees ongoing education for all directors.

### **Ethical Business Conduct**

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

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

### **Nomination of Directors**

The Company does not have a Corporate Governance and Nominating Committee. The Board, in its entirety, is responsible for identifying potential candidates to fill Board vacancies as and when they arise and they shall recruit and consider candidates for directors, including any candidates recommended by shareholders, having regard for the background, employment and qualifications of possible candidates. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

### **Compensation**

The Company does not have a Compensation Committee. The Board, in its entirety makes decisions in respect of the total compensation paid by the Company to its senior executives and significant consultants.

For further information regarding the how the Company determines compensation for its directors and executive officers, see below

### **Other Board Committees**

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

## **STATEMENT OF EXECUTIVE COMPENSATION**

For the purposes of the below disclosure:

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

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

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

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with Form 51-102F6V *Statement of Executive Compensation - Venture Issuers*, for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

### **Director and Named Executive Officer Compensation**

During financial year ended July 31, 2022, based on the definition above, the NEOs of the Company were: Ranjeet Sundher, Chief Executive Officer and a director and Alnesh Mohan, Chief Financial Officer. The directors who were not NEOs during the financial year ended July 31, 2022 were Kuljit Basi, Matthew Chatterton, J. Garry Clark, Manavdeep (Mark) Mukhija and Ahhishek Tamot.

Abhishek Tamot ceased to be a director of the Company on September 7, 2022. J. Garry Clark was elected a director on September 7, 2022. Manavdeep (Mark) Mukhija was appointed a director on September 29, 2022.

During financial year ended July 31, 2021, based on the definition above, the NEOs of the Company were: Ranjeet Sundher, Chief Executive Officer and a director, Alnesh Mohan, Chief Financial Officer, Yana Popova, former Chief

Financial Officer and former director. The directors who were not NEOs during the financial year ended July 31, 2021 were: Kuljit Basi, Ahhishek Tamot, Matthew Chatterton, and former director, Aaron Wong.

Yana Popova resigned as Chief Financial Officer and director on April 26, 2021. Alnesh Mohan was appointed Chief Financial Officer on April 26, 2021.

Aaron Wong resigned as a director on April 14, 2021. Matthew Chatterton was appointed a director on April 26, 2021.

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

**Table of Compensation, Excluding Compensation Securities  
in Financial Years ended July 31, 2022 and July 31, 2021**

The following table of compensation, excluding options and other compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company who were not NEOs for the completed financial years ended July 31, 2022 and July 31, 2021. Options and other compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**”.

<u>Table of compensation excluding compensation securities</u>							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus(\$)	Committeeor meetingfees (\$)	Value of perquisites(\$)	Value of all other compensation (\$)	Total compensation (\$)
Ranjeet Sundher <sup>(1)</sup> Chief Executive Officer and Director	2022	\$120,000	Nil	Nil	Nil	Nil	\$120,000
	2021	\$20,000	Nil	Nil	Nil	Nil	\$20,000
Alnesh Mohan <sup>(2)</sup> Chief Financial Officer	2022	\$111,540	Nil	Nil	Nil	Nil	\$111,540
	2021	\$38,480	Nil	Nil	Nil	Nil	\$38,480
Yana Popova <sup>(3)</sup> Former Chief Financial Officer and former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	\$15,000	Nil	Nil	Nil	Nil	\$15,000
Kuljit Basi <sup>(4)</sup> Director	2022	\$116,400 <sup>(5)</sup>	Nil	Nil	Nil	Nil	\$116,400
	2021	\$115,100 <sup>(5)</sup>	Nil	Nil	Nil	Nil	\$115,000
Matthew Chatterton <sup>(6)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Abhishek Tamot <sup>(7)</sup> former Director	2022	\$30,000 <sup>(8)</sup>	Nil	Nil	Nil	Nil	\$30,000
	2021	\$15,000 <sup>(8)</sup>	Nil	Nil	Nil	Nil	\$15,000
J. Garry Clark <sup>(9)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

<b><u>Table of compensation excluding compensation securities</u></b>							
<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus(\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites(\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
Manavdeep (Mark) Mukhija <sup>(10)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Aaron Wong <sup>(11)</sup> former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) Mr. Sundher was appointed Chief Executive Officer and Director of the Company on November 2, 2020.
- (2) Mr. Mohan was appointed Chief Financial Officer of the Company on April 26, 2021.
- (3) Ms. Popova served as Chief Financial Officer and Director of the Company from November 2, 2020 to April 26, 2021.
- (4) Mr. Basi was appointed a Director of the Company on November 2, 2020.
- (5) Received as consulting fees for mining engineering consulting work and not as a fee in his capacity as a director.
- (6) Mr. Chatterton was appointed a Director of the Company on April 26, 2021.
- (7) Mr. Tamot ceased to be a Director of the Company on September 7, 2022.
- (8) Received as consulting fees and not as a fee in his capacity as a director.
- (9) Mr. Clark was elected a Director of the Company on September 7, 2022.
- (10) Mr. Mukhija was appointed a Director of the Company on September 29, 2022.
- (11) Mr. Wong served as a Director of the Company from November 2, 2020 to April 14, 2021.

**Related Party Transactions**

The Company's related parties as defined by IAS 24, Related Party Disclosures, include the following directors, executive officers, key management personnel, and enterprises which are controlled by these individuals:

<b>Related Party</b>	<b>Relationship</b>
Ranjeet Sundher	CEO and Director
Alnesh Mohan	CFO
Matt Chatterton	Director
Kuljit (Jeet) Basi	Director
J. Garry Clark	Director
Mark Mukhija	Director
Abhishek Tamot	Former Director
Yana Popova	Former CFO and Director
1323552 BC Ltd.	A company in which the CEO is a principal
Quantum Advisory Partners LLP	A partnership in which the CFO is a partner
SVK Metrix Inc.	A company in which a director is a principal
Pine Tree Partners Inc.	A company in which a former director is a principal
1143373 BC Ltd.	A company in which the former CFO is a principal

The following table discloses the total compensation incurred to the Company’s key management personnel during the years ended July 31, 2022 and 2021:

	For the year ended	
	July 31, 2022 \$	July 31, 2021 \$
<b>Ranjeet Sundher, CEO and Director</b>		
Consulting fees <sup>(1)</sup>	120,000	20,000
Share-based payments	28,702	-
	148,702	20,000
<b>Alnesh Mohan, CFO</b>		
Professional fees <sup>(2)</sup>	111,540	38,480
Share-based payments	28,702	-
	140,242	38,480
<b>Kuljit (Jeet) Basi, Director</b>		
Consulting fees <sup>(3)</sup>	116,400	55,100
Exploration and evaluation assets <sup>(3)</sup>	-	60,000
Share-based payments	28,702	-
	145,102	115,100
<b>Matt Chatterton, Director</b>		
Share-based payments	28,702	-
<b>Abhishek Tamot, Former Director</b>		
Consulting fees <sup>(4)</sup>	30,000	15,000
Share-based payments	14,351	-
	44,351	15,000
<b>Yana Popova, former CFO and Director</b>		
Consulting fees <sup>(5)</sup>	-	15,000
	-	15,000
<b>Total</b>	<b>507,099</b>	<b>203,580</b>

(1) \$110,000 paid to 1323552 BC Ltd.

(2) Paid to Quantum Advisory Partners LLP. Fees consist of CFO, financial reporting and accounting support services.

(3) Paid to SVK Metrix Inc.

(4) Paid to Pine Tree Partners Inc.

(5) Paid to 1143373 BC Ltd.

#### Related party balances

The balances due to the Company’s directors and officers included in accounts payable and accrued liabilities were \$89,222 as at July 31, 2022 (July 31, 2021 - \$69,115). These amounts are unsecured, non-interest bearing and payable on demand.

### **Stock Options and Other Compensation Securities**

#### *Omnibus Incentive Plan under Canadian Securities Exchange Policy*

On July 14, 2022, the Board adopted an omnibus incentive plan as a 20% rolling plan (the “**Omnibus Incentive Plan**”), pursuant to which the Company may grant stock options (“**Options**”) and restricted share units (each unit an “**Award**”) to the Company’s directors, officers, employees, and consultants. The Omnibus Incentive Plan was approved by shareholders at the Company’s September 7, 2022 annual general and special meeting, which Omnibus Incentive Plan was prepared to comply with Canadian Securities Exchange Policy.

#### *New Form Omnibus Incentive Plan under TSX Venture Exchange Policy*

The Company’s Common Shares were delisted from the Canadian Securities Exchange and the Company’s Common Shares became listed on the TSX Venture Exchange effective on August 31, 2023. As part of the listing of the Company’s Common shares on the TSX Venture Exchange (the “**TSXV**”), the Company’s board of directors (the “**Board**”) adopted a new form Omnibus Incentive Plan to comply with TSXV Policy 4.4 – Share Based Compensation (the “**Omnibus Incentive Plan**” or “**Plan**”). The Omnibus Incentive Plan replaces and supercedes the Company’s Omnibus Incentive Plan adopted by the Board of Directors on July 14, 2022..

The Omnibus Incentive Plan will be a component of the Company's securities-based compensation program. The Omnibus Incentive Plan was approved by the TSX Venture Exchange, subject to receipt of shareholder approval.

Shareholders will be asked at the Meeting to ratify, confirm and approve the Omnibus Incentive Plan dated for reference August 28, 2023, a copy of which is attached as Schedule "B" to this Information Circular. Refer to "**PARTICULARS OF MATTERS TO BE ACTED UPON - Approval new form Omnibus Incentive Plan, and for Continuation**" below.

### **Material Terms**

The following is a description of the key terms of the Omnibus Incentive Plan, which is qualified in its entirety by reference to the full text of the Incentive Plan.

The purpose of the Omnibus Incentive Plan is to promote greater alignment of interests between employees and shareholders, and to support the achievement of the Company's longer-term performance objectives, while providing a long-term retention element.

The Omnibus Incentive Plan allows for a variety of equity-based awards that provide different types of incentives to be granted to the Company's directors, officers, and other employees of the Company or a subsidiary, Management Company employees, eligible charitable organizations, consultants and Service Providers providing ongoing services to the Company and its Affiliates, who the Board may determine from time to time, in its sole discretion, to hold contributory positions in the Company or a subsidiary are eligible to participate in the Omnibus Incentive Plan, and will facilitate the grant of stock options ("**Options**") and restricted share units ("**RSUs**") (collectively, the "**Awards**") representing the right to purchase one Common Share; and, in the case of RSUs, the right to receive one Common Share, the cash equivalent of one Common Share, or a combination thereof, in accordance with the terms of the Incentive Plan. The following discussion is qualified in its entirety by the text of the Omnibus Incentive Plan.

Under the terms of the Omnibus Incentive Plan, the Board, or if authorized by the Board, a Committee of the Board, may grant Awards to eligible Participants, who are defined in the Omnibus Incentive Plan as directors, officers, and other employees of the Company. Awards may be granted at any time and from time to time in order to: (a) increase Participants' interest in the Company's welfare; (b) provide incentives for Participants to continue their services; (c) reward Participants for their performance of services; and (d) to provide a means through which the Company or a subsidiary may attract and retain able persons to enter its employment or into contractual arrangements. Participation in the Incentive Plan is voluntary and, if an Eligible Participant agrees to participate, the grant of Awards will be evidenced by a grant agreement with each such Participant. The interest of any Participant in any Award is non-assignable and non-transferable, whether voluntary, involuntary, by operation of law or otherwise, except upon the death of the Participant.

For greater certainty, a Person whose employment with the Company or a subsidiary has ceased for any reason, or who has given notice or been given notice of such cessation, whether such cessation was initiated by such Employee, Service Provider, the Company or such Subsidiary, as the case may be, shall cease to be eligible to receive Awards under the Plan as of the date on which such Person provides notice to the Company or the Subsidiary, as the case may be, in writing or verbally, of such cessation, or on the Termination Date as defined under the Plan, for any cessation of a Participant's employment initiated by the Company.

The Omnibus Incentive Plan provides that appropriate adjustments, if any, are made by the Board in connection with a reclassification, reorganization, consolidation, distribution, merger, amalgamation, plan of arrangement, spin-off, dividend payment or other change of the Common Shares issuable or amounts payable to preclude a dilution or enlargement of the benefits under the Omnibus Incentive Plan. In the event that a Participant receives Common Shares in satisfaction of an Award during a black-out period, such Participant shall not be entitled to sell or otherwise dispose of such Common Shares until such black-out period has expired.

The maximum number of Common Shares reserved for issuance, in aggregate, under the Omnibus Incentive Plan, together with all share-based compensation arrangements of the Company, is 10% of the issued and outstanding Common Shares, calculated as at the date any Security Based Compensation is granted or issued to any Eligible Participant. The aggregate number of Common Shares (i) issued to Insiders (as a group) under the Incentive Plan or any other proposed or established share-based compensation arrangement within any one-year period and (ii) issuable to Insiders (as a group) at any time under the Incentive Plan or any other proposed or established share-based compensation arrangement, shall in each case not exceed 10% of the aggregate number of issued and outstanding Common Shares (on a non-diluted basis), or such other number as may be approved by the Exchange and the shareholders of the Company from time to time. The aggregate



maximum number of Common Shares issued to any one Person under the Incentive Plan within any one-year period shall not exceed 5% of the issued and outstanding Common Shares.

The total number of Shares, in aggregate, reserved and available for the grant and issuance of RSUs shall not exceed 3,567,448 Shares.

The aggregate number of Common Shares (i) issued to any one consultant under the Omnibus Incentive Plan within any twelve-month period and (ii) issuable to all Persons retained to provide investor relations activities under the Incentive Plan within any twelve-month period, shall in each case not exceed 2% of the issued and outstanding Common Shares, calculated at the date an Option is granted to such Investor Relations Service Providers. Investor Relations Service Providers are eligible to receive only Options pursuant to the Omnibus Incentive Plan and are not eligible to receive RSUs.

The aggregate number of Common Shares to all Eligible Charitable Organizations under the Plan and any other proposed or established Share Compensation Arrangements, shall not exceed one percent (1%) of the Outstanding Issue from time to time, calculated at the date a Charitable Stock Option is granted to such Eligible Charitable Organizations.

Pursuant to the Omnibus Incentive Plan, Options must be granted by the Board, or its appointed Board Committee, pursuant to terms specified in the Option Grant Agreement, including designated Eligible Participants, setting the term of the Options, the number of Options granted, the Option Price which shall not be less than the closing price of the Common Shares on the Exchange on the day prior to the date of grant (the “**Market Value**”), and the relevant vesting provisions. An Option shall be exercisable during a period established by the Board, which shall commence on the date of the grant and shall terminate no later than ten (10) years after the date of grant of the Award or such shorter period as the Board may determine. The Omnibus Incentive Plan provides that the exercise period shall automatically be extended if the date on which it is scheduled to terminate shall fall during a blackout period. In such cases, the extended exercise period shall terminate 10 business days after the last day of the blackout period.

With respect to Options granted to Investor Relations Service Providers the Board will specify the particular terms of such Options and will determine, at its sole discretion, the Investor Relations Service Providers who will receive Options, the number of Options to be granted and the date of grant of such Options, the Term and Option Price and the relevant vesting provisions, including Performance Criteria, if applicable. Vesting of Options granted to Investor Relations Service Providers will occur in stages over a period of not less than twelve months with a maximum of 25% of the Options vesting in any three-month period, and there can be no acceleration of the vesting requirements applicable to Options granted to Investor Relations Service Providers. All terms of Options awarded to Investor Relations Service Providers are subject to the Option Grant Agreement by which such Options are awarded, as well as to any applicable rules of the Exchange.

The Company has added the availability of a cashless exercise or net exercise provision to the Omnibus Incentive Plan, which cashless or net exercise provisions are not available to Investor Relations Service Providers. Cashless Exercise or Net Exercise allows for the exercise of Options based on selling a sufficient number of the Common Shares available for issue upon exercise of the Options to realize the payment of the Option Price and all applicable withholding obligations.

The Omnibus Incentive Plan also provides that the Board, or its appointed Committee, determines and the RSU Grant Agreement shall specify, the relevant conditions and vesting provisions, including the Performance Period and Performance Criteria required to achieve vesting. The Board shall also determine the RSU Restriction Period, provided that such RSU Restriction Period shall begin a minimum of one year following the date of the Award of the RSU as specified in the RSU Grant Agreement and such Restriction Period shall have an end date not exceeding three years after the calendar year in which the RSU Award was granted, subject to the RSU Vesting Determination Date. The RSU Vesting Determination Date must fall after the end of the Performance Period and must be no later than the last day of the RSU Restriction Period. Unless specified otherwise in the RSU Grant Agreement, one-third (1/3) of RSUs awarded pursuant to the RSU Grant Agreement shall vest on each of the first three anniversaries of the date of grant specified in the RSU Grant Agreement. No RSUs will vest prior to one year from the date of award of such RSU. Acceleration of vesting of RSUs is permitted in connection with the death of the relevant Participant; or in connection with a change of control, take-over bid, reverse-take-over or other similar transaction. The Incentive Plan has been amended to add that, if upon receipt by the Company of a RSU Redemption Notice, the Company does not have a sufficient number of Common Shares reserved for issuance under the Incentive Plan, in lieu of issuing Common Shares to settle the RSUs, the Company will make payment of a cash amount to the applicable Participant for a value equal to the number of RSUs multiplied by the Market Value, subject to any applicable deductions and withholdings.

The following table describes the impact of certain events upon the rights of holders of Awards under the Omnibus Incentive Plan, including termination for cause, resignation, termination other than for cause, retirement, death and change in control, subject to the terms of a participant’s employment agreement:

<b>Event</b>	<b>Provisions</b>
Termination for cause.....	Immediate forfeiture of all unexercised vested and unvested Awards
Resignation.....	Forfeiture of all unvested Awards and the earlier of the original expiry date and 90 days after resignation to exercise vested Awards or such longer period as the Board may determine in its sole discretion.
Acceleration of Vesting.....	Acceleration of vesting is permitted if: (i) a Participant ceases to be an eligible Participant in connection with a change of control, take-over bid or other similar transaction; or (ii) after the death of a Participant, the relevant Exercise Notice or Redemption Notice must be submitted by the administrator or liquidator of the deceased Participant’s estate; and the required vesting period minimum of one year prior to the date of redemption is waived, but such must be stated in the Exercise Notice or Redemption Notice.
Termination other than for cause.....	Subject to the terms of the grant or as determined by the Board, upon a Participant’s termination without cause the number of Awards that may vest is subject to pro-ration over the applicable performance or vesting period.
Retirement.....	Upon the retirement of a Participant’s employment with the Company, any unvested Awards held by the Participant as at the termination date will continue to vest in accordance with the applicable vesting schedule, and all vested Awards held by the Participant at the termination date may be exercised until the earlier of the expiry date of the Awards or six (6) months following the termination date, provided that if the Participant breaches any post-employment restrictive covenants in favour of the Company (including non-competition or non-solicitation covenants), then any Awards held by such Participant, whether vested or unvested, will immediately expire and the Participant shall pay to the Company any “in-the-money” amounts realized upon exercise of Awards following the termination date.
Death.....	All unvested Awards will vest and may be exercised within 180 days after death.
Change of Control.....	If a Participant is terminated without “cause” or resigns for good reason during the twelve (12) month period following a change in control, or after the Company has signed a written agreement to effect a change in control but before the change in control is completed, then any unvested Awards will immediately vest and may be exercised within thirty (30) calendar days of such date.

In connection with a change of control of the Company, the Board will take such steps as are reasonably necessary or desirable to cause the conversion or exchange or replacement of outstanding Awards into, or for, rights or other securities of substantially equivalent (or greater) value in the continuing entity, provided that the Board may accelerate the vesting of Awards if: (i) the required steps to cause the conversion or exchange or replacement of Awards are impossible or impracticable to take or are not being taken by the parties required to take such steps

(other than the Company); or (ii) the Company has entered into an agreement which, if completed, would result in a change of control and the counterparty or counterparties to such agreement require that all outstanding Awards be exercised immediately before the effective time of such transaction or terminated on or after the effective time of such transaction.

The Board may, in its sole discretion, suspend or terminate the Omnibus Incentive Plan at any time, or from time to time, amend, revise or discontinue the terms and conditions of the Omnibus Incentive Plan or of any Award granted under the Omnibus Incentive Plan and any grant agreement relating thereto, subject to any required regulatory, shareholder and Exchange approval, provided that such suspension, termination, amendment, or revision will not adversely alter or impair any Award previously granted except as permitted by the terms of the Omnibus Incentive Plan or as required by applicable laws.

### Outstanding Compensation Securities

The following table sets forth stock options (option-based awards) granted to each Director and NEO during the financial year ended July 31, 2022. There were no stock options outstanding as of July 31, 2021 financial year end. There were no restricted share units (share-based awards) granted to a Director or an NEO who was not a Director during the financial years ended July 31, 2022 and 2021.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	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 (\$) <sup>(2)</sup>	Expiry date
Ranjeet Sundher Chief Executive Officer and Director	Stock options	50,000 <sup>(5)</sup> 2.6%	March 15, 2022	\$1.04	\$1.04	\$0.94	March 15, 2024
Alnesh Mohan Chief Financial Officer	Stock options	50,000 <sup>(5)</sup> 2.6%	March 15, 2022	\$1.04	\$1.04	\$0.94	March 15, 2024
Yana Popova <sup>(3)</sup> Former Chief Financial Officer and former Director	Stock options	275,000 <sup>(5)</sup> 14.5%	March 15, 2022	\$1.04	\$1.04	\$0.94	March 15, 2024
Kuljit Basi Director	Stock options	50,000 <sup>(5)</sup> 2.6%	March 15, 2022	\$1.04	\$1.04	\$0.94	March 15, 2024
Matthew Chatterton	Stock Options	50,000 <sup>(5)</sup> 2.6%	March 15, 2022	\$1.04	\$1.04	\$0.94	March 15, 2024
Abhishek Tamot <sup>(4)</sup> Director	Stock options	25,000 1.3%	March 15, 2022	\$1.04	\$1.04	\$0.94	March 15, 2024

Notes:

- (1) Percentage of class represents % of compensation securities granted over the total number of compensation securities of the Company outstanding common shares as of July 31, 2022.
- (2) Closing price of the Company's common shares as at July 31, 2022.
- (3) Yana Popova resigned as Chief Financial Officer and a Director of the Company on April 26, 2021. Ms. Popova's stock options were granted post her resignation as Chief Financial Officer and Director, in her ongoing capacity as a consultant.
- (4) Abhishek Tamot resigned as a Director of the Company on September 7, 2022. Mr. Tamot's stock options expired, without having been exercised.
- (5) These stock options were voluntarily cancelled as of April 18, 2023 without having been exercised.

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

There were no exercises by NEOs or directors of the Company of stock options during financial years ended July 31, 2022 and July 31, 2021.

There were no restricted share units exercised or cancelled by NEOs or directors of the Company during the years ended July 31, 2022 and July 31, 2021.

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

#### *Ranjeet Sundher, Chief Executive Officer*

The Company entered into a consulting agreement with Ranjeet Sundher effective June 1, 2021, pursuant to which Mr. Sundher was retained as the CEO of the Company. Mr. Sundher's compensation in respect of such services includes a base fee of \$10,000 per month and bonuses payable at the sole discretion of the Board. In addition, Mr. Sundher may invoice the Company for pre-approved expenses incurred in connection with his role as CEO of the Company.

#### *Alnesh Mohan, Chief Financial Officer*

The Company entered into an agreement with Quantum Advisory Partners LLP effective April 26, 2021, pursuant to which Quantum Advisory Partners LLP has agreed to provide CFO services to the Company. The CFO services are currently provided by Alnesh Mohan. Pursuant to the agreement, fees for services were initially be billed on an hourly basis, and moved to a monthly fee once the required level of assistance was established. The fees for CFO services under this agreement are billed on an hourly basis at a rate of \$300 per hour and invoiced monthly.

#### *Kuljit Basi, Director*

The Company has retained SVK Metrix Inc. ("SVK"), a company controlled by Kuljit Basi, to perform metallurgical support, research, and operations support consulting services. SVK receives compensation of \$10,000 per month for such services. The Company does not have a written agreement with SVK at this time.

### **Bonus Incentive Compensation**

The Company's objective is to achieve certain strategic objectives and milestones. The Board considers executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

### **Equity Participation**

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's incentive compensation plan. Under the Company's Omnibus Incentive Plan as detailed above, stock options and RSUs are granted to directors, officers, and other employees of the Company or a subsidiary, Management Company employees, eligible charitable organizations, consultants and Service Providers providing ongoing services to the Company and its Affiliates, who the Board may determine from time to time, in its sole discretion, to hold contributory positions in the Company, or a subsidiary are eligible to participate in the Omnibus Incentive Plan, taking into account a number of factors, including the amount and term of Options and RSUs previously granted, base salary and bonuses and competitive factors. The amounts and terms of Options and RSUs granted will be determined by a committee of the Board based on recommendations put forward by the CEO. Due to the Company's limited financial resources, the Company emphasizes the provisions of Option and RSU grants to maintain executive motivation.

### **Oversight and description of director and named executive officer compensation**

The Company does not have a Compensation Committee. The Board, in its entirety makes decisions in respect of the total compensation paid by the Company to its senior executives and significant consultants.

The compensation of the Company's Named Executive Officers has been established with a view of attracting and retaining executives critical to the Company's short and long-term success and to continue providing executives with compensation that is in accordance with existing market standards. As the Company does not have a Compensation Committee, compensation provided to the Company's NEOs is determined by the Board as a whole and reviewed annually. In establishing executive compensation policies, the Board takes into consideration the recommendations of management and, following discussion and review, considers them for final approval.

Compensation of the Company's Named Executive Officers is comprised of a base salary or consulting fees, performance-based bonuses payable in cash or shares in the Company and equity participation through the Company's stock option plan (as more particularly described below). Through its executive compensation practices, the Company seeks to provide value to its shareholders by employing a strong executive leadership team. Specifically, the Company's executive compensation structure seeks to attract and retain talented and experienced executives necessary to achieve the Company's strategic objectives, motivate and reward executives whose knowledge, skills and performance are critical to the Company's success, and align the interests of the Company's executives and shareholders by motivating executives to increase shareholder value.

The Board does not conduct a formal evaluation of the implications of the risks associated with the Company's compensation practices and policies. Risk management is a consideration of the Board when implementing its compensation policies and the Board does not believe that the Company's compensation policies result in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Company.

#### Philosophy and Objectives

The Company is a mineral exploration and development company focused on rare earth elements based in Vancouver, British Columbia. The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

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

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its Omnibus Incentive Plan. Recommendations for senior management compensation are presented to the Board for review.

#### **Base Salary and Consulting Fees**

The Company believes that a competitive base salary is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. The Company also believes that attractive base salaries can motivate and reward executives for their overall performance.

To the extent that the Company has entered into employment agreements with its executives, the base salaries of such individuals reflect the base salaries that the Company negotiated with them. The base salaries that the Company negotiated with its executives were based on the individual experience and skills of, and expected contribution from, each executive, the roles and responsibilities of the executive, the base salaries of the Company's existing executives and other factors.

#### **Compensation Review Process**

##### Risks Associated with the Company's Compensation Program

The Company's directors consider the risks to the Company associated with decisions regarding the Company's compensation program. The Company intends to further formalize its compensation policies and practices and will take into consideration the implications of the risks associated with the Company's compensation program and how it might mitigate those risks.

##### Benefits and Perquisites

The Company does not, as of the date of this Information Circular, offer any benefits or perquisites to its directors and NEOs other than potential grants of Options and RSUs as otherwise disclosed and discussed herein.

Hedging by Directors or NEOs

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

**External Management Companies**

The Company entered into an agreement with Quantum Advisory Partners LLP dated April 26, 2021 for the provision of CFO services provided by Alnesh Mohan, as well as certain other accounting services. Pursuant to the agreement, fees for services were initially billed on an hourly basis, and moved to a monthly fee once the required level of assistance was established. Current rates for accounting and CFO services range from \$100 to \$300 per hour. Mr. Alnesh is paid a salary for his role at Quantum Advisory Services LLP, and his salary is not directly attributable to his work with the Company. Quantum Advisory Services Partners LLP invoices the Company \$300 per hour for Mr. Mohan’s CFO services provided to the Company.

**Pension Plan Benefits**

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

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

**Equity Compensation Plan Information**

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at July 31, 2022 financial year end:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options and restricted share units (a)</b>	<b>Weighted-average exercise price of outstanding options and restricted share units (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by the securityholders Omnibus Incentive Plan approved at September 7, 2022 annual general and special meeting	Stock Options:1,900,000 Restricted Share Units: Nil	\$1.04	904,273
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
<b>Total</b>	<b>1,900,000</b>		<b>904,273</b>

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

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

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out in this Information Circular, to the knowledge of management of the Company, no Informed Person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director of the Company has any interest, direct or indirect, in any transaction since the commencement of the Company's financial year ended July 31, 2022 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

"Informed Person" means:

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

## MANAGEMENT CONTRACTS

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

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Approval new form Omnibus Incentive Plan, for Continuation

As described above in this Information Circular under heading **Stock Option Plans and other Incentive Plans**, the Company's Common Shares were delisted from the Canadian Securities Exchange and the Company's Common Shares became listed on the TSX Venture Exchange effective on August 31, 2023. As part of the listing of the Company's Common shares on the TSX Venture Exchange (the "TSXV"), the Company's board of directors (the "Board") adopted a new form Omnibus Incentive Plan to comply with TSXV Policy 4.4 – Share Based Compensation (the "**Omnibus Incentive Plan**"). The Omnibus Incentive Plan replaces and supercedes the Company's Omnibus Incentive Plan adopted by the Board of Directors on July 14, 2022.

The Omnibus Incentive Plan was approved by the TSX Venture Exchange, subject to receipt of shareholder approval.

At the Meeting the shareholders will be asked to vote on and, if deemed appropriate, to pass an ordinary resolution to approve the Company's Omnibus Incentive Plan dated for reference August 28, 2023 (the "**Omnibus Incentive Plan**"). Also as the Omnibus Incentive Plan is considered a "rolling" plan, the TSX Venture Exchange requires the Company to obtain shareholder approval on an annual basis. Accordingly, shareholders will be asked to pass the following resolution at the Meeting:

### Shareholder Approval

Shareholders will be asked to pass the following resolution at the Meeting to ratify, confirm and approve the Company's Omnibus Incentive Plan dated for reference August 28, 2023, the text of which is as follows:

**"RESOLVED as an ordinary resolution, with or without variation, that:**

- (1) the Omnibus Incentive Plan dated for reference August 28, 2023, as disclosed in detail in the Information Circular prepared for the annual general meeting of the Company to be held on December 7, 2023, be and is hereby ratified, confirmed and approved for continuation as required annually under the policies of the TSX Venture Exchange;
- (2) subject to the effectiveness of the Omnibus Incentive Plan, all existing stock options or restricted share units issued under the Company's Omnibus Incentive Plan adopted by the Directors of the Company on

July 14, 2022 (the “**2022 Omnibus Incentive Plan**”), shall be amended such that they are governed by the terms of the Omnibus Incentive Plan and no longer governed by the 2022 Omnibus Incentive Plan;

- (3) the Company is authorized to reserve and issue common shares in the share capital of the Company for issuance upon vesting of the restricted share units and stock options granted pursuant to the Omnibus Incentive Plan;
- (4) any one director or officer of the Company be and is hereby authorized to make any and all additions, deletions and modifications to the Omnibus Incentive Plan as may be necessary or advisable to give effect to this ordinary resolution or as may be required by applicable regulatory authorities;
- (5) any one director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution; and
- (6) notwithstanding approval of the shareholders of the Company as herein provided, the board of directors may, in its sole discretion, revoke this resolution before it is acted upon without further approval of the shareholders of the Company.”

**The Board has determined that the new Omnibus Incentive Plan is in the best interests of the Company and its shareholders and recommends that shareholders vote IN FAVOUR OF the foregoing resolution approving the new Omnibus Incentive Plan, and for continuation.**

**Approval of the new Omnibus Incentive Plan must be passed by a simple majority of votes cast in favour in respect thereof by shareholders present in person or represented by proxy at the Meeting.**

**UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES TO VOTE THE PROXIES IN FAVOUR OF THE ORDINARY RESOLUTION TO RATIFY, CONFIRM AND APPROVE THE NEW OMNIBUS INCENTIVE PLAN, AND FOR CONTINUATION.**

A copy of the new Omnibus Incentive Plan is attached as Schedule “B” to this Information Circular and will be made available at the Meeting.

#### **ADDITIONAL INFORMATION**

Additional information concerning the Company may be accessed on SEDAR+ under the Company’s profile at [www.sedarplus.ca](http://www.sedarplus.ca). Also information may be obtained by a Shareholder upon request without charge from the Company, by contacting the Company at telephone number (778) 588-5483. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

#### **OTHER MATTERS**

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

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

**DATED** at Vancouver, British Columbia, November 7, 2023.

**BY ORDER OF THE BOARD**

*“S/Ranjeet Sundher”*

**Ranjeet Sundher**  
**Chief Executive Officer**



**SCHEDULE “A”  
TACTICAL RESOURCES CORP.**

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**Audit Committee Charter**

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**AUDIT COMMITTEE CHARTER**

**1. PURPOSE**

The main purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Tactical Resources Corp. (the “**Company**”) is to assist the Board in fulfilling its statutory responsibilities in relation to internal control and financial reporting, and to carry out certain oversight functions on behalf of the Board, including the oversight of:

- (a) the integrity of the Company’s financial statements and other financial information provided by the Company to securities regulators, governmental bodies and the public to ensure that the Company’s financial disclosures are complete, accurate, in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and interpretations by the International Financial Reporting Interpretations Committee (“**IFRIC**”), and fairly present the financial position and risks of the Company;
- (b) assessing the independence, qualifications and performance of the Company’s independent auditor (the “**Auditor**”), appointing and replacing the Auditor, overseeing the audit and non- audit services provided by the Auditor, and approving the compensation of the Auditor;
- (c) Senior Management (as defined below) responsibility for assessing and reporting on the effectiveness of internal controls;
- (d) financial matters and management of financial risks;
- (e) the prevention and detection of fraudulent activities; and
- (f) investigation of complaints and submissions regarding accounting or auditing matters and unethical or illegal behavior.

The Committee provides an avenue for communication between the Auditor, the Company’s executive officers and other senior managers (“**Senior Management**”) and the Board, and has the authority to communicate directly with the Auditor. The Committee shall have a clear understanding with the Auditor that they must maintain an open and transparent relationship with the Committee. The Auditor is ultimately accountable to the Committee and the Board, as representatives of the Company’s shareholders.

**2. COMPOSITION**

The Committee shall be comprised of three directors. Each Committee member shall:

- (a) satisfy the laws governing the Company;
- (b) be “financially literate” in accordance with the definition set out in Section 1.6 of NI 52-110, which definition is reproduced in Appendix “A” of this charter.

The majority of Committee members shall be “independent” in accordance with Sections 1.4 and 1.5 of National Instrument 52-110 Audit Committees (“NI 52-110”), which sections are reproduced in Appendix “A” of this charter, and the position of non-executive Chair of the Board is considered to be an executive officer of the Company.

Committee members and the chair of the Committee (the “**Committee Chair**”) shall be appointed annually by the Board at the first Board meeting that is held after every annual general meeting of the Company’s shareholders. The Board may remove a Committee member at any time in its sole discretion by a resolution of the Board.

If a Committee member simultaneously serves on the audit committees of more than three public companies, the Committee shall seek the Board's determination as to whether such simultaneous service would impair the ability of such member to effectively serve on the Committee and ensure that such determination is disclosed.

### **3. MEETINGS**

The Committee shall meet at least once per financial quarter and as many additional times as the Committee deems necessary to carry out its duties effectively.

The Committee shall meet:

- (a) within 60 days following the end of each of the first three financial quarters to review and discuss the unaudited financial results for the preceding quarter and the related management's discussion and analysis ("MD&A"); and
- (b) within 120 days following the end of the Company's fiscal year end to review and discuss the audited financial results for the year and related MD&A.

As part of its job to foster open communication, the Committee shall meet at least once each financial quarter with Senior Management and the Auditor in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately.

A majority of the members of the Committee shall constitute a quorum for any Committee meeting. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by unanimous written consent of the Committee members.

The Committee Chair shall preside at each Committee meeting. In the event the Committee Chair is unable to attend or chair a Committee meeting, the Committee will appoint a chair for that meeting from the other Committee members.

The Corporate Secretary of the Company, or such individual as appointed by the Committee, shall act as secretary for a Committee meeting (the "**Committee Secretary**") and, upon receiving a request to convene a Committee meeting from any Committee member, shall arrange for such meeting to be held.

The Committee Chair, in consultation with the other Committee members, shall set the agenda of items to be addressed at each Committee meeting. The Committee Secretary shall ensure that the agenda and any supporting materials for each upcoming Committee meeting are circulated to each Committee member in advance of such meeting.

The Committee may invite such officers, directors and employees of the Company, the Auditor, and other advisors as it may see fit from time to time to attend at one or more Committee meetings and assist in the discussion and consideration of any matter. For purposes of performing their duties, members of the Committee shall, upon request, have immediate and full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the duties and responsibilities of the Committee with officers, directors and employees of the Company, with the Auditor, and with other advisors subject to appropriate confidentiality agreements being in place.

Unless otherwise provided herein or as directed by the Board, proceedings of the Committee shall be conducted in accordance with the rules applicable to meetings of the Board.

### **4. DUTIES AND RESPONSIBILITIES**

Subject to the powers and duties of the Board and the Articles of the Company, in order to carry out its oversight responsibilities, the Committee shall:

#### **4.1 Financial Reporting Process**

- (a) Review with Senior Management and the Auditor any items of concern, any proposed changes in the selection or application of accounting principles and policies and the reasons for the change, any identified risks and uncertainties, and any issues requiring the judgement of Senior Management, to the extent that the foregoing may be material to financial reporting.

- (b) Consider any matter required to be communicated to the Committee by the Auditor under generally accepted auditing standards, applicable law and listing standards, if applicable, including the Auditor's report to the Committee (and the response of Senior Management thereto) on:
  - (i) accounting policies and practices used by the Company;
  - (ii) alternative accounting treatments of financial information that have been discussed with Senior Management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the Auditor; and
  - (iii) any other material written communications between the Auditor and Senior Management.
- (c) Discuss with the Auditor their views about the quality, not just the acceptability, of accounting principles and policies used by the Company, including estimates and judgements made by Senior Management and their selection of accounting principles.
- (d) Discuss with Senior Management and the Auditor:
  - (i) any accounting adjustments that were noted or proposed (immaterial or otherwise) by the Auditor but were not reflected in the financial statements;
  - (ii) any material correcting adjustments that were identified by the Auditor in accordance with generally accepted accounting principles ("GAAP") or applicable law;
  - (iii) any communication reflecting a difference of opinion between the audit team and the Auditor's national office on material auditing or accounting issues raised by the engagement; and
  - (iv) any "management" or "internal control" letter issued, or proposed to be issued, by the Auditor to the Company.
- (e) Discuss with Senior Management and the Auditor any significant financial reporting issues considered during the fiscal period and the method of resolution, and resolve disagreements between Senior Management and the Auditor regarding financial reporting.
- (f) Review with Senior Management and the Auditor:
  - (i) any off-balance sheet financing mechanisms being used by the Company and their effect on the Company's financial statements; and
  - (ii) the effect of regulatory and accounting initiatives on the Company's financial statements, including the potential impact of proposed initiatives.
- (g) Review with Senior Management and the Auditor and legal counsel, if necessary, any litigation, claim or other contingency, including tax assessments, that could have a material effect on the financial position or operating results of the Company, and the manner in which these matters have been disclosed or reflected in the financial statements.
- (h) Review with the Auditor any audit problems or difficulties experienced by the Auditor in performing the audit, including any restrictions or limitations imposed by Senior Management, and the response of Senior Management, and resolve any disagreements between Senior Management and the Auditor regarding these matters.
- (i) Review the results of the Auditor's work, including findings and recommendations, Senior Management's response, and any resulting changes in accounting practices or policies and the impact such changes may have on the financial statements.
- (j) Review and discuss with Senior Management the audited annual financial statements and related MD&A and make recommendations to the Board with respect to approval thereof before their release to the public.

- (k) Review and discuss with Senior Management and the Auditor all interim unaudited financial statements and related interim MD&A.
- (l) Approve interim unaudited financial statements and related interim MD&A prior to their filing and dissemination.
- (m) In connection with Sections 4.1 and 5.1 of National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), obtain confirmation from the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") (and considering the Auditor's comments, if any, thereon) to their knowledge:
  - (i) that the audited financial statements, together with any financial information included in the annual MD&A and annual information form, fairly present in all material respects the Company's financial condition, financial performance and cash flows; and
  - (ii) that the interim financial statements, together with any financial information included in the interim MD&A, fairly present in all material respects the Company's financial condition, financial performance and cash flows.
- (n) Review news releases to be issued in connection with the audited annual financial statements and related MD&A and the interim unaudited financial statements and related interim MD&A, before being disseminated to the public, if the Company is required to do so under applicable securities laws, paying particular attention to any use of "pro-forma" or "adjusted" non-GAAP, information.
- (o) Review any news release containing earnings guidance or financial information based upon the Company's financial statements prior to the release of such statements, if the Company is required to disseminate such news releases under applicable securities laws.
- (p) Review the appointment of the CFO and have the CFO report to the Committee on the qualifications of new key financial personnel involved in the financial reporting process.

#### **4.2 Internal Controls**

- (a) Consider and review with Senior Management and the Auditor the adequacy and effectiveness of internal controls over accounting and financial reporting within the Company and any proposed significant changes in them.
- (b) Consider and discuss any Auditor's comments on the Company's internal controls, together with Senior Management responses thereto.
- (c) Discuss, as appropriate, with Senior Management and the Auditor any major issues as to the adequacy of the Company's internal controls and any special audit steps in light of material internal control deficiencies.
- (d) Review annually the disclosure controls and procedures.
- (e) Receive confirmation from the CEO and the CFO of the effectiveness of disclosure controls and procedures, and whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information or any fraud, whether or not material, that involves Senior Management or other employees who have a significant role in the Company's internal control over financial reporting. In addition, receive confirmation from the CEO and the CFO that they are prepared to sign the annual and quarterly certificates required by Sections 4.1 and 5.1 of NI 52-109, as amended from time to time.

#### **4.3 The Auditor**

##### *Qualifications and Selection*

- (a) Subject to the requirements of applicable law, be solely responsible to select, retain, compensate, oversee, evaluate and, where appropriate, replace the Auditor. The Committee shall be entitled to adequate funding from the Company for the purpose of compensating the Auditor for authorized services.

- (b) Instruct the Auditor that:
  - (i) they are ultimately accountable to the Board and the Committee, as representatives of shareholders; and
  - (ii) they must report directly to the Committee.
- (c) Ensure that the Auditor have direct and open communication with the Committee and that the Auditor meet with the Committee once each financial quarter without the presence of Senior Management to discuss any matters that the Committee or the Auditor believe should be discussed privately.
- (d) Evaluate the Auditor's qualifications, performance, and independence. As part of that evaluation:
  - (i) at least annually, request and review a formal report by the Auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
  - (ii) annually review and confirm with Senior Management and the Auditor the independence of the Auditor, including all relationships between the Auditor and the Company, including the amount of fees received by the Auditors for the audit services, the extent of non-audit services and fees therefor, the extent to which the compensation of the audit partners of the Auditor is based upon selling non-audit services, the timing and process for implementing the rotation of the lead audit partner, reviewing partner and other partners providing audit services for the Company, and whether there should be a regular rotation of the audit firm itself; and
  - (iii) annually review and evaluate senior members of the audit team of the Auditor, including their expertise and qualifications. In making this evaluation, the Committee should consider the opinions of Senior Management.

Conclusions on the independence of the Auditor should be reported by the Committee to the Board.

- (e) Approve and review, and verify compliance with, the Company's policies for hiring of employees and former employees of the Auditor and former auditors. Such policies shall include, at minimum, a one-year hiring "cooling off" period.

#### *Other Matters*

- (a) Meet with the Auditor to review and approve the annual audit plan of the Company's financial statements prior to the annual audit being undertaken by the Auditor, including reviewing the year-to-year co-ordination of the audit plan and the planning, staffing and extent of the scope of the annual audit. This review should include an explanation from the Auditor of the factors considered by the Auditor in determining their audit scope, including major risk factors. The Auditor shall report to the Committee all significant changes to the approved audit plan.
- (b) Review and pre-approve all audit and non-audit services and engagement fees and terms in accordance with applicable law, including those provided to the Company's subsidiaries by the Auditor or any other person in its capacity as independent auditor of such subsidiary. Between scheduled Committee meetings, the Committee Chair, on behalf of the Committee, is authorized to pre-approve any audit or non-audit services and engagement fees and terms up to \$50,000. At the next Committee meeting, the Committee Chair shall report to the Committee any such pre-approval given.
- (c) Establish and adopt procedures for such matters.

#### **4.4 Compliance**

- (a) Monitor compliance by the Company with all payments and remittances required to be made in accordance with applicable law, where the failure to make such payments could render the Company's directors personally liable.

- (b) Receive regular updates from Senior Management regarding compliance with laws and regulations and the process in place to monitor such compliance, excluding, however, legal compliance matters subject to the oversight of the Corporate Governance and Nominating Committee of the Board, if any. Review the findings of any examination by regulatory authorities and any observations by the Auditor relating to such matters.
- (a) Establish and oversee the procedures in the Company's Whistleblower Policy to address:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting or auditing matters or unethical or illegal behaviour; and
  - (ii) confidential, anonymous submissions by employees of concerns regarding questionable accounting and auditing matters or unethical or illegal behaviour.
- (c) Ensure that political and charitable donations conform with policies and budgets approved by the Board.
- (d) Monitor management of hedging, debt and credit, make recommendations to the Board respecting policies for management of such risks, and review the Company's compliance therewith.
- (e) Approve the review and approval process for the expenses submitted for reimbursement by the CEO.
- (f) Oversee Senior Management's mitigation of material risks within the Committee's mandate and as otherwise assigned to it by the Board.

#### **4.5 Financial Oversight**

- (a) Assist the Board in its consideration and ongoing oversight of matters pertaining to:
  - (i) capital structure and funding including finance and cash flow planning;
  - (ii) capital management planning and initiatives;
  - (iii) property and corporate acquisitions and divestitures including proposals which may have a material impact on the Company's capital position;
  - (iv) the Company's annual budget;
  - (v) the Company's insurance program;
  - (vi) directors' and officers' liability insurance and indemnity agreements; and
  - (vii) matters the Board may refer to the Committee from time to time in connection with the Company's capital position.

#### **4.6 Other**

- (a) Perform such other duties as may be assigned to the Committee by the Board.
- (b) Annually review and assess the adequacy of its charter and recommend any proposed changes to the Corporate Governance and Nominating Committee.
- (c) Review its own performance annually, and provide the results of such evaluation to the Board for its review.

**5. AUTHORITY**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to:

- (a) select, retain, terminate, set and approve the fees and other retention terms of special or independent counsel, accountants or other experts, as it deems appropriate; and
- (b) obtain appropriate funding to pay, or approve the payment of, such approved fees, without seeking approval of the Board or Senior Management.

**6. ACCOUNTABILITY**

The Committee Chair shall make periodic reports to the Board, as requested by the Board, on matters that are within the Committee's area of responsibility.

The Committee shall maintain minutes of its meetings with the Company's Corporate Secretary and shall provide an oral report to the Board at the next Board meeting that is held after a Committee meeting.

## Appendix “A”

### Definitions from National Instrument 52-110 Audit Committees

#### *Section 1.4 Meaning of Independence*

- (1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- (2) For the purposes of subsection (1), a “material relationship” is a relationship which could, in the view of the issuer’s board of directors, be reasonably expected to interfere with the exercise of a member’s independent judgement.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:
  - (a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
  - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
  - (c) an individual who:
    - (i) is a partner of a firm that is the issuer’s internal or external auditor,
    - (ii) is an employee of that firm, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer’s audit within that time;
  - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
    - (i) is a partner of a firm that is the issuer’s internal or external auditor,
    - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer’s audit within that time;
  - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer’s current executive officers serves or served at that same time on the entity’s compensation committee; and
  - (f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.
- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because
  - (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
  - (b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.



- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
  - (a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and
  - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
  - (a) has previously acted as an interim chief executive officer of the issuer, or
  - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.
- (8) For the purpose of Section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

***Section 1.5 Additional Independence Requirements***

- (1) Despite any determination made under Section 1.4, an individual who
  - (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
  - (b) is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer.
- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by
  - (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or
  - (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

***Section 1.6 Meaning of Financial Literacy***

For the purposes of this Instrument, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

**SCHEDULE "B"**

**TACTICAL RESOURCES CORP.**

**OMNIBUS INCENTIVE PLAN DATED AUGUST 28, 2023**

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**TACTICAL RESOURCES CORP.**

**OMNIBUS INCENTIVE PLAN**

**Dated for Reference: August 28, 2023**

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# TACTICAL RESOURCES CORP. OMNIBUS INCENTIVE PLAN

Tactical Resources Corp. (the “**Corporation**”) hereby establishes an omnibus incentive plan to advance the interests of the Corporation by encouraging equity participation in the Corporation through the acquisition of Shares and Restricted Share Units of the Corporation. It is the intention of the Corporation that this Plan will at all times be in compliance with TSXV Policies and any inconsistencies between this Plan and TSXV Policies will be resolved in favour of the latter.

## ARTICLE 1 – INTERPRETATION

### Section 1.1 Definitions

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

- (1) “**Affiliates**” means a company that is a Subsidiary or a parent of the Corporation, or that is controlled by the same entity as the Corporation;
- (2) “**Associate**” has the meaning ascribed thereto by TSXV Policy 1.1;
- (3) “**Awards**” means Options and RSUs granted hereunder to a Participant under this Plan;
- (4) “**Black-Out Period**” means a period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain Persons designated by the Corporation;
- (5) “**Board**” has the meaning ascribed thereto in Section 2.2(1) hereof;
- (6) “**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, on which the Exchange is open for trading;
- (7) “**Cash Equivalent**” means the amount of money equal to the Market Value multiplied by the number of vested RSUs in the Participant’s Account, net of any applicable taxes in accordance with Section 7.2, on the RSU Settlement Date;
- (8) “**Change in Control**” means the occurrence of any of the following events:
  - (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than the Corporation or any of its Affiliates) thereafter acquires the direct or indirect “beneficial ownership” (as defined in the *Business Corporations Act* (British Columbia)) of, or acquires the right to exercise control or direction over, securities of the Corporation representing 50% or more of the then issued and outstanding voting securities of the Corporation in any manner whatsoever, including without limitation, as a result of a Take-Over Bid, an issuance or exchange of securities, an amalgamation of the Corporation with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;

- (b) the sale, assignment or other transfer of all or substantially all of the assets of the Corporation to a Person or any group of two or more Persons acting jointly or in concert (other than a wholly-owned Subsidiary of the Corporation);
  - (c) the occurrence of a transaction requiring approval of the Corporation's security holders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any Person or any group of two or more Persons acting jointly or in concert (other than an exchange of securities with a wholly-owned Subsidiary of the Corporation);
  - (d) a majority of the Board consists of individuals that management of the Corporation has not nominated for election or appointment as Directors; or
  - (e) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;
- (9) **“Charitable Organization”** means “charitable organization” as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (10) **“Charitable Stock Option”** means any Option granted by the Corporation to an Eligible Charitable Organization;
- (11) **“Committee”** has the meaning ascribed thereto in Section 2.2(1) hereof;
- (12) **“Consultant”** means, in relation to the Corporation, an individual (other than a Director, Officer or Employee of the Corporation or any of its Subsidiaries) or company that:
- (a) is engaged to provide an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its Subsidiaries, other than services provided in relation to a distribution;
  - (b) provides the services under a written contract between the Corporation or any of its Subsidiaries and the individual or the Corporation, as the case may be; and
  - (c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or any of its Subsidiaries;
- (13) **“Corporation”** means the company named at the top hereof and includes, unless the context otherwise requires, all of its successors according to law;
- (14) **“Director”** means a director (as defined under applicable securities laws) of the Corporation or any of its Subsidiaries;
- (15) **“Discounted Market Price”** has the meaning ascribed thereto by TSXV Policy 1.1;
- (16) **“Disinterested Shareholder Approval”** has the meaning ascribed thereto by Sections 5.3(b) and (c) of TSXV Policy 4.4;

- (17) **“Eligible Charitable Organization”** means:
- (a) any Charitable Organization or Public Foundation which is a Registered Charity, but is not a Private Foundation; or
  - (b) a Registered National Arts Service Organization.
- (18) **“Eligible Participants”** has the meaning ascribed thereto in Section 2.3(1) hereof;
- (19) **“Employee”** means:
- (a) an individual who is considered an employee of the Corporation or its Subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
  - (b) an individual who works full-time for the Corporation or its Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its Subsidiary over the details and methods of work as an employee of the Corporation or of the Subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
  - (c) an individual who works for the Corporation or its Subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an Employee and who is subject to the same control and direction by the Corporation or its Subsidiary over the details and methods of work as an employee of the Corporation or the Subsidiary, as the case may be, but for whom income tax deductions are not made at source;
- (20) **“Employment Agreement”** means, with respect to any Participant, any written employment agreement between the Corporation or an Affiliate and such Participant;
- (21) **“Exchange”** means the principal stock exchange on which the Shares are listed, including the Toronto Stock Exchange and the TSX Venture Exchange;
- (22) **“Exchange Hold Period”** has the meaning ascribed thereto in TSXV Policy 1.1, as same may be amended, supplemented or replaced from time to time;
- (23) **“Exercise Notice”** means a notice in writing signed by a Participant and stating the Participant’s intention to exercise an Option, if applicable, in the form attached hereto as Schedule B;
- (24) **“Exercise Price”** means the amount payable per Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (25) **“Expiry Date”** means the day on which an Award as specified in the Grant Agreement therefor or in accordance with the terms of this Plan;
- (26) **“Fair Market Value”** means, at any date, the higher of:



- (a) the weighted average price per Share at which the Shares have traded on the Exchange during the last five (5) Trading Days prior to that date; and
  - (b) the closing price of the Shares on the Exchange on the date prior to that date, or, if the Shares are not then listed and posted for trading on any stock exchange, then it shall be the Fair Market Value per Share as determined by the Board in its sole discretion; and for such purposes, the weighted average price per Share at which the Shares have traded on the Exchange shall be calculated by dividing (i) the aggregate sale price for all the Shares traded on the Exchange during the relevant five Trading Days by (ii) the aggregate number of Shares traded on the Exchange during the relevant five Trading Days;
- (27) “**Grant Agreement**” means an agreement evidencing the grant to a Participant of an Award, including an Option Commitment, an RSU Grant Agreement or an Employment Agreement;
- (28) “**Insider**” means an insider as defined in the TSXV Policies or as defined in securities legislation as applicable to the Corporation;
- (29) “**Investor Relations Activities**” has the meaning ascribed thereto in TSXV Policy 1.1, as same may be amended, supplemented or replaced from time to time;
- (30) “**Investor Relations Service Provider**” includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (31) “**Management Company Employee**” means an individual employed by a company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation;
- (32) “**Market Price**” has the meaning ascribed thereto in TSXV Policy 1.1;
- (33) “**Market Value**” means, at any date when the market value of Shares of the Corporation is to be determined, the closing price of the Shares on the Trading Day prior to the date of grant on the principal stock exchange on which the Shares are listed, or if the Shares are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith;
- (34) “**Officer**” means an officer (as defined under applicable securities laws) of the Corporation or any of its Subsidiaries;
- (35) “**Option**” means an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, subject to the provisions hereof;
- (36) “**Option Commitment**” means the notice of grant of an Option delivered by the Corporation hereunder to a Participant and substantially in the form set out in Schedule A hereto;
- (37) “**Option Price**” has the meaning ascribed thereto in Section 3.2 hereof;

- (38) “**Option Term**” has the meaning ascribed thereto in Section 3.4 hereof;
- (39) “**Optioned Shares**” means Shares that may be issued in the future to a Participant upon the exercise of an Option;
- (40) “**Optionee**” means the recipient of an Option hereunder;
- (41) “**Outstanding Issue**” means at the relevant time, the number of issued and outstanding Shares of the Corporation from time to time;
- (42) “**Participant’s Account**” means an account maintained for each Participant’s participation in RSUs under the Plan;
- (43) “**Participants**” means Eligible Participants that are granted Awards under the Plan;
- (44) “**Performance Criteria**” means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance and/or the financial performance of the Corporation and/or of its Affiliates, and that may be used to determine the vesting of the Awards, when applicable;
- (45) “**Performance Period**” means the period determined by the Board pursuant to Section 4.3 hereof;
- (46) “**Person**” means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;
- (47) “**Plan**” means this omnibus incentive plan, as amended and restated from time to time;
- (48) “**Private Foundation**” means “private foundation” as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (49) “**Public Foundation**” means “public foundation” as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (50) “**Registered Charity**” means “registered charity” as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (51) “**Registered National Arts Service Organization**” means “registered national arts service organization” as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (52) “**Regulatory Approval**” means the approval of the Exchange and any other securities regulatory authority that has lawful jurisdiction over this Plan any Awards issued hereunder;
- (53) “**Restricted Share Unit**” or “**RSU**” means a right awarded to a Participant to receive a payment in the form of Shares as provided in Article 4 hereof and subject to the terms and conditions of this Plan;
- (54) “**Restriction Period**” means the period determined by the Board pursuant to Section 4.3 hereof;

- (55) “**RSU Awards**” means RSUs granted to a Participant pursuant to the terms of the Plan;
- (56) “**RSU Grant Agreement**” means a written letter agreement between the Corporation and a Participant evidencing a grant of RSUs and the terms and conditions thereof, such RSU Grant Agreement to be substantially in the form of Schedule C hereto;
- (57) “**RSU Settlement Date**” has the meaning determined in Section 4.7(1)(a);
- (58) “**RSU Settlement Notice**” means a notice by a Participant to the Corporation electing the desired form of settlement of vested RSUs in the form attached hereto as Schedule D;
- (59) “**RSU Vesting Determination Date**” has the meaning described thereto in Section 4.6 hereof;
- (60) “**Securities Act**” means the *Securities Act*, R.S.B.C. 1996, c. 418, or any successor legislation;
- (61) “**Security Based Compensation**” has the meaning ascribed thereto in TSXV Policy 4.4 – *Security Based Compensation*;
- (62) “**Service Provider**” means a Person who is a Director, Officer, Employee, Management Company Employee or Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (63) “**Share Compensation Arrangement**” means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time Employees, Directors, Officers, Insiders, Service Providers or Consultants of the Corporation or a Subsidiary including a Share purchase from treasury by a full-time Employee, Director, Officer, Insider, Service Provider or Consultant which is financially assisted by the Corporation or a Subsidiary by way of a loan, guarantee or otherwise;
- (64) “**Shareholder Approval**” means approval by a majority of the votes cast by eligible shareholders of the Corporation at a duly constituted shareholders’ meeting;
- (65) “**Shares**” means the common shares in the capital of the Corporation;
- (66) “**Subsidiary**” means a corporation, company, partnership or other body corporate that is controlled, directly or indirectly, by the Corporation;
- (67) “**Successor Corporation**” has the meaning ascribed thereto in Section 6.1(3) hereof;
- (68) “**Take-Over Bid**” means a take over bid as defined in National Instrument 62-104 (Take-Over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Corporation;
- (69) “**Tax Act**” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

- (70) “**Termination Date**” means the date on which a Participant ceases to be an Eligible Participant;
- (71) “**Trading Day**” means any day on which the TSXV or TSX is open for trading;
- (72) “**TSX**” means the Toronto Stock Exchange;
- (73) “**TSXV**” means the TSX Venture Exchange;
- (74) “**TSXV Policies**” refers to policies contained within the TSX Venture Exchange Corporate Finance Manual; and
- (75) “**VWAP**” means the volume-weighted average trading price of the Shares on the Exchange calculated by dividing the total value by the total volume of the Shares traded for the five (5) Trading Days immediately preceding the exercise of the subject Option, provided that the Exchange may exclude internal crosses and certain other special terms trades from the calculation.

### **Section 1.2 Other Words and Phrases**

Words and phrases used in this Plan but which are not defined in this Plan, but are defined in the TSXV Policies, will have the meaning assigned to them in the TSXV Policies.

### **Section 1.3 Gender**

Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals and vice versa.

## **ARTICLE 2 – PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS**

### **Section 2.1 Purpose of the Plan**

- (1) The purpose of the Plan is to permit the Corporation to grant Awards to Eligible Participants, subject to certain conditions as hereinafter set forth, for the following purposes:
- (a) to increase the interest in the Corporation’s welfare of those Eligible Participants, who share responsibility for the management, growth and protection of the business of the Corporation or a Subsidiary;
  - (b) to provide an incentive to such Eligible Participants to continue their services for the Corporation or a Subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Corporation or a Subsidiary are necessary or essential to its success, image, reputation or activities;
  - (c) to reward the Participants for their performance of services while working for the Corporation or a Subsidiary; and
  - (d) to provide a means through which the Corporation or a Subsidiary may attract and retain able Persons to enter its employment or into contractual arrangements.

## **Section 2.2 Implementation and Administration of the Plan**

- (1) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board (the “**Committee**”) and consisting of not less than three (3) members of the Board. If a Committee is appointed for this purpose, all references to the term “Board” will be deemed to be references to the Committee.
- (2) The Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations for carrying out the provisions and purposes of the Plan, subject to any applicable rules of the Exchange.
- (3) Subject to the provisions of the Plan, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration of the Plan as it may deem necessary or advisable. The interpretation, construction and application of the Plan and any provisions hereof made by the Board shall be final and binding on all Eligible Participants.
- (4) No member of the Board shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder.
- (5) Any determination approved by a majority of the Board shall be deemed to be a determination of that matter by the Board.

## **Section 2.3 Eligible Participants**

- (1) The Persons who shall be eligible to receive Awards (“**Eligible Participants**”) shall be the Directors, Officers and other Employees of the Corporation or a Subsidiary, Management Company Employees, Eligible Charitable Organizations, Consultants and Service Providers providing ongoing services to the Corporation and its Affiliates, who the Board may determine from time to time, in its sole discretion, to hold contributory positions in the Corporation or a Subsidiary. In determining Awards to be granted under the Plan, the Board shall give due consideration to the value of each Eligible Participant’s present and potential future contribution to the Corporation’s success. For greater certainty, a Person whose employment with the Corporation or a Subsidiary has ceased for any reason, or who has given notice or been given notice of such cessation, whether such cessation was initiated by such Employee, Service Provider, the Corporation or such Subsidiary, as the case may be, shall cease to be eligible to receive Awards hereunder as of the date on which such Person provides notice to the Corporation or the Subsidiary, as the case may be, in writing or verbally, of such cessation, or on the Termination Date for any cessation of a Participant’s employment initiated by the Corporation.
- (2) For Eligible Participants who are Employees, Consultants or Directors of the Corporation, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant or Director, as the case may be.
- (3) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant’s relationship or employment with the Corporation.

(4) Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee of employment or appointment by the Corporation to the Participant.

#### **Section 2.4 Shares Subject to the Plan**

Subject to adjustment pursuant to provisions of Article 6 hereof, and as may be approved by the Exchange and the shareholders of the Corporation from time to time:

(1) The total number of Shares reserved and available for the grant and issuance of Options shall not exceed ten percent (10%) of the Outstanding Issue, or such other number as may be approved by the TSXV and the shareholders of the Corporation from time to time.

(2) The total number of Shares, in aggregate, reserved and available for the grant and issuance of RSUs shall not exceed 3,567,448 Shares.

(3) The maximum number of Shares issued to Insiders (as a group), at any point in time, under this Plan and all other proposed or established Share Compensation Arrangements, shall not exceed ten percent (10%) of the Outstanding Issue from time to time, pursuant to section 4.11(b) of TSXV Policy 4.4.

(4) The maximum number of Shares granted, pursuant to all proposed or established Share Compensation Arrangements, in any twelve (12) month period, to Insiders (as a group), shall not exceed ten percent (10%) of the Outstanding Issue from time to time, pursuant to section 4.11(c) of TSXV Policy 4.4.

(5) The maximum number of Shares issued to any one Person (and companies wholly owned by that Person) within any one (1) year period shall not exceed five percent (5%) of the Outstanding Issue, calculated on the date such Award is granted to the Person.

(6) The maximum number of Shares issued to any one Consultant, within any one (1) year period, under this Plan and all other proposed or established Share Compensation Arrangements, shall not exceed two percent (2%) of the Outstanding Issue calculated as at the date any Award is granted or issued to any Insider.

(7) The maximum number of Shares issued, in aggregate, to all Investor Relations Service Providers, within any twelve (12) month period, under this Plan and any other proposed or established Share Compensation Arrangements, shall not exceed two percent (2%) of the Outstanding Issue from time to time, calculated at the date an Option is granted to such Investor Relations Service Providers.

(8) Investor Relations Service Providers are eligible pursuant to this Plan to receive only Awards of Options. Investor Relations Service Providers are not eligible to receive RSUs or any Award other than Options, pursuant to this Plan.

(9) The maximum number of Shares issued, in aggregate, to all Eligible Charitable Organizations, under this Plan and any other proposed or established Share Compensation Arrangements, shall not exceed one percent (1%) of the Outstanding Issue from time to time, calculated at the date a Charitable Stock Option is granted to such Eligible Charitable Organizations.

(10) Eligible Charitable Organizations are eligible pursuant to this Plan to receive only Awards of Charitable Stock Options. Eligible Charitable Organizations are not eligible to receive RSUs or any Award other than Charitable Stock Options, pursuant to this Plan.

(11) All Charitable Stock Options must expire on or before the earlier of:

- (a) the date that is 10 years from the date of grant of the Charitable Stock Option; and
- (b) the 90th day following the date that the holder of the Charitable Stock Option ceases to be an Eligible Charitable Organization.

(12) Any Award granted pursuant to the Plan and any other Share Compensation Arrangements, prior to a Participant becoming an Insider, shall be included for the purposes of the limits set out in Section 2.4(3) and Section 2.4(5).

(13) Shares in respect of which an Award is granted under the Plan, but not exercised prior to the termination of such Award or not vested or settled prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of the Plan.

## **Section 2.5 Granting of Awards**

(1) Any Award granted under the Plan shall be subject to the requirement that, if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any securities exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.

(2) Any Award granted under the Plan shall be subject to the requirement that the Corporation has the right to place any restriction or legend on any securities issued pursuant to this Plan including, but in no way limited to, placing a legend to the effect that the securities have not been registered under the *United States Securities Act of 1933* and may not be offered or sold in the United States unless registration or an exemption from registration is available.

## **ARTICLE 3 – OPTIONS**

### **Section 3.1 Nature of Options**

An Option is an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, subject to the provisions hereof.

### Section 3.2 Option Awards

(1) Subject to the provisions set forth in this Plan and any shareholder or Regulatory Approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted, and (iii) determine the price per Share to be payable upon the exercise of each such Option (the “**Option Price**”) and the relevant vesting provisions (including Performance Criteria, if applicable) and Option Term for such Eligible Participants, subject to the terms and conditions prescribed in this Plan, in any Option Commitment and any applicable rules of the Exchange.

(2) The Board shall also, from time to time by resolution, in its sole discretion,

- (a) designate the Investor Relations Service Providers who may receive Options under the Plan,
- (b) designate the Eligible Charitable Organizations who may receive Charitable Stock Options under the Plan,
- (c) fix the number of Options, if any, to be granted to each Investor Relations Service Provider and the date or dates on which such Options shall be granted,
- (d) fix the number of Charitable Stock Options, if any, to be granted to each Eligible Charitable Organization and the date or dates on which such Charitable Stock Options shall be granted,
- (e) determine the Option Price and the Option Term for such Investor Relations Service Providers,
- (f) determine the Option Price and the Option Term for such Eligible Charitable Organizations,
- (g) determine relevant vesting provisions (including Performance Criteria, if applicable) for such Investor Relations Service Providers, provided vesting of the Options will occur in stages over a period of not less than twelve (12) months with a maximum of 25% of the Options vesting in any three (3) month period, provided that there can be no acceleration of the vesting requirements applicable to Options granted to Investor Relations Service Providers; and

the whole being subject to the terms and conditions prescribed in this Plan, in any Option Commitment and any applicable rules of the Exchange.

(3) Each Option granted shall be subject to vesting terms as set forth in the Option Commitment or as otherwise specified by the Board.

### Section 3.3 Option Price

The Option Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, and shall not be less than the Discounted Market Price.



### **Section 3.4 Option Term.**

(1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, commencing on the date such Option is granted to the Participant and ending as specified in this Plan, or in the Option Commitment, but in no event shall an Option expire on a date which is later than ten (10) years from the date the Option is granted (“**Option Term**”). Unless otherwise determined by the Board, all unexercised Options shall be cancelled at the expiry of such Options.

(2) Should the expiration date for an Option fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the expiration date for such Option for all purposes under the Plan, provided that such automatic extension of the applicable Expiry Date for an Option will not apply where the Participant or the Corporation is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Corporation’s securities.

### **Section 3.5 Exercise of Options**

(1) Subject to the provisions of this Plan and of the relevant Grant Agreement, a Participant shall be entitled to exercise an Option granted to such Participant at any time prior to the expiry of the Option Term, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.

(2) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the Optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria (if applicable) and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, no Option shall be exercised by a Participant during a Black-Out Period.

### **Section 3.6 Method of Exercise and Payment of Purchase Price**

(1) Subject to the provisions of this Plan and the alternative exercise procedures set out herein, an Option granted under the Plan may be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Corporation at its registered office to the attention of the Chief Financial Officer & Corporate Secretary of the Corporation (or the individual that the Chief Financial Officer & Corporate Secretary of the Corporation may from time to time designate), together with a bank draft, certified cheque or other form of payment acceptable to the Corporation in an amount equal to the aggregate Option Price of the Shares to be purchased pursuant to the exercise of the Options.

(2) Where Shares are to be issued to the Participant pursuant to the terms of this Section 3.6, as soon as practicable following the receipt of the Exercise Notice and, if Options are exercised in accordance with the terms of Section 3.6(1), the required bank draft, certified cheque or other acceptable form of payment, the Corporation shall duly issue such Shares to the Participant as fully paid and non-assessable.

(3) Upon the exercise of an Option pursuant to Section 3.6(1), the Corporation shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:

- (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
- (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares.

### **Section 3.7 Cashless Exercise**

(1) Subject to the provisions of this Plan (including, without limitation Section 7.2) and, upon prior approval of the Board, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

- (a) excluding Options held by any Investor Relations Service Providers, a “net exercise” procedure in which the Corporation issues to the Optionee, Shares equal to the number determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the Exercise Price of the subject Options by (ii) the VWAP of the underlying Shares; or
- (b) a broker assisted “cashless exercise” in which the Corporation delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Corporation to sell the Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Corporation an amount equal to the Exercise Price and all applicable required withholding obligations a determined by the Corporation against delivery of the Shares to settle the applicable trade.

An Option may be exercised pursuant to this Section 3.7 from time to time by delivery to the Corporation, at its head office or such other place as may be specified by the Corporation of (i) written notice of exercise specifying that the Optionee has elected to effect such a cashless exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Optionee or the Corporation arising under applicable law and verified by the Corporation to its satisfaction (or by entering into some other arrangement acceptable to the Corporation in its discretion, if any). The Participant shall comply with Section 7.2 of this Plan with regard to any applicable required withholding obligations and with such other procedures and policies as the Corporation may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

(2) In the event of a net exercise pursuant to Section 3.7(1)(a) or a cashless exercise pursuant to Section 3.7(1)(b), the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Corporation, must be included in calculating the limits set forth in Section 2.4 of this Plan.

### **Section 3.8 Option Commitments**

Options shall be evidenced by an Option Commitment or included in an Employment Agreement or other services agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 3 and Article 5 hereof be included therein. The Option Commitment shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

### **Section 3.9 Hold Period**

(1) An Exchange Hold Period will be applied from the date of grant for all Options granted to:

- (a) Insiders;
- (b) Consultants; or
- (c) where Options are granted to any Participants, including Insiders and Consultants, where the Exercise Price is at a discount to the Market Price.

(2) Pursuant to TSXV Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated Shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the effective date of the grant of the Options.

## **ARTICLE 4 – RESTRICTED SHARE UNITS**

### **Section 4.1 Nature of RSUs**

An RSU is an Award entitling the recipient to acquire Shares, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions, vesting and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives.

### **Section 4.2 RSU Awards**

(1) The Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs under the Plan, (ii) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted, (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the Restriction Period of such RSUs, (provided, however, that no such Restriction Period shall exceed the three (3) years referenced in

Section 4.4), and (iv) any other terms and conditions applicable to the granted RSUs, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan and in any RSU Grant Agreement.

(2) Each RSU shall be subject to vesting terms as set forth in the applicable Grant Agreement or as otherwise specified by the Board, and, pursuant to TSXV Policy 4.4, s. 4.6, in all instances RSUs will not vest until a minimum of one (1) year following award of the RSUs has passed.

(3) The RSUs are structured so as to be considered to be a plan described in Section 7 of the Tax Act or any successor to such provision.

(4) Subject to the vesting and other conditions and provisions set forth herein and in the applicable Grant Agreement, the Board shall determine whether each RSU awarded to a Participant shall entitle the Participant: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one (1) Share; or (iii) to elect to receive either one (1) Share from treasury, the Cash Equivalent of one (1) Share or a combination of cash and Shares.

(5) RSUs shall be settled by the Participant at any time beginning on the first (1<sup>st</sup>) Business Day following their RSU Vesting Determination Date but no later than the RSU Settlement Date (as such terms are defined in Section 4.6 and 4.7, respectively).

### **Section 4.3 Restriction Period**

The applicable Restriction Period in respect of a particular RSU Award shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year, which is three (3) years after the calendar year in which the Award is granted (“**Restriction Period**”). For example, the Restriction Period for a grant made in June 2023 shall end no later than December 31, 2026. Subject to the Board’s determination, any vested RSUs with respect to a Restriction Period will be paid to Participants in accordance with Article 4 no later than the end of the Restriction Period. Unless otherwise determined by the Board, all unvested RSUs shall be cancelled on the RSU Vesting Determination Date and, in any event, no later than the last day of the Restriction Period, but no earlier than one year from the date of the award of the RSUs to be settled.

### **Section 4.4 Performance Criteria and Performance Period**

(1) For each award of RSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the RSUs held by such Participant (the “**Performance Period**”), provided that such Performance Period may not expire after the end of the Restriction Period, being a minimum of one (1) year from the date of award of the RSUs, and ending no longer than three (3) years after the calendar year in which the Award was granted. For example, a Performance Period determined by the Board to be for a period of three (3) financial years will start on the first day of the financial year in which the Award is granted and will end on the last day of the second financial year after the year in which the grant was made. In such a case, for a grant made on January 4, 2023, the Performance Period will start on January 4, 2024 and will end on December 31, 2026.

(2) For each award of RSUs, the Board shall establish any Performance Criteria and other vesting conditions which must be met during the Performance Period in order for a Participant to be entitled to receive Shares in exchange for his or her RSUs.

(3) For greater clarity, in the event the Corporation does not have a sufficient number of Shares available under this Plan to satisfy its obligations under this Section 4.4, the Corporation may make payment in cash to satisfy such obligations.

#### **Section 4.5 Credits for Dividends**

A Participant's Account shall be credited with additional RSUs as of each dividend payment date in respect of which cash dividends are paid on Shares. The number of additional RSUs to be credited to a Participant's Account shall be computed by dividing: (a) the dividends that would have been paid to such Participant if each RSU in the Participant's Account on the relevant dividend record date had been one (1) Share, by (b) the Fair Market Value of the Shares determined as of the date of payment of such dividend. Any fractional RSUs resulting from such calculation shall be rounded to the nearest whole number. For greater certainty, a fractional entitlement that is equal to or greater than 0.5 shall be rounded up to the next greater whole number and a fractional entitlement that is less than 0.5 shall be rounded down to the next lesser whole number. Any such additional RSUs credited to the Participant's Account shall vest in proportion to and shall be paid hereunder in the same manner as the RSUs to which they relate. The foregoing does not obligate the Corporation to pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

In the event that the issuance of RSUs in lieu of dividends, any additional RSUs issued pursuant to the dividends will be factored into the limits on grants to individuals and groups as set out in Section 2.4 of this Plan. The Corporation may settle such RSUs in cash where the issuance of Shares would result in a breach on the limits as set out in Section 2.4 of this Plan or where it does not have sufficient Shares available to satisfy the obligation in Shares.

#### **Section 4.6 RSU Vesting Determination Date**

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU have been met (the "**RSU Vesting Determination Date**"), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period. Unless otherwise specified in the RSU Grant Agreements, one-third (1/3) of RSUs awarded pursuant to an RSU Grant Agreement shall vest on each of the first (1<sup>st</sup>) three (3) anniversaries of the date of grant. Provided that no RSUs may vest prior to one year from the date of award of such RSU. Acceleration of vesting is permitted in connection with the death of a Participant, in the event the holder of RSUs ceases to be an Eligible Participant under this Plan, or in connection with a Change in Control, Take-Over Bid, reverse-take-over or other similar transaction.

#### **Section 4.7 Settlement of RSUs**

(1) Except as otherwise provided in the RSU Grant Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of an RSU are satisfied:

- (a) all of the vested RSUs covered by a particular grant may, subject to Section 4.7(5), be settled at any time beginning on the first Business Day following their RSU Vesting Determination Date but no later than the date that is five (5) years from their RSU Vesting Determination Date (the “**RSU Settlement Date**”); and
  - (b) a Participant is entitled to deliver to the Corporation, on or before the RSU Settlement Date, an RSU Settlement Notice in respect of any or all vested RSUs held by such Participant.
- (2) Subject to Section 4.7(5), settlement of RSUs shall take place promptly following the RSU Settlement Date and take the form set out in the RSU Settlement Notice through:
- (a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of RSUs for Shares, delivery of a Share certificate to the Participant or the entry of the Participant’s name on the Share register for the Shares; or
  - (c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (3) If an RSU Settlement Notice is not received by the Corporation on or before the RSU Settlement Date, settlement shall take the form of Shares issued from treasury as set out in Section 4.8(2).
- (4) If, upon receipt by the Corporation of a RSU Settlement Notice pursuant to the terms hereof, the Corporation does not have a sufficient number of Shares reserved and available for issuance under this Plan, the Corporation will make payment of a cash amount to a Participant for a value equal to the number of RSUs multiplied by the Market Value, subject to any applicable deductions and withholdings, in lieu of issuing Shares.
- (5) Notwithstanding any other provision of this Plan, in the event that a RSU Settlement Date falls during a Black-Out Period or other trading restriction imposed by the Corporation and the Participant has not delivered a RSU Settlement Notice, then such RSU Settlement Date shall be automatically extended to the tenth (10<sup>th</sup>) Business Day following the date that such Black-Out Period or other trading restriction is lifted, terminated or removed. Notwithstanding the foregoing, in the event that a Participant receives Shares in satisfaction of an Award during a Black-Out Period, the Corporation shall advise such Participant of the same in writing and such Participant shall not be entitled to sell or otherwise dispose of such Shares until such Black-Out Period has expired.

#### **Section 4.8 Determination of Amounts**

- (1) **Cash Equivalent of RSUs.** For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 4.7, such calculation will be made on the RSU Settlement Date and shall equal the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant’s Account which the Participant desires to settle in cash pursuant to the RSU Settlement Notice.

(2) **Payment in Shares; Issuance of Shares from Treasury.** For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of RSUs pursuant to Section 4.7, such calculation will be made on the RSU Settlement Date and be the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant's Account which the Participant desires to settle pursuant to the RSU Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Corporation and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance of Shares.

#### **Section 4.9 RSU Grant Agreements**

RSUs shall be evidenced by an RSU Grant Agreement or included in an Employment Agreement or other services agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 5 hereof be included therein. The RSU Grant Agreement shall contain such terms that may be considered necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

### **ARTICLE 5 – GENERAL CONDITIONS**

#### **Section 5.1 General Conditions Applicable to Awards**

Each Award, as applicable, shall be subject to the following conditions:

(1) **Employment.** The granting of an Award to a Participant shall not impose upon the Corporation or a Subsidiary any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any Awards in the future nor shall it entitle the Participant to receive future grants.

(2) **Rights as a Shareholder.** Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a Share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such Person's name on the Share register for the Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Share certificate is issued or entry of such Person's name on the Share register for the Shares.

(3) **Conformity to Plan.** In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.

(4) **Non-Assignable and Non-Transferable.** All Awards are exercisable only by the Participant to whom they were awarded and will not be assignable or transferable. Awards may be exercised only by:

- (a) the Participant to whom the Awards were granted;
- (b) upon the Participant's death, the legal representative of the Participant's estate; or
- (c) upon the Participant's incapacity, the legal representative having authority to deal with the property of the Participant,

provided that any such legal representative in (b) or (c) shall first deliver evidence satisfactory to the Corporation of legal representation and the right to exercise an Award.

(5) **Cease to be an Eligible Participant.** Notwithstanding this Section 5.1, any Award granted or issued to a Participant who is a Director, Officer, Employee, Consultant or Management Company Employee must expire within a reasonable period, not exceeding twelve (12) months, following the date such Participant ceases to be an Eligible Participant under this Plan.

(6) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for "cause", all unexercised vested and unvested Awards granted to such Participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of the Plan, the determination by the Corporation that the Participant was discharged for cause shall be binding on the Participant. "Cause" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Corporation's Code of Conduct and any reason determined by the Corporation to be cause for termination.

(7) **Retirement.** In the case of a Participant's retirement, any unvested Awards held by the Participant as at the Termination Date will continue to vest in accordance with their vesting schedules, and all vested Awards held by the Participant at the Termination Date may be exercised until the earlier of the Expiry Date of the Awards or six (6) months following the Termination Date, provided that if the Participant is determined to have breached any post-employment restrictive covenants in favour of the Corporation, then any Awards held by the Participant, whether vested or unvested, will immediately expire and the Participant shall pay to the Corporation any "in-the-money" amounts realized upon exercise of Awards following the Termination Date. For further clarity, all unvested Awards as at the earlier of the Expiry Date of the Awards or six (6) months following the Termination Date, will be forfeited and cancelled without payment and shall be of no further force or effect from and after such date.

(8) **Resignation.** In the case of a Participant ceasing to be an Eligible Participant due to such Participant's resignation, subject to any later expiration dates determined by the Board, all Awards shall expire on the earlier of ninety (90) days after the effective date of such resignation, or the Expiry Date of the Award, to the extent such Awards were vested and exercisable by the Participant on the effective date of such resignation and all unexercised unvested Awards granted to such Participant shall terminate on the effective date of such resignation. For further clarity, any later expiration date determined by the Board must not exceed a twelve (12) month period commencing on the date of the Participant's resignation.

(9) **Termination or Cessation.** In the case of a Participant ceasing to be an Eligible Participant for any reason (other than for "cause", resignation or death), the number of unvested Awards that may vest is subject to proration over the applicable vesting or Performance Period and shall expire on the earlier of ninety (90) days after the effective date of the Termination Date,



or the Expiry Date of the Awards. For greater certainty, the proration calculation referred to above shall be net of previously vested Awards.

(10) **Death.** If a Participant dies while in his or her capacity as an Eligible Participant, all unvested Awards will immediately vest and all Awards will expire one hundred eighty (180) calendar days after the death of such Participant. If a Participant's heirs or administrators are entitled to any portion of the Participant's outstanding Awards, the period in which they shall be entitled to make a claim in respect of such RSUs may not exceed one hundred eighty days (180) calendar days after the death of such Participant.

(11) **Change in Control.** If a Participant is terminated without "cause" or resigns for good reason during the twelve (12) month period following a Change in Control, or after the Corporation has signed a written agreement to effect a Change in Control but before the Change in Control is completed, then any unvested Awards will immediately vest and may be exercised within thirty (30) calendar days of such date. In the case of an Investor Relations Service Provider, where the Corporation has signed a written agreement to effect a Change in Control and before the Change in Control is completed, any unvested Awards may, subject to prior acceptance by the Exchange, vest immediately and be exercised within thirty (30) calendar days of such Exchange approval.

## **Section 5.2 Unfunded Plan**

Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation. Notwithstanding the foregoing, any determinations made shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.

## **ARTICLE 6 – ADJUSTMENTS AND AMENDMENTS**

### **Section 6.1 Adjustment to Shares Subject to Outstanding Awards**

(1) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if, on the record date thereof, the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(2) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such consideration if, on the record date thereof, the Participant had been the

registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(3) If, at any time after the grant of an Award to any Participant, and prior to the expiration of the term of such Award, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Section 6.1(1) or Section 6.1(2) hereof or, subject to the provisions of Section 6.1(3) hereof, the Corporation shall consolidate, merge, reorganize or amalgamate with or into another corporation (the corporation resulting or continuing from such consolidation, merger, reorganization, amalgamation, plan of arrangement, spin-off, dividend payment or recapitalization, being herein called the “**Successor Corporation**”), the Participant shall be entitled to receive, upon the subsequent exercise or vesting of Award, in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of Shares of the appropriate class or other securities of the Corporation or the Successor Corporation (as the case may be) or other consideration from the Corporation or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of Shares or, subject to the provisions of Section 6.2(3) hereof, as a result of such consolidation, merger, reorganization, amalgamation, plan of arrangement, spin-off, dividend payment or recapitalization, if on the record date of such reclassification, reorganization or other change of Shares or the effective date of such consolidation, merger reorganization, amalgamation, plan of arrangement, spin-off, dividend payment or recapitalization, as the case may be, such Participant had been the registered holder of the number of Shares to which such Participant was immediately theretofore entitled upon such exercise or vesting of such Award. Provided that all adjustments made to the aggregate number of Shares of the appropriate class or other securities of the Corporation or the Successor Corporation (as the case may be) or other consideration from the Corporation or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of Shares or, subject to the provisions of Section 6.2(3) hereof, as a result of such consolidation, merger, reorganization, amalgamation, plan of arrangement, spin-off, dividend payment or recapitalization, shall be subject to the prior acceptance of the Exchange.

(4) If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall make a distribution to all holders of Shares or other securities in the capital of the Corporation, or cash, evidences of indebtedness or other assets of the Corporation (excluding an ordinary course dividend in cash or Shares, but including, for greater certainty, Shares or equity interests in a Subsidiary or business unit of the Corporation or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit), or should the Corporation effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants’ economic rights in respect of their Awards in connection with such distribution, transaction or change.

(5) For greater clarity, any adjustment, other than in connection with a security consolidation or security split, to Awards granted or issued under this Plan must be subject to the prior acceptance of the Exchange, including but not limited to adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

## Section 6.2 Amendment or Discontinuance of the Plan

(1) The Board may amend the Plan or any Award at any time subject to Shareholder Approval as a condition to Exchange acceptance of the amendment. For greater certainty, without limitation, amendments to any of the following provisions of this Plan will be subject to Shareholder Approval, in particular amendments:

- (a) to Persons eligible to be granted or issued Security Based Compensation under this Plan;
- (b) to the maximum number or percentage, as the case may be, of Shares that may be issuable upon exercise of Options or conversion of RSUs under this Plan;
- (c) to the limits under this Plan on the amount of Options or RSUs that may be granted or issued to any one Person or any category of Persons (such as, for example, Insiders);
- (d) to the method for determining the Exercise Price of Options;
- (e) to the maximum term of any Award granted under this Plan;
- (f) to the expiry and termination provisions applicable to any Award granted under this Plan, including the addition of a Black-Out Period;
- (g) to include the addition of a net exercise provision; and
- (h) to any method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to a Participant, including but not limited to the formula for calculating the appreciation of a Stock Appreciation Right (as defined in the TSXV Policies).

Provided that Shareholder Approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to amendments of a general “housekeeping” or clerical nature that:

- (i) correct typographical errors; and
- (ii) clarify existing provisions of this Plan, that do not have the effect of altering the scope, nature and intent of such provisions.

(2) Notwithstanding Section 6.2(1), the Board shall be required to obtain Disinterested Shareholder Approval to make the following amendments:

- (a) any change to the maximum number of Shares issuable from treasury under the Plan, except such increase by operation of Section 2.4 and in the event of an adjustment pursuant to Article 6;
- (b) any amendment which reduces the Exercise Price of any Award, as applicable, after such Awards have been granted or any cancellation of an Award and the

substitution of that Award by a new Award with a reduced price, except in the case of an adjustment pursuant to Article 6;

- (c) any amendment which reduces the Exercise Price or extends the term of any Stock Option held by a Participant who is an Insider of the Corporation at the time of the proposed amendment;
  - (d) any amendment which extends the Expiry Date of any Award or the Restriction Period of any RSU beyond the original Expiry Date, except in case of an extension due to a Black-Out Period;
  - (e) any amendment which would permit a change to the pool of Eligible Participants, including a change which would have the potential of broadening or increasing participation by Insiders;
  - (f) any amendment which increases the maximum number of Shares that may be (i) issuable to Insiders and Associates of such Insiders at any time; or (ii) issued to Insiders and Associates of such Insiders under the Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment pursuant to Article 6; or
  - (g) any amendment to the amendment provisions of the Plan, provided that Shares held directly or indirectly by Insiders benefiting from the amendments in Section 6.2(2)(b) and Section 6.2(2)(c) shall be excluded when obtaining such Shareholder Approval.
- (3) The Board may, by resolution, but subject to applicable Regulatory Approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the Board.
- (4) The Board may, subject to Regulatory Approval, discontinue the Plan at any time without the consent of the Participants, provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan.
- (5) Notwithstanding any other provision of this Plan, at all times when the Corporation is listed on the TSXV:
- (a) the Corporation shall be required to obtain prior TSXV acceptance of any amendment to this Plan; and
  - (b) the Corporation shall be required to obtain Disinterested Shareholder Approval in compliance with the applicable policies of the TSXV for this Plan if the Plan, together with all of the Corporation's previously established and outstanding equity compensation plans or grants, could permit at any time: (1) the aggregate number of Shares reserved for issuance under Awards granted to any one Person in any twelve (12) month period exceeding 5% of the Outstanding Issue, calculated on the date of such grant; (2) the aggregate number of Shares reserved for issuance under Awards granted to Insiders (as a group) at any point in time exceeding 10% of the Outstanding Issue; and (3) the grant to Insiders (as a group), within a 12 month

period, of an aggregate number of Awards exceeding 10% of the issued Shares, calculated at the date an Award is granted to any Insider.

### **Section 6.3 Change in Control**

All provisions herein this Section 6.3 shall be subject to the prior acceptance of the TSXV, if required.

(1) Notwithstanding anything else in this Plan or any Grant Agreement, the Board has the right to provide for the conversion or exchange of any outstanding Awards into or for options, rights, units or other securities of substantially equivalent (or greater) value in any entity participating in or resulting from a Change in Control.

(2) Upon the Corporation entering into an agreement relating to a transaction which, if completed, would result in a Change in Control, or otherwise becoming aware of a pending Change in Control, the Corporation shall give written notice of the proposed Change in Control to the Participants, together with a description of the effect of such Change in Control on outstanding Awards, not less than seven (7) days prior to the closing of the transaction resulting in the Change in Control.

(3) The Board may, in its sole discretion, change the Performance Criteria or accelerate the vesting and/or the Expiry Date of any or all outstanding Awards to provide that, notwithstanding the Performance Criteria and/or vesting provisions of such Awards or any Grant Agreement, such designated outstanding Awards shall be fully performed and/or vested and conditionally exercisable upon (or prior to) the completion of the Change in Control, provided that the Board shall not, in any case, authorize the exercise of Awards pursuant to this Section 6.3(3) beyond the Expiry Date of the Awards. If the Board elects to change the Performance Criteria or accelerate the vesting and/or the Expiry Date of the Awards, then if any of such Awards are not exercised within seven (7) days after the Participants are given the notice contemplated in Section 6.3(2) (or such later Expiry Date as the Board may prescribe), such unexercised Awards shall, unless the Board otherwise determines, terminate and expire following the completion of the proposed Change in Control. If, for any reason, the Change in Control does not occur within the contemplated time period, the satisfaction of the Performance Criteria, the acceleration of the vesting and the Expiry Date of the Awards shall be retracted and vesting shall instead revert to the manner provided in the Grant Agreement.

(4) To the extent that the Change in Control would also result in a capital reorganization, arrangement, amalgamation or reclassification of the Share capital of the Corporation and the Board does not change the Performance Criteria or accelerate the vesting and/or the Expiry Date of Awards pursuant to Section 6.3(3), the Corporation shall make adequate provisions to ensure that, upon completion of the proposed Change in Control, the number and kind of Shares subject to outstanding Awards and/or the Option Price per Share of Options shall be appropriately adjusted (including by substituting the Awards for Awards to acquire securities in any successor entity to the Corporation) in such manner as the Board considers equitable to prevent substantial dilution or enlargement of the rights granted to Participants. The Board may make changes to the terms of the Awards or the Plan to the extent necessary or desirable to comply with any rules, regulations or policies of any stock exchange on which any securities of the Corporation may be listed, provided that the value of previously granted Awards and the rights of Participants are not materially adversely affected by any such changes.

(5) Notwithstanding anything else to the contrary herein, in the event of a potential Change in Control, the Board shall have the power, in its sole discretion, to modify the terms of this Plan and/or the Awards (including, for greater certainty, to cause the vesting of all unvested Awards) to assist the Participants to tender into a Take-Over Bid or other transaction leading to a Change in Control. For greater certainty, in the event of a Take-Over Bid or other transaction leading to a Change in Control, the Board shall have the power, in its sole discretion, to permit Participants to conditionally exercise their Awards, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such Take-Over Bid in accordance with the terms of such Take-Over Bid (or the effectiveness of such other transaction leading to a Change in Control). If, however, the potential Change in Control referred to in this Section 6.3(5) is not completed within the time specified therein (as the same may be extended), then notwithstanding this Section 6.3(5) or the definition of "Change in Control": (i) any conditional exercise of vested Awards shall be deemed to be null, void and of no effect, and such conditionally exercised Awards shall for all purposes be deemed not to have been exercised, (ii) Shares which were issued pursuant to the exercise of Awards which vested pursuant to this Section 6.3 shall be returned by the Participant to the Corporation and reinstated as authorized but unissued Shares, and (iii) the original terms applicable to Awards which vested pursuant to this Section 6.3 shall be reinstated.

## **ARTICLE 7 – MISCELLANEOUS**

### **Section 7.1 Use of an Administrative Agent and Trustee**

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Corporation and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

### **Section 7.2 Tax Withholding**

(1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 7.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.

(2) Notwithstanding the first paragraph of this Section 7.2, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.

### **Section 7.3 Reorganization of the Corporation**

The existence of any Awards shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, Shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

### **Section 7.4 No Representation or Warranty**

The Corporation makes no representation or warranty as to the future Market Value of Shares issued in accordance with the provisions of this Plan or to the effect of the Tax Act or any other taxing statute governing the Options or the Shares issuable thereunder or the tax consequences to a Participant. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Corporation.

### **Section 7.5 Governing Laws**

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

### **Section 7.6 Severability**

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

### **Section 7.7 Effective Date of the Plan**

The Plan was approved by the Board and shall take effect on August 28, 2023.

## Schedule A – Form of Option Commitment

### TACTICAL RESOURCES CORP.

#### OPTION COMMITMENT

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, pursuant to the provisions of the Omnibus Incentive Plan (the “Plan”) of **Tactical Resources Corp.** (the “**Corporation**”), the Corporation has granted to \_\_\_\_\_ (the “**Optionee**”), an Option to acquire \_\_\_\_\_ common shares in the capital of the Corporation (“**Optioned Shares**”) up to 5:00 p.m. (Vancouver Time) on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the “**Expiry Date**”), or such earlier date as determined in accordance with the terms of this Plan, at an Exercise Price of CAD\$ \_\_\_\_\_ per Optioned Share.

[Optioned Shares are to vest immediately.]

#### OR

[Optioned Shares will vest (*INSERT VESTING SCHEDULE AND TERMS*)]

The grant of the Option evidenced hereby is made subject to the terms and conditions of this Plan, which are hereby incorporated herein and form part hereof. This Option Commitment and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in this Plan. This Option Commitment is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of this Plan and the records of the Corporation shall prevail.

To exercise the Option, (1) deliver a written notice in the form attached as Schedule B to this Plan (or in such other form as established by the Corporation) specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Corporation for the aggregate exercise price, or (2) if the Optionee wishes to exercise the Option on a “net exercise” basis or “cashless exercise” basis in accordance Section 3.7 of this Plan and the Corporation’s Board approves the exercise on a “net exercise” basis or “cashless exercise” basis, deliver a written notice and comply with such other conditions as established by the Corporation for a “net exercise” or “cashless exercise”. A certificate, or written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the Corporation or its transfer agent, if applicable, as soon as practicable thereafter and may bear a restrictive legend if required under applicable securities laws or the policies of the TSX Venture Exchange.

*[Note: If a four month hold period is applicable under the policies of the TSX Venture Exchange, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.*

“WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO



OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL  
*[insert date 4 months from the date of grant]“.*]

The Corporation and the Optionee represent that the Optionee, under the terms and conditions of this Plan, is a bona fide Service Provider (as defined in this Plan), entitled to receive Options under TSX Venture Exchange policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Corporation and the TSX Venture Exchange as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture Exchange on the date of this Option Commitment.

**TACTICAL RESOURCES CORP.**

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

\_\_\_\_\_  
*[Insert name of Optionee]*

The Optionee acknowledges receipt of a copy of this Plan and represents to the Corporation that the Optionee is familiar with the terms and conditions of this Plan, and hereby accepts this Option subject to all of the terms and conditions of this Plan. The Optionee agrees to execute, deliver, file and otherwise assist the Corporation in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by applicable regulatory authorities.

Signature of Optionee:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date signed:

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

**Schedule B – Form of Exercise Notice**

**TACTICAL RESOURCES CORP.**

**EXERCISE NOTICE FOR OPTIONS**

**TACTICAL RESOURCES CORP.**

1055 West Georgia Street, Suite 1500, P.O. Box 11117  
Vancouver, British Columbia  
V6E 4N7

**Re: Notice of Exercise - Options**

**Attn: Omnibus Incentive Plan Administrator of Tactical Resources Corp. (the "Corporation")**

This letter is to inform the Omnibus Incentive Plan Administrator that I, \_\_\_\_\_, wish to exercise \_\_\_\_\_ Options, at \_\_\_\_\_ per Share, on this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

The terms and conditions of the Plan are hereby incorporated by reference as terms and conditions of this Notice and all capitalized terms used herein, unless expressly defined in a different manner, have the meanings ascribed thereto in the Plan.

Payment issued in favour of Tactical Resources Corp. for the amount of \$\_\_\_\_\_ will be forwarded, including withholding tax amounts.

Please register the share certificate in the name of:

Name of Optionee: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Please send share certificate to:

Name of Optionee: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Sincerely,

\_\_\_\_\_  
Signature of Optionee

\_\_\_\_\_  
Date

\_\_\_\_\_  
SIN Number (for T4)

**Schedule C – Form of RSU Grant Agreement**

**TACTICAL RESOURCES CORP.**

**RESTRICTED SHARE UNIT GRANT AGREEMENT**

This restricted share unit agreement (“**RSU Grant Agreement**”) is entered into between Tactical Resources Corp. (the “**Corporation**”) and the Participant named below (the “**Recipient**”) of the restricted share units (“**RSUs**”) pursuant to the Corporation’s omnibus incentive plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this RSU Grant Agreement shall have the meanings set forth in the Plan.

The terms of the RSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is ● and the address of the Recipient is currently ●.
2. **Grant of RSUs.** The Recipient is hereby granted ● RSUs.
3. **Settlement.** The RSUs shall be settled as follows:  
*(Select one of the following three options):*
  - (a)  One Share issued from treasury per RSU.
  - (b)  Cash Equivalent of one Share per RSU.
  - (c)  Either (a), (b), or a combination thereof, at the election of the Recipient.
4. **Restriction Period.** In accordance with Section 4.3 of the Plan, the Restriction Period in respect of the RSUs granted hereunder, as determined by the Board, shall commence on ● and terminate on ●.
5. **Performance Period.** ●.
6. **Vesting.** Subject to any acceleration in vesting as provided in the Plan and approved by the Board, the RSUs granted in this award vest as follows:

<u>% of RSUs Which Vest</u>	<u># of RSUs Which Vest</u>	<u>Vesting Date</u>
[insert]%	[insert]	[insert]
[insert]%	[insert]	[insert]
[insert]%	[insert]	[insert]

7. **Transfer of RSUs.** The RSUs granted hereunder are neither transferable nor assignable except in accordance with the Plan.

8. **Inconsistency.** This RSU Grant Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this RSU Grant Agreement and the Plan, the terms of the Plan shall govern.
9. **Severability.** Wherever possible, each provision of this RSU Grant Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this RSU Grant Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this RSU Grant Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
10. **Entire Agreement.** This RSU Grant Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
11. **Successors and Assigns.** This RSU Grant Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.
12. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.
13. **Governing Law.** This RSU Grant Agreement and the RSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
14. **Counterparts.** This RSU Grant Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

*[Remainder of page left intentionally blank; Signature page follows]*

By signing this RSU Grant Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this RSU Grant Agreement.

**IN WITNESS WHEREOF** the parties hereof have executed this RSU Grant Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**TACTICAL RESOURCES CORP.**

By: \_\_\_\_\_  
Name: ●  
Title: ●

**Schedule D – Form of RSU Settlement Notice**

**TACTICAL RESOURCES CORP.**

**RSU SETTLEMENT NOTICE**

**TO: TACTICAL RESOURCES CORP. (the “Corporation”)**

1. The undersigned (the “**Holder**”), being the holder of \_\_\_\_\_ restricted share units (“**RSUs**”) of the Corporation pursuant to the Corporation’s omnibus incentive plan, as amended from time to time (the “**Plan**”), hereby irrevocably gives notice to the Corporation of the Holder’s election to settle the RSUs. The Holder acknowledges that, in accordance with the terms of the Plan and the applicable restricted share unit agreement, the RSUs will be settled in common shares in the capital of the Corporation (the “**Shares**”).

2. The Holder directs the Corporation, for the Shares to be issued in settlement of the RSUs, to issue a Share certificate or DRS advice evidencing said Shares registered as follows: [Instructions: Please insert name and address for registration and delivery.]

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

3. In order to satisfy the Corporation’s withholding obligations in connection with the settlement of the RSUs, the Holder hereby agrees and authorizes the Corporation to withhold, as applicable, an amount of cash or such number of Shares that is equal in value to the Corporation’s withholding obligations. The number of Shares, which may be held back, if applicable, will be equal to the amount of the Corporation’s withholding obligations divided by the closing trading price of the common shares on the date of settlement of the RSUs. For the purposes hereof, the date of settlement of the RSUs will be the date on which the Corporation receives an executed copy of this RSU Settlement Notice.

4. By executing this RSU Settlement Notice, the Holder hereby confirms that the undersigned has read the Plan and agrees to be bound by the provisions of the Plan. All terms not otherwise defined in this RSU Settlement Notice shall have the meanings given to them under the Plan.

5. The Holder represents, warrants and certifies that the Holder at the time of settlement of RSUs is not in the United States, is not a “U.S. person” as defined in Regulation S under the *United States Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) and is not settling RSUs on behalf of, or for the account or benefit of a U.S. person or a person in the United States and did not execute or deliver this exercise form in the United States. “United States” and “U.S. person” are as defined in Regulation S under the U.S. Securities Act.

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

\_\_\_\_\_  
**[Name of Holder]**