

**DEFENSE METALS CORP.**

**MEETING MATERIALS**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON DECEMBER 18, 2024**

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## Appointment of Proxyholder

I/We being holder(s) of securities of Defense Metals Corp. (the "Company") hereby appoint: Alex Heath, VP of Corporate Development and Interim CFO, or failing this person, Dale Wallster, Director of the Company (the "Management Nominees")

OR

Print the name of the person you are appointing if this person is someone other than the Management Nominees listed herein.

as my/our proxyholder with full power of substitution and to attend, act and to vote for and on behalf of the holder in accordance with the following direction (or if no directions have been given, as the proxyholder sees fit) and on all other matters that may properly come before the Annual General Meeting of shareholders of the Company to be held at Suite 1012 – 1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3 on December 18, 2024 at 11:00 am (PST), and at any adjournment or postponement thereof.

VOTING RECOMMENDATIONS ARE INDICATED BY **HIGHLIGHTED TEXT** OVER THE BOXES.

**For** **Against**

### 1. Number of Directors

To set the number of Directors at five (5).

### 2. Election of Directors

**For** **Withhold**

**For** **Withhold**

**For** **Withhold**

01. Guy de Selliers de Moranville

02. Dr. Luisa Moreno

03. Dale Wallster

04. P.E. (Ted) Kavanagh

05. Suzanne Rich Folsom

**For** **Withhold**

### 3. Appointment of Auditors

Appointment of Crowe MacKay LLP as Auditors of the Company for the ensuing year and authorizing the Directors to fix their remuneration.

**For** **Against**

### 4. Approval of Stock Option Plan

To ratify, confirm and approve the Company's new 10% "rolling" omnibus incentive plan, as more particularly described in the accompanying information circular.

## Signature of Proxyholder

Signature(s)

Date

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any proxy previously given with respect to the Meeting. **If no voting instructions are indicated above, and the proxy appoints the Management Nominees, this Proxy will be voted as recommended by Management.**

DD / MM / YY

**Interim Financial Statements** - Mark this box if you would like to receive Interim Financial Statements and accompanying Management's Discussion and Analysis by mail.

**Annual Financial Statements** - Mark this box if you would like to receive the Annual Financial Statements and accompanying Management's Discussion and Analysis by mail.

If you are not mailing back your proxy, you may register online to receive the above financial report(s) by mail at [www.computershare.com/maillinglist](http://www.computershare.com/maillinglist).



Security Class

Holder Account Number

Fold

## Voting Instruction Form ("VIF") - Annual General Meeting to be held on December 18, 2024

### NON-REGISTERED (BENEFICIAL) SECURITYHOLDERS

1. We are sending to you the enclosed proxy-related materials that relate to a meeting of the holders of the series or class of securities that are held on your behalf by the intermediary identified above. Unless you attend the meeting and vote in person, your securities can be voted only by management, as proxy holder of the registered holder, in accordance with your instructions.
2. **We are prohibited from voting these securities on any of the matters to be acted upon at the meeting without your specific voting instructions.** In order for these securities to be voted at the meeting, it will be necessary for us to have your specific voting instructions. Please complete and return the information requested in this VIF to provide your voting instructions to us promptly.
3. If you want to attend the meeting and vote in person, please write your name in the place provided for that purpose in this form. You can also write the name of someone else whom you wish to attend the meeting and vote on your behalf. Unless prohibited by law, the person whose name is written in the space provided will have full authority to present matters to the meeting and vote on all matters that are presented at the meeting, even if those matters are not set out in this form or the information circular. Consult a legal advisor if you wish to modify the authority of that person in any way. If you require help, please contact the Registered Representative who services your account.
4. **This VIF should be signed by you in the exact manner as your name appears on the VIF. If these voting instructions are given on behalf of a body corporate set out the full legal name of the body corporate, the name and position of the person giving voting instructions on behalf of the body corporate and the address for service of the body corporate.**
5. If a date is not inserted in the space provided on the reverse of this VIF, it will be deemed to bear the date on which it was mailed by management to you.
6. **When properly signed and delivered, securities represented by this VIF will be voted as directed by you, however, if such a direction is not made in respect of any matter, and the VIF appoints the Management Nominees, the VIF will direct the voting of the securities to be made as recommended in the documentation provided by Management for the meeting.**
7. Unless prohibited by law, this VIF confers discretionary authority on the appointee to vote as the appointee sees fit in respect of amendments or variations to matters identified in the notice of meeting or other matters as may properly come before the meeting or any adjournment thereof.
8. By providing voting instructions as requested, you are acknowledging that you are the beneficial owner of, and are entitled to instruct us with respect to the voting of, these securities.
9. If you have any questions regarding the enclosed documents, please contact the Registered Representative who services your account.
10. This VIF should be read in conjunction with the information circular and other proxy materials provided by Management.

Fold

VIFs submitted must be received by 11:00 am (PST), on December 16, 2024.

### VOTE USING THE TELEPHONE OR INTERNET 24 HOURS A DAY 7 DAYS A WEEK!



#### To Vote Using the Telephone

- Call the number listed BELOW from a touch tone telephone.

1-866-734-VOTE (8683) Toll Free



#### To Vote Using the Internet

- Go to the following web site:  
[www.investorvote.com](http://www.investorvote.com)
- **Smartphone?**  
Scan the QR code to vote now.



If you vote by telephone or the Internet, DO NOT mail back this VIF.

Voting by mail may be the only method for securities held in the name of a corporation or securities being voted on behalf of another individual.

Voting by mail or by Internet are the only methods by which a holder may choose an appointee other than the Management appointees named on the reverse of this VIF. Instead of mailing this VIF, you may choose one of the two voting methods outlined above to vote this VIF.

To vote by telephone or the Internet, you will need to provide your CONTROL NUMBER listed below.

CONTROL NUMBER







MANAGEMENT INFORMATION CIRCULAR  
as at November 13, 2024

**This Management Information Circular (“Information Circular”) is furnished in connection with the solicitation of proxies by management of Defense Metals Corp. (the “Company”) for use at the annual general meeting (the “Meeting”) of the shareholders of the Company (the “Shareholders”) to be held on December 18, 2024 and any adjournment or postponement thereof, for the purposes set forth in the attached Notice of Annual General Meeting. Except where otherwise indicated, the information contained herein is stated as of November 13, 2024.**

In this Information Circular, references to the “**Company**” and “**we**” refer to Defense Metals Corp. “**Common Shares**” means common shares without par value in the capital of the Company. “**Registered Shareholders**” means Shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “**Non-Registered Shareholders**” means Shareholders who do not hold Common Shares in their own name. “**Intermediary**” or “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders. Unless otherwise indicated, all references to “\$” or “dollars” in this Information Circular means Canadian Dollars.

**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 to send Meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the Meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners). As a result, objecting beneficial owners will not receive the Information Circular and associated Meeting materials unless their Intermediary assumes the costs of delivery.

**Appointment and Revocation of Proxies**

The individuals named in the accompanying form of proxy (the “**Proxy**”) are either a director or officer of the Company or solicitors for the Company. **If you are a Registered Shareholder, you have the right to attend the Meeting, vote by proxy and to appoint a person or company other than the person 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.

If you are a Registered Shareholder you may wish to vote by proxy whether or not you are able to attend the Meeting. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed Proxy and returning it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their shares via the internet or by telephone as per the instructions provided on the Proxy.

**In all cases you should ensure that the Proxy is received at least two business days before the Meeting or the adjournment or postponement thereof at which the Proxy is to be used.**

Every Proxy may be revoked by an instrument in writing:

- (i) executed by the Shareholder or by his/her attorney authorized in writing or, where the Shareholder is a company, by a duly authorized officer or attorney of the company; and



- (ii) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof,

or in any other manner provided by law.

**Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf.** If you are a Non-Registered Shareholder, see “Voting by Non-Registered Shareholders” below for further information on how to vote your Common Shares.

#### **Exercise of Discretion by Proxyholder**

If you have the right to vote by proxy, the persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions. 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:

- (i) each matter or group of matters identified therein for which a choice is not specified;
- (ii) any amendment to or variation of any matter identified therein;
- (iii) any other matter that properly comes before the Meeting; and
- (iv) exercise of discretion of the Proxyholder.

**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.** Management is not currently aware of any other matters that could come before the Meeting.

#### **Voting by Non-Registered Shareholders**

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, 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 name of the Shareholder’s Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. as nominee for The Canadian Depository for Securities Limited (which acts as depository for many Canadian brokerage firms and custodian banks), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks).

If you have consented to disclosure of your ownership information, you will receive a request for voting instructions from the Company (through Computershare). If you have declined to disclose your ownership information, you may receive a request for voting instructions from your Intermediary if they have assumed the cost of delivering the Information Circular and associated Meeting materials. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the voting instruction form received from Computershare or Broadridge in order to ensure that your Common Shares are voted at the Meeting. The voting instruction form supplied to you will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf.

The voting instruction form sent by Computershare or Broadridge will name the same persons as the Company's proxy to represent you at the Meeting. **Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or a person designated by you (who need not be a Shareholder), may attend at the Meeting as Proxyholder for your Intermediary and vote your Common Shares in that capacity.** To exercise this right to attend the Meeting or appoint a Proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the voting instruction form. Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as Proxyholder for your Intermediary. The completed voting instruction form or other written instructions must then be returned in accordance with the instructions on the form.

**If you receive a voting instruction form from Computershare or Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed as described above and returned in accordance with its instructions well in advance of the Meeting in order to have the Common Shares voted.**

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

No person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors or the appointment of auditors. For the purpose of this paragraph, "person" shall include each of the following persons or companies: (a) if the solicitation is made by or on behalf of management of the Company, each person who has been a director, senior officer or insider of the Company at any time since the beginning of the Company's last fiscal year; (b) if the solicitation is made other than by or on behalf of management of the Company, each person or company by whom, or on whose behalf, directly or indirectly, the solicitation is made; (c) each proposed nominee for election as a director of the Company; and (d) each associate or affiliate of any of the persons or companies included in subparagraphs (a) to (c).

#### **RECORD DATE AND QUORUM**

The board of directors (the "**Board**") of the Company has fixed the record date for the Meeting as the close of business on November 13, 2024 (the "**Record Date**"). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting.

Under the Articles of the Company, subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of Shareholders is one person present in person or by proxy.

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

On the Record Date there were 260,221,249 Common Shares issued and outstanding, with each Common Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote by Proxy at the Meeting or any adjournment or postponement thereof.

To the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, there are no Shareholders who beneficially own, or exercise control or direction, directly or indirectly, Common Shares carrying 10% or more of the votes attached to Common Shares.

## PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Company's Board of Directors (the "**Board**"), the only matters to be placed before the Meeting are those set forth in the accompanying Notice of Meeting and discussed below.

### **Presentation of Financial Statements**

The audited annual financial statements of the Company for the financial year ended March 31, 2024, together with the auditor's report thereon, will be placed before the Meeting. The Company's financial statements are available on [www.sedarplus.ca](http://www.sedarplus.ca).

### **Election of Directors**

The Company proposes to fix the number of directors of the Company at five (5). The Company nominates the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of the director nominees; their positions and offices in the Company; their principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares that each beneficially owns or over which control or direction is exercised, directly or indirectly.

Name, Residence and Present Position within the Company	Director Since	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Discretion is Exercised <sup>(1)</sup>	Principal Occupation <sup>(1)</sup>
<b>Guy de Selliers</b> <sup>(3)(5)</sup> London, UK <i>Executive Chairman and Director</i>	Director since April 3, 2024 and Executive Chairman since June 20, 2024	Nil <sup>(7)</sup>	Executive Chairman of the Company. Director of I Pulse, The Cranmere Group Ltd., and Radix (Think tank - UK). Previously served as board members of numerous companies including AG Insurance Belgium, Ivanhoe Mining and others.
<b>Dr. Luisa Moreno</b> <sup>(2)(5)</sup> Ontario, Canada <i>President &amp; Director</i>	Director since October 25, 2021 and President since January 17, 2022	Nil	Managing partner at Tahuti Global Inc.; officer and director of several green materials and technology companies; and former financial and senior equity analyst at several Canadian financial research and investment firms.
<b>Dale Wallster</b> <sup>(2)(3)(4)(5)(6)</sup> British Columbia, Canada <i>Director</i>	Director since January 11, 2023.	2,328,667 <sup>(8)</sup>	Prospector, Geologist and Businessman. CEO and president and director of Southern Empire Resources Corp.; director of ValOre Metals Corp. and director of Coast Copper Corp.

Name, Residence and Present Position within the Company	Director Since	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Discretion is Exercised <sup>(1)</sup>	Principal Occupation <sup>(1)</sup>
<b>P.E. (Ted) Kavanagh</b> <sup>(2)(4)(6)</sup> New York, USA <i>Director</i>	Director since December 15, 2023.	Nil	Retired banker, director of public companies; director of Signal Gold Inc. and director of Southern Empire Resources Corp.
<b>Suzanne Rich Folsom</b> <sup>(3)(4)(6)</sup> Florida, USA <i>Director</i>	Director since May 31, 2024	Nil	C-suite executive and influential business leader. Former SVP and general counsel to Philip Morris International; Former general counsel, chief compliance officer and SVP government affairs at United States Steel Corporation. Senior executive roles at various international institutions and companies.

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees or obtained from information available on SEDI.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Nominating and Corporate Governance Committee.
- (5) Member of the Technical Committee.
- (6) Member of the Health, Safety and Sustainability Committee.
- (7) Mr. de Selliers, through Okeburn Corp Limited, is the holder of a secured convertible note in the principal amount of C\$1,768,000, convertible to Common Shares of the Company at \$0.125, subject to certain conversion events.
- (8) Includes 2,278,667 Common Shares held by Mulgravian Ventures Corporation, a private company controlled by Mr. Wallster.

To the knowledge of the Company, except as set out below, no proposed director of the Company:

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

- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director or executive officer;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

For the purposes of subsection (a) above, “order” means:

- (i) a cease trade order;
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for more than 30 consecutive days.

### **Advance Notice Provisions**

Advance Notice Provisions provide for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCA or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

The Advance Notice Provision is the framework by which the Company seeks to fix a deadline by which holders of record of Common Shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders, and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision which is available under the Company’s profile as filed on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) on May 31, 2017.

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.

### **Appointment of Auditor**

Management is recommending that Shareholders vote to re-appoint Crowe MacKay LLP, Chartered Professional Accountants (“Crowe”) of Vancouver, BC as the Company’s auditor for the ensuing year and to authorize the directors to fix their remuneration. Crowe was first appointed as auditors for the Company on December 12, 2022.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Crowe MacKay LLP, Chartered Professional Accountants, as auditor of the Company until the close of the next annual general meeting, and the authorization of the directors of the Company to fix the remuneration to be paid to the auditors.**

## **Approval of Omnibus Incentive Plan**

### **Introduction**

The Company wishes to establish a new omnibus incentive plan (the “**Plan**”) for directors, officers, employees, and consultants (the “**Eligible Participants**”). The purpose is to permit the Company to grant Awards to Eligible Participants who share responsibility for the management, growth, and protection of the business, and to provide an incentive to such Eligible Participants to continue their services for the Company and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company are necessary or essential to its success, image, reputation or activities.

The Plan allows the Company to grant awards to Eligible Participants as incentives to continue to provide services to the Company, as a reward for their performance and to attract and retain the talent required to fulfill the Company’s business plan and strategic direction.

A copy of the Plan, which has been conditionally accepted by the Exchange, subject to shareholder approval at the Meeting, is attached to this Information Circular as Schedule “B”. The following summary of the Plan is qualified in its entirety by the terms of the Plan.

### **A. Summary of the Plan**

The Plan will be administered by the Board of Directors or, if the Board so determines, by a committee appointed by the Board (the “**Committee**”).

#### **Common Shares Subject to the Plan**

The maximum number of Common Shares issuable at any time pursuant to outstanding Awards under the Plan will be ten percent (10%) of the issued and outstanding Common Shares at the date of the Award.

The maximum number of Common Shares issuable to Eligible Participants who are Insiders (as a group) at any time, pursuant to the Plan and any other Share Compensation Arrangements of the Company, shall not exceed ten percent (10%) of the total number of Common Shares then outstanding, calculated as at the date any share compensation is granted or issued to any Insider. The maximum number of Common Shares issued to Insiders, within any one-year period, pursuant to the Plan and any other Share Compensation Arrangements of the Company shall not exceed ten percent (10%) of the total number of Common Shares outstanding at any point in time.

In no event can an issuance of Awards, when combined with any grants made pursuant to any other Share Compensation Arrangements, result in:

- (a) any one person in a twelve (12) month period being granted such number of Common Shares issuable under Awards equaling or exceeding five percent (5%) of the issued Common Shares, (unless the Company has obtained the requisite disinterested shareholder approval); and
- (b) any one consultant in a twelve (12) month period being granted such number of Common Shares issuable under Awards equaling or exceeding two percent (2%) of the issued Common Shares;

in each case measured as of the date of grant of an Award.

#### **Vesting Provisions**

No Award (other than Options) may vest before the date that is one year following the date the Award is granted or issued, provided that the requirement may be accelerated when the Participant has died or has ceased to be an Eligible Participant in connection with a change of control, takeover-bid, reverse take-over or similar transaction. There can be no acceleration of the vesting requirements applicable to Options granted to Investor Relations Service Providers without the prior written approval of the TSX Venture Exchange.

#### **Investor Relations Service Provider**

So long as the Company is subject to Exchange requirements, no Awards other than Options may be issued to any Investor Relations Service Provider. Options that are granted to Investor Relations Service Providers must vest in stages over a period of not less than 12 months with no more than 25% of the Options vesting in any three month period, in accordance with the vesting restrictions set out in Section 4.4(c) of Policy 4.4 of the Exchange. The aggregate number of Options granted to all Investor Relations Service Providers must not exceed 2% of the issued Common Shares in any 12-month period, calculated at the date an Option is granted to any such Investor Relations Service Provider.

## **B. Options**

### Prior Plan

The Plan supersedes and replaces the prior option plan which is terminated and of no force or effect as of the effective date. All securities granted under the prior option plan shall continue to exist and shall remain outstanding in accordance with their terms.

### Option Price

The Option price of Common Shares (the “**Option Price**”) shall be determined by the Board but shall not be less than the volume weighted average trading price of the Common Shares on such stock exchange for the five trading days immediately preceding the relevant time as it relates to an Award, provided that it is not less than the “Discounted Market Price” (within the meaning of the policies of the Exchange), in which case it shall be the Discounted Market Price; or (ii) if the Common Shares are not listed on any stock exchange, the value as is determined solely by the Board (the “**Market Value**”), at the time of the grant.

### Option Term

The Board shall determine the period during which the Option is exercisable, which shall not be more than ten (10) years from the date the Option was granted, giving effect to any Black-Out Period (as defined in the Plan).

### Exercise of Options

Prior to expiration or earlier termination in accordance with the Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such performance criteria and/or other vesting conditions as the Board may determine in its discretion at the time of the grant.

Subject to the rules and policies of the Exchange, the Board may, in its discretion and at any time, determine to grant a Participant the right, when entitled to exercise Options, to deal with such Options on a “cashless exercise” basis (the “**Cashless Exercise Right**”). The Board may determine in its discretion that such Cashless Exercise Right, if any, grants a Participant the right to exercise such Options by notice in writing to the Company and receive, without payment of any cash other than pursuant to tax withholdings, that number of Common Shares, disregarding fractions, that is equal to the quotient obtained by dividing:

- (a) the product of the number of Options being exercised multiplied by the difference between the volume weighted average trading price of the Share on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject option and the Option Price; and
- (b) the volume weighted average trading price of the Share on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject option of the shares.

### Option Agreements

Options shall be evidenced by an Option Agreement (as defined in the Plan) in a form that is not inconsistent with the Plan as the Board may determine from time to time.

### **C. Restricted Share Units**

An RSU is an Award that entitles the Participant to acquire Common Shares as determined by the Board, or to receive the cash equivalent or combination of Common Shares and cash equivalent, pursuant to such restrictions and conditions as the Board determines at the time of the grant.

#### **RSU Awards**

The Board shall designate the Eligible Participants who may receive RSUs, fix the number of RSUs to be granted and determine the relevant conditions, vesting provisions, and restrictive period of such RSUs, provided that the restricted period is no longer than three (3) years from the date of the grant.

Each RSU will entitle the Participant to receive one Common Share, the cash equivalent or combination thereof provided that relevant conditions and vesting provisions have been met.

All unvested RSUs shall be cancelled no later than the last day of the restricted period.

#### **RSU Agreement**

RSUs shall be evidenced by an RSU Agreement (as defined in the Plan) in such form not inconsistent with the Plan as the Board may determine from time to time.

#### **Award of Dividend Equivalents**

A cash credit equivalent in value to a dividend paid on a Common Share credited to a Participant's account (the "**Dividend Equivalent**") may be awarded in respect of unvested RSUs in a Participant's account on the same basis as cash dividends declared and paid on Common Shares as if the Participant was a shareholder of record of Common Shares on the relevant record date. However, to the extent that Dividend Equivalents awarded under the Plan entitle Participants to receive additional RSUs, the maximum aggregate number of Common Shares that might possibly be issued to satisfy this obligation must be included in the grant limits in set forth in the Plan, and if the Company does not have a sufficient number of Common Shares available under the Plan to satisfy its obligations in respect of such Dividend Equivalents it shall make payments in cash.

### **D. Deferred Share Units**

A DSU is an Award attributable to a Participant's duties as a director of the Company and that, upon settlement, entitles the Participant to receive such number of Common Shares as determined by the Board, or receive the cash equivalent or combination thereof, and is payable after termination of service by the Participant.

#### **DSU Awards**

The Board shall, from time to time by resolution, in its discretion, designate the Participants who may receive DSUs, fix the number of DSUs to be granted and fix the date or dates on which such DSUs shall be granted, subject to terms and conditions in the Plan. Each DSU awarded shall entitle the Participant to one Common Share, or cash equivalent, or combination thereof.

#### **Payment of Annual Compensation**

Subject to the Board determining otherwise, each Participant may elect to receive in DSUs any portion of their annual base compensation by completing and delivering a written election to the Company on or before the 5th day of November of the calendar year ending immediately before the calendar year with respect to which the election is made. Such election will be effective with respect to compensation payable for fiscal quarters beginning during the calendar year following the date of the election. All DSUs granted will be credited to the Participant's account. The number of DSUs are determined by dividing the dollar amount of the compensation payable in DSUs on the grant date by the Market Value of the Common Shares.



### Settlement of DSUs

A Participant may receive their Common Shares, or cash equivalent, or combination thereof, upon their Termination of Service (as defined in the Plan) by filing a redemption notice. Payment will be made as soon as reasonably possible following the filing date of the notice.

### Determination of DSU Settlement Amount

For determining the cash equivalent of DSUs, such calculation will be made on the filing date based on the Market Value multiplied by the number of vested DSUs in the Participant's account.

### DSU Agreements

DSUs shall be evidenced by a DSU Agreement (as defined in the Plan) in such form not inconsistent with the Plan as the Board may determine of time to time.

### Award of Dividend Equivalents

Dividend Equivalents may, as determined by the Board in its discretion, be awarded in respect of DSUs in a Participant's account on the same basis as cash dividends declared and paid on Common Shares as if the Participant was a shareholder of record of Common Shares on the relevant record date. However, to the extent that Dividend Equivalents awarded under the Plan entitle Participants to receive additional DSUs, the maximum aggregate number of Common Shares that might possibly be issued to satisfy this obligation must be included in the grant limits in set forth in the Plan, and if the Company does not have a sufficient number of Common Shares available under the Plan to satisfy its obligations in respect of such Dividend Equivalents it shall make payments in cash.

## **E. General Conditions**

The Plan includes general conditions regarding termination with or without cause, resignation, retirement, disability and death of the Participants; adjustments to price or number of Common Shares; Board powers in the event of a change of control; amendments to or discontinuance of the Plan; tax withholding; clawbacks and reorganization of the Company. Any grants or issuance of Awards must expire within a reasonable period (not to exceed 12 months) following the date on which the participant ceases to be an Eligible Participant under the Plan.

### Amendment or Discontinuance of the Plan

The Board may suspend or terminate the Plan at any time. The Board may also, in its discretion and without approval of the shareholders of the Company, make the following types of amendments to the Plan or any Award, subject to any regulatory or Exchange requirement at the time of such amendment: (a) amendments of a "housekeeping" nature, including any amendment that is necessary to (i) clarify an existing provision of the Plan, (ii) correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, (iii) comply with applicable law or the requirements of the Exchange or any other regulatory body; or (iv) correct any grammatical or typographical errors in the Plan; and (b) amendments regarding the administration of the Plan.

With approval of the shareholders of the Company (including disinterested shareholder approval, as applicable), the Board may amend the Plan, including amendments to the provisions of the Plan that:

- (a) amend the definition of an Eligible Participant under the Plan;
- (b) increase the maximum number of Common Shares issuable under the Plan (either as a fixed number or fixed percentage of the Outstanding Issue (as defined in the Plan), except in the event of an adjustment;
- (c) increase the maximum number of Common Shares that may be (i) issuable to Insiders at any time, or (ii) issued to Insiders under the Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment;
- (d) amend the method for determining the Option Price;
- (e) extend the maximum term of any Award;

- (f) amend the expiry and termination provisions applicable to an Award; and
- (g) amend the amendment provisions of the Plan.

#### Shareholder Approval

The Exchange requires that the Plan be approved by shareholders of the Company. Accordingly, the shareholders will be asked to consider, and if thought fit, pass the following ordinary resolution to approve the Plan:

#### **“RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The Company’s Omnibus Incentive Plan, approved by the directors on October 31, 2024 and dated for reference December 18, 2024, is approved and confirmed, including the reserving for issuance under the Plan at any time of a maximum of 10% of the issued and outstanding common shares of the Company, subject to any amendments that may be required by the TSX Venture Exchange.
2. The Company be authorized to abandon or terminate all or any part of the Plan if the directors of the Company deem it appropriate and in the best interests of the Company to do so.
3. The Company is hereby authorized to grant Options, Restricted Share Units and Deferred Share Units subject to the terms and conditions of the Plan; and
4. Any one or more of the directors and officers of the Company be authorized and directed to perform all such act, deeds and things and execute all such documents and other writings, including treasury orders, security regulators form as may be required to give effect to the true intent of this resolution.”

**The Board recommends that shareholders vote FOR the approval of the Plan.**

#### **OTHER BUSINESS**

As of the date of this Information Circular, management of the Company knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

#### **EXECUTIVE COMPENSATION**

Except where otherwise indicated, the information contained herein is stated as of March 31, 2024.

For the purposes set out below, a “**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) the chief executive officer of the Company (“**CEO**”) or each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) the chief financial officer of the Company (“**CFO**”) or each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (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 for that financial year, as determined in accordance with subsection 1.3(5) of Form 51-102F6V; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

During financial year ended March 31, 2024, based on the definition above, the NEOs of the Company were: Craig Taylor, former Chief Executive Officer and a former director, Ryan Cheung, former Chief Financial Officer, former Corporate Secretary and a former director, and Dr. Luisa Moreno, President and a director. The directors of the Company who were not NEO's during the financial year ended March 31, 2024 were: Dr. William Bird, Andrew Burgess, Leonard Clough, Dale Wallster, Martin Cronin and P.E. (Ted) Kavanagh.

## DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

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

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the financial years ended March 31, 2024 and March 31, 2023. Options and compensation securities are disclosed under the heading "Stock Options and Other Compensation Securities" in this Form.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Craig Taylor <sup>(1)</sup> , Former CEO and former Director	2024	300,000	Nil	Nil	Nil	Nil	300,000
	2023	300,000	Nil	Nil	Nil	Nil	300,000
Ryan Cheung <sup>(2)</sup> , Former CFO, former Corporate Secretary and former Director	2024	120,000	Nil	Nil	Nil	Nil	120,000
	2023	109,000	Nil	Nil	Nil	Nil	109,000
Dr. Luisa Moreno <sup>(3)</sup> , President, Director	2024	120,000	Nil	Nil	Nil	Nil	120,000
	2023	130,000	Nil	Nil	Nil	Nil	130,000
Dr. William Bird <sup>(4)</sup> , Former Director	2024	48,000	Nil	Nil	Nil	Nil	48,000
	2023	39,500	Nil	Nil	Nil	Nil	39,500
Andrew Burgess <sup>(5)</sup> , Former Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Leonard Clough <sup>(6)</sup> Former Director	2024	33,000	Nil	Nil	Nil	Nil	33,000
	2023	6,000	Nil	Nil	Nil	Nil	6,000
Dale Wallster <sup>(7)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Martin Cronin <sup>(8)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
P.E. (Ted) Kavanagh <sup>(9)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Kris Raffle <sup>(10)</sup> Former Director	2024	Nil	Nil	Nil	Nil	1,231,954	1,231,954
	2023	Nil	Nil	Nil	Nil	1,132,667	1,132,667
Max Sali <sup>(11)</sup> Former Director	2024	75,000	Nil	Nil	Nil	Nil	75,000
	2023	45,000	Nil	Nil	Nil	Nil	45,000

<sup>(1)</sup> All compensation was awarded to, earned by, paid to, or payable for services as CEO of the Company. Mr. Taylor resigned as CEO and director on August 26, 2024.

- (2) All compensation was awarded to, earned by, paid to, or payable for services as CFO of the Company. Mr. Cheung ceased as a director December 15, 2023 and resigned as Corporate Secretary and ceased acting as CFO on July 25, 2024.
- (3) Comprised of \$45,000 awarded to, earned by, paid to, or payable for services as President of the Company and \$45,000 awarded to, earned by, paid to, or payable for geological services to the Company in connection with its Wicheeda property.
- (4) Dr. Bird was appointed as a director of the Company on January 17, 2022 and resigned on April 3, 2024.
- (5) Andrew Burgess was appointed as a director of the Company on January 8, 2019 and resigned on May 31, 2024.
- (6) Leonard Clough was appointed as a director of the Company on April 10, 2023 and resigned on August 26, 2024.
- (7) Dale Wallster was appointed as a director of the Company on January 11, 2023.
- (8) Martin Cronin was appointed as a director of the Company on December 15, 2023.
- (9) P.E. (Ted) Kavanagh was appointed as a director of the Company on December 15, 2023.
- (10) All compensation was awarded to, earned by, paid to, or payable to Apex Geosciences Ltd., a company of which Kris Raffle is a principal, for geological consulting services and related work provided to the Company. Mr. Raffle ceased as a director of the Company on December 15, 2023.
- (11) Max Sali ceased as a director of the Company on December 9, 2022.

### External Management Companies

The Company is not party to any agreement or arrangement under which compensation was provided during the Company's most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO, or performed by any other party but are services typically provided by a director or a NEO or a person performing services of a similar capacity.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each NEO of the Company and to a director who was not an NEO of the Company, or a subsidiary of the Company, in the most recently completed financial year ended March 31, 2024 for services provided or to be provided, directly or indirectly, to the Company, or a subsidiary of the Company.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class (#)	Date of Grant or Issue (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
Craig Taylor, Former CEO and former Director	Options	800,000 3.42%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Ryan Cheung, Former CFO, former Corporate Secretary and former Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Dr. Luisa Moreno, President, Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Dale Wallster, Director	Options	600,000 2.57%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Martin Cronin, Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
P.E. (Ted) Kavanagh, Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class (#)	Date of Grant or Issue (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
Dr. William Bird, Former Director	Options	200,000 <1%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Andrew Burgess, Former Director	Options	200,000 <1%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Leonard Clough, Former Director	Options	200,000 <1%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26
Kris Raffle Former Director	Options	400,000 1.71%	12/15/23	\$0.16	\$0.16	\$0.2350	12/16/26

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

There were no compensation securities exercised by any of the NEOs or directors of the Company during the financial year ended March 31, 2024.

#### Stock Option Plans and other Incentive Plans

##### *Stock Option Plan*

The Company currently has in place a 10% “rolling” stock option plan (the “10% Rolling Plan”) plan, which authorizes the Board to grant options to directors, officers, employees and consultants (the “Eligible Participants”) of the Company, from time to time. The purpose is to permit the Company to grant incentive awards to Eligible Participants who share responsibility for the management, growth, and protection of the business, and to provide an incentive to such Eligible Participants to continue their services for the Company and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company are necessary or essential to its success, image, reputation or activities..

The Board has adopted a new form of omnibus incentive plan (the “Plan”) which has been conditionally approved by the TSX Venture Exchange (the “TSXV”), subject to receipt of shareholder approval at the Meeting.

For details of the Plan, see “Particulars of Matters to be Acted Upon – Approval of Omnibus Incentive Plan” above.

#### Employment, Consulting and Management Agreements

##### *Executive Consulting Agreement with CEO Craig Taylor and 576112 B.C. Ltd.*

576112 B.C. Ltd. (a company owned and controlled by Craig Taylor) entered into a consulting agreement with the Company dated as of July 1, 2021, (the “CEO Agreement”). Pursuant to the CEO Agreement, Mr. Taylor agreed to provide his services as Chief Executive Officer at a base remuneration of \$25,000 per month. Additional remuneration or compensation (whether a bonus or other form of additional remuneration, including Options, equity or other compensation) rested in the sole discretion of the Company. The term of the CEO Agreement continued until terminated in accordance with termination provisions therein. The Company had the right to terminate the CEO Agreement at any time, for material breach of any of the terms and conditions of the CEO Agreement (a “material breach” included, but was not limited to, the failure or refusal of Mr. Taylor to perform the services required at an

acceptable level or standard, provided that he has been provided written notice of such failure and has not corrected his behaviour within 20 days of receiving such notice and provided further that he shall only be entitled to correct his behaviour pursuant to the notification on a one-time basis). If Mr. Taylor was prevented by reason of illness, or mental or physical disability or incapacity from carrying out services for 365 consecutive days or more than 182 days in aggregate, the Company had the right to terminate the CEO Agreement by providing notice in writing, and the CEO Agreement automatically terminates, without notice or payment in lieu thereof, upon death, any material dishonesty on part of Mr. Taylor affecting the Company, conviction of Mr. Taylor for an indictable offence or for any crime involving fraud or misrepresentation, a material conflict of interest as described in the CEO Agreement, wilful and intentional act on the part of Mr. Taylor (as described in the CEO Agreement) and any other cause or reason which would entitle the Company to terminate Mr. Taylor's engagement without notice or compensation in lieu of notice. Notwithstanding the foregoing, if the Company terminates this Agreement pursuant to due to the death or permanent disability of Mr. Taylor and such death or permanent disability occurred during or resulted directly from Mr. Taylor's performance of the services required under the CEO Agreement, then the Company shall pay to Mr. Taylor a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two calendar years immediately preceding the year in which the termination occurred.

The Company had the right to terminate the CEO Agreement by giving at least sixty (60) days advance notice in writing to Mr. Taylor, provided that on receipt of such notice of termination, Mr. Taylor may elect to accept such notice of termination effective immediately in which case Mr. Taylor's engagement will terminate immediately upon such acceptance by Mr. Taylor. The provided notice under this section must be supported by the majority of the Board.

Mr. Taylor had the right to terminate the CEO Agreement upon the happening of any one or more triggering events (a "triggering event" includes, but is not limited to, a substantial change to the nature of the services to be performed, a material breach by the Company of any provision of the CEO Agreement that is not remedied, the requirement for Mr. Taylor to relocate to another city, the Company ceasing to operate as a going concern, a material reduction in the base fee payable under the CEO Agreement, or the incumbent directors ceasing to constitute a majority of the Board) by providing written notice to the Company, upon which the Company shall pay to Mr. Taylor a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two (2) calendar years immediately preceding the year in which the termination occurred.

If a change of control in the Company occurred at any time after July 1, 2021 and if, in respect of Mr. Taylor, a triggering event subsequently occurred within one (1) year of the change of control, Mr. Taylor was entitled to elect to terminate its engagement with the Company and receive a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two (2) calendar years immediately preceding the year in which the termination occurred.

#### ***Executive Consulting Agreement with CFO Ryan Cheung and Midland Management Ltd.***

Midland Management Ltd. (a company owned and controlled by Ryan Cheung) entered into a consulting agreement with the Company dated as of December 1, 2022, (the "**CFO Agreement**"). Pursuant to the CFO Agreement, Mr. Cheung agreed to provide his services as Chief Financial Officer at a base remuneration of \$3,000 to \$10,000 per month, as mutually agreed to by the Company and Mr. Cheung on a month-to-month basis. Additional remuneration or compensation (whether a bonus or other form of additional remuneration, including Options, equity or other compensation) rested in the sole discretion of the Company. The term of the CFO Agreement continued until terminated in accordance with termination provisions therein. The Company had the right to terminate the CFO Agreement at any time, for material breach of any of the terms and conditions of the CFO Agreement (a "material breach" included, but was not limited to, the failure or refusal of Mr. Cheung to perform the services required at an acceptable level or standard, provided that he had been provided written notice of such failure and has not corrected his behaviour within 20 days of receiving such notice and provided further that he shall only be entitled to correct his behaviour pursuant to the notification on a one-time basis). If Mr. Cheung was prevented by reason of illness, or mental or physical disability or incapacity from carrying out services for 365 consecutive days or more than 182 days in aggregate, the Company had the right to terminate the CFO Agreement by providing notice in writing and the CFO Agreement automatically terminated, without notice or payment in lieu thereof, upon death, any material dishonesty

on part of Mr. Cheung affecting the Company, conviction of Mr. Cheung for an indictable offence or for any crime involving fraud or misrepresentation, a material conflict of interest as described in the CFO Agreement, wilful and intentional act on the part of Mr. Cheung (as described in the CFO Agreement) and any other cause or reason which would entitle the Company to terminate Mr. Cheung's engagement without notice or compensation in lieu of notice. Notwithstanding the foregoing, if the Company terminated this Agreement pursuant to the death or permanent disability of Mr. Cheung and such death or permanent disability occurred during or resulted directly from Mr. Cheung's performance of the services required under the CFO Agreement, then the Company shall pay to Mr. Cheung a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date.

The Company had the right to terminate the CFO Agreement by giving at least sixty (60) days advance notice in writing to Mr. Cheung, provided that on receipt of such notice of termination, Mr. Cheung may elect to accept such notice of termination effective immediately in which case Mr. Cheung's engagement will terminate immediately upon such acceptance by Mr. Cheung. The provided notice under this section must be supported by the majority of the Board.

Mr. Cheung had the right to terminate the CFO Agreement upon the happening of any one or more triggering events (a "triggering event" includes, but is not limited to, a substantial change to the nature of the services to be performed, a material breach by the Company of any provision of the CFO Agreement that is not remedied, requirement for Mr. Cheung to relocate to another city or the Company ceasing to operate as a going concern) by providing written notice to the Company and the Company shall pay to Mr. Cheung a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date.

Pursuant to the terms of the CFO Agreement, if a change of control in the Company occurred at any time after December 1, 2022 and if, in respect of Mr. Cheung, a triggering event subsequently occurred within one (1) year of the change of control, Mr. Cheung was entitled to elect to terminate its engagement with the Company and receive a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date. If the amount of payment required to be paid by the Company to Mr. Cheung under the CFO Agreement is not permitted by an applicable stock exchange then Mr. Cheung and the Company agree to adjust the payment required to be paid to the lesser allowable amount permitted by the stock exchange.

Other than disclosed herein, the Company does not have any agreement or arrangement under which compensation was provided during the Company's most recently completed financial year ended March 31, 2024 or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO, or performed by any other party but are services typically provided by a director or a NEO.

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

### *Elements of the Compensation Program*

The responsibilities relating to executive and director compensation, including reviewing and recommending compensation of the Company's officers and employees and overseeing the Company's base compensation structure and equity-based compensation program is performed by the compensation committee and the Board. The compensation committee and the Board also assume responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The compensation committee and Board generally review the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity and the performance of officers generally and in light of the Company's goals and objectives.

The Company is a junior mining company with limited resources. The compensation for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including: (a)

attracting and retaining talented, qualified and effective executives; (b) motivating the short and long-term performance of executives; and (c) better aligning the interests of executive officers with those of the Company's shareholders. In the Board's view, paying salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies is compiled from a variety of sources, including national and international publications.

The compensation committee and Board determine the compensation for the CEO and compensation of the Company's executives is also determined by recommendation by the compensation committee to the Board. In each case, the Board takes into consideration the prior experience of the executive, industry standards, competitive salary information on comparable companies of similar size and stage of development, the degree of responsibility and participation of the executive in the day-to-day affairs of the Company, and the Company's available cash resources.

In the Board's view, to attract and retain qualified and effective executives, the Company must pay base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates.

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

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

#### **Pension Plan Benefits**

The Company does not have in place any pension plans that provide for payments or benefits at, following, or in connection with retirement.

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

The following table sets out information as of the end of the Company's most recently completed financial year with respect to compensation plans under which equity securities of the Company are authorized for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuances under equity compensation plan (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by security holders (Stock Option Plan)	24,525,000	\$0.22	1,337,124 <sup>(1)</sup>
Equity compensation plans approved by security holders (RSU Plan)	Nil	Nil	Nil <sup>(2)</sup>
Equity compensation plans not approved by security holders	Nil	Nil	Nil



<b>Total</b>	24,525,000	\$0.22	1,337,124 <sup>(1)</sup>
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(1) Based on the Company's issued and outstanding of 258,621,249 common shares as at March 31, 2024.

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

None of the directors, executive officers, employees, proposed nominees for election as directors and their associates, or any former executive officers, directors and employees of the Company or any of its subsidiaries, is, as at the date of this Information Circular, or has been at any time during the Company's most recently completed financial year, indebted to the Company or any of its subsidiaries.

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

Other than as disclosed below, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

Subsequent to year end, on October 11, 2024 the Company completed a private placement of secured convertible notes (the "Notes") for aggregate gross proceeds of \$4,000,000 (the "2024 Private Placement"). Guy de Selliers, executive chairman and a director of the Company, participated in the Private Placement for CAD\$1,768,000.

The Notes bear interest from the date of issuance at a rate of ten percent (10%) per annum, payable quarterly in common shares of the Company at a price per share equal to the applicable 20-day volume-weighted average price of the Common Shares on the TSXV, or such other price determined in accordance with the policies of the TSXV. The Notes will mature 12 months after the date of issuance. Investors have the option to convert the principal amount of the Notes into Common Shares at a deemed price of \$0.125 per share up to seven days prior to a Mandatory Conversion Event (as defined below).

The Notes will automatically convert into Common Shares upon the occurrence of certain events (each, a "Mandatory Conversion Event"), including the completion by the Company of a new issuance of equity as part of a minimum CAD\$4,000,000 financing from third party sources (excluding conversion of the Notes), completion of a sale of all or substantially all of the Common Shares or assets of the Company, or completion of a merger or other corporate transaction coincident with a minimum CAD\$4,000,000 fundraise from third party capital (excluding conversion of the Notes). Upon the occurrence of a Mandatory Conversion Event, the principal amount of the Notes will automatically convert into Common Shares at a fifteen percent (15%) discount to the applicable price of the offering implied by the Mandatory Conversion Event, provided that if such conversion price would be less than the Conversion Price there will be no mandatory conversion.

### **MANAGEMENT CONTRACTS**

Management functions of the Company or any of its subsidiaries are not to any substantial degree performed by anyone other than the directors or executive officers of the Company or subsidiaries.

### **STATEMENT OF CORPORATE GOVERNANCE**

#### **Corporate Governance**

##### **General**

National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101") requires issuers to disclose their corporate governance practices and National Policy 58-201 – Corporate Governance Guidelines ("NP 58-201") provides guidance on corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

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 company's shareholders. 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 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**

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

The Board facilitates its independent supervision over management of the Company through frequent meetings of the Board at which members of management or non-independent directors are not in attendance and by retaining independent consultants where it deems necessary.

Management is delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board facilitates its independent supervision over management by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its Audit Committee, the Board examines the effectiveness of the Company's internal control processes and management information systems. The Board reviews executive compensation and recommends stock option grants.

The independent members of the Board are Dale Wallster, Suzanne Rich Folsom, P.E. (Ted) Kavanagh and Martin Cronin. Guy de Selliers (Executive Chairman) and Dr. Luisa Moreno (President) are not independent as they are officers or act in the capacity of an officer of the Company.

### **Directorships**

Certain members of the Board are currently serving on boards of directors of other reporting companies (or equivalent) as set out below:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Exchange</b>
Dale Wallster	Southern Empire Resources Corp.	TSXV
	ValOre Metals Corp.	TSXV
	Coast Copper Corp.	TSXV
Dr. Luisa Moreno	AMMPower Corp.	CSE
	Amex Exploration Inc.	TSXV
	Edison Lithium Corp.	TSXV
	Graphano Energy Ltd.	TSXV
	Manganese X Energy Corp.	TSXV
	Tantalex Lithium Resources Corporation	CSE
P.E. (Ted) Kavanagh	Southern Empire Resources Corp.	TSXV
	Signal Gold Inc.	TSX

### **Orientation and Continuing Education**

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

### **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest are sufficient to ensure that the

Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

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

The Company's nominating and corporate governance committee (the "NCG Committee") has responsibility for identifying potential Board candidates. There is no set process for identifying new candidates, but a pool of candidates may be generated using the existing network of the Company Board members, a search firm, or any other method that the Board may choose. Two of the three members of the NCG Committee are independent.

### **Compensation**

The Board acting through its Compensation Committee determines compensation for the directors and compensation paid to the Chief Executive Officer and board members. The procedures for this determination are described under Statement of Executive Compensation above.

### **Other Board Committees**

The Board has the following committees: Audit Committee, described below, the Compensation Committee, the Nominating and Corporate Governance Committee, the Technical Committee and the Health, Safety and Sustainability Committee.

### **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and the Audit Committee on an ongoing basis.

## **AUDIT COMMITTEE**

### **Audit Committee Disclosure**

Pursuant to Section 224(1) of the British Columbia *Business Corporations Act* and National Instrument 52-110 – *Audit Committees* ("NI 52-110"), the Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the composition of its audit committee and its relationship with its independent auditor, as set forth below.

The primary function of the audit committee (the "**Audit Committee**") is to assist the Board in fulfilling its financial oversight responsibilities by (a) reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders; (b) reviewing the systems for internal corporate controls which have been established by the Board and management; and (c) overseeing the Company's financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system, reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Board. The Audit Committee is also mandated to review and approve all material related party transactions.

### **The Audit Committee's Charter**

The Company has adopted a Charter of the Audit Committee of the Board of Directors a copy of which is annexed hereto as Schedule "A".

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

The Audit Committee will be comprised of the following members: Dale Wallster (Chair), P.E.(Ted) Kavanagh and Dr. Luisa Moreno. Each member of the Audit Committee is considered to be financially literate as defined by NI 52-110 in that each Audit Committee member 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 presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee are elected by the Board following the annual Shareholders' meeting. Unless a chair is elected by the full Board, the members of the Audit Committee designate a chair by a majority vote of the full Committee membership.

### **Relevant Education and Experience**

*Dale Wallster* – Mr. Wallster is a prospector, geologist and businessman with 45 years' experience in mineral deposit exploration, with a focus on the targeting and discovery of Platinum Group Metals, gold, copper, uranium, iron ore and Rare Earth Elements. He was president and founder of Roughrider Uranium Corp., a company acquired by Hathor Exploration Limited in 2006 and his team is widely credited in the mineral exploration sector for the discovery of Hathor's Roughrider deposit. In January of 2012, Hathor became a wholly owned subsidiary of Rio Tinto as part of a CAD\$650 million acquisition.

*Dr. Luisa Moreno* - Dr. Moreno, Ph.D., has over 15 years of experience in technical and financial research, with expertise in strategic minerals and related processes. Dr. Moreno is the Managing Director of Tahuti Global Inc.. She is also on the board and as management of several listed junior mining and technology companies. She spent 7 years as a Financial and Senior Equity Analyst at Canadian financial research and investment banking firms, including 4 years covering the specialized field of strategic minerals within the metals and mining sector of these firms. Dr. Moreno possesses strong insight into materials processing and metallurgy of electric materials and has an astute understanding of their supply and demand dynamics.

*P.E. (Ted) Kavanagh* – Mr. Kavanagh was the Director of Metals & Mining Finance, Americas for Société Générale where he originated and executed corporate project finance facilities, marketed metals and foreign exchange hedging and trading lines, and provided related advisory services. Previous to his engagement with Société Générale, Mr. Kavanagh acted in a similar capacity for a series of banks.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 (De Minimis Non-audit Services), subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), subsection 6.1.1(5) (Events Outside Control of Member), subsection 6.1.1(6) (Death, Incapacity or Resignation), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemption).

## Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable the Audit Committee, on a case-by-case basis.

## External Auditor Service Fees

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

The fees paid by the Company to its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
March 31, 2024	\$53,000	\$Nil	\$9,000	\$Nil
March 31, 2023	\$48,000	\$Nil	\$5,000	\$Nil

## Exemption

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

## ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

Financial information is provided in the Company’s comparative financial statements and management’s discussion and analysis for its most recently completed financial year, and available online at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders may request additional copies by (i) mail to Suite 1020 - 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6; or (ii) telephone to: 604 354-2491.

## BY ORDER OF THE BOARD OF DIRECTORS

“Guy de Selliers.”

Executive Chairman, Director

## Schedule "A"

### AUDIT COMMITTEE CHARTER

#### I. PURPOSE

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

#### II. COMPOSITION

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

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

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

#### III. AUTHORITY

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

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

#### IV. DUTIES AND RESPONSIBILITIES

A. The duties and responsibilities of the Audit Committee include:

1. recommending to the Board the external auditor to be nominated by the Board;

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

13. reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;
14. satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;
15. overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;
16. reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;
17. reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board;
18. satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;
19. resolving disputes between management and the external auditor regarding financial reporting;
20. establishing procedures for:
  - a) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto, and
  - b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
21. reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
22. pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;
23. overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;
24. establishing procedures for:
  - a) reviewing the adequacy of the Company's insurance coverage, including the



Directors' and Officers' insurance coverage;

b) reviewing activities, organizational structure, and qualifications of the Chief Financial Officer (“CFO”) and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;

c) obtaining reasonable assurance as to the integrity of the Chief Executive Officer (“CEO”) and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;

d) reviewing fraud prevention policies and programs, and monitoring their implementation;

e) reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company’s compliance with laws and regulations having a material impact on the financial statements including:

i. tax and financial reporting laws and

regulations;

ii. legal withholding requirements;

iii. environmental protection laws and

regulations;

iv. other laws and regulations which expose directors to liability.

B. A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.

C. On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

## **V. TERM**

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

## **VI. MEETINGS**

The Committee shall meet at least four times per year or more frequently as circumstances dictate. A majority of the members appearing at a duly convened meeting shall constitute a quorum and the Committee shall maintain minutes or other records of its meetings and activities. The Chair shall be responsible for leadership of the Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. These documents will be shared with the Board as needed to discharge the Committee's delegated responsibilities and stored in a centralized electronic archive administered by the Corporate Secretary. In case of absence of the Chair, the participating Audit Committee members will designate an interim Chair. The committee will hold in camera session without management present both with external auditor and committee members. As part of its responsibility to foster open communication, the Committee should meet at least annually with each of the CEO and Chief Financial Officer in separate executive sessions to discuss any matters that the Committee or the executive officers believe should be discussed privately with the Committee.

## **VII. REPORTS**

- A. The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.
- B. The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

## **VIII. MINUTES**

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

## **IX. ANNUAL PERFORMANCE EVALUATION**

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

This charter was adopted by the Board effective October 31, 2024.

**Schedule "B"**  
**Omnibus Incentive Plan**

**DEFENSE METALS CORP.**

**OMNIBUS INCENTIVE PLAN**

Defense Metals Corp. (the “**Company**”) hereby establishes an omnibus incentive plan for directors, officers, employees and Consultants of the Company and any of its Subsidiaries.

**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:

“**Account**” means an account maintained for each Participant on the books of the Company which will be credited with Awards in accordance with the terms of this Plan;

“**Affiliate**” has the meaning ascribed thereto in TSXV Policy 1.1;

“**Annual Base Compensation**” means an annual compensation amount payable to directors and executive officers, as established from time to time by the Board;

“**Award**” means any of an Option, DSU, or RSU granted to a Participant pursuant to the terms of the Plan;

“**Black-Out Period**” means a period of time when pursuant to any policies of the Company (including the Company’s insider trading policy), securities of the Company may not be traded by certain Persons designated by the Company;

“**Board**” has the meaning ascribed thereto in Section 2.2(1);

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Vancouver, British Columbia for the transaction of banking business;

“**Cash Equivalent**” means the amount of money equal to the Market Value multiplied by the number of vested RSUs or DSUs, as applicable, in the Participant’s Account, net of any applicable taxes in accordance with Section 8.2, on the RSU Settlement Date or the Filing Date, as applicable;

“**Cashless Exercise Right**” has the meaning ascribed thereto in Section 3.6(3);

“**Cause**” has the meaning ascribed thereto in Section 6.2(1);

“**Change of Control**” means, unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:

- (i) any transaction (other than a transaction described in clause (iii) below) pursuant to which any Person or group of Persons acting jointly or in concert acquires for the first time the direct or indirect beneficial ownership of securities of the Company representing 50% or

more of the aggregate voting power of all of the Company's then issued and outstanding securities entitled to vote in the election of directors of the Company, other than any such acquisition that occurs upon the exercise or settlement of options or other securities granted by the Company under any of the Company's equity incentive plans;

- (ii) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Company immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such transaction;
- (iii) the sale, lease, exchange, license or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Company or any of its Subsidiaries which have an aggregate book value greater than 50% of the book value of the assets, rights and properties of the Company and its Subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned Subsidiary of the Company in the course of a reorganization of the assets of the Company and its wholly-owned Subsidiaries;
- (iv) the passing of a resolution by the Board or shareholders of the Company to substantially liquidate the assets of the Company or wind up the Company's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Company in circumstances where the business of the Company is continued and the shareholdings remain substantially the same following the re-arrangement);
- (v) individuals who, on the Effective Date, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board; or
- (vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent;

"**Company**" means Defense Metals Corp., a corporation existing under the *Business Corporations Act* (British Columbia), as amended from time to time;

"**Consultant**" means, in relation to the Company, an individual (other than a director, officer or employee of the Company or of any of its Subsidiaries) or corporation that: (a) is engaged to provide on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or to any of its Subsidiaries, other than services provided in relation to a

Distribution (as such term is defined in TSXV Policy 1.1); (b) provides the services under a written contract between the Company or any of its Subsidiaries and the individual or the corporation, as the case may be; and (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its Subsidiaries;

**“Consulting Agreement”** means, with respect to any Participant, any written consulting agreement between the Company or a Subsidiary and such Participant;

**“Dividend Equivalent”** means a cash credit equivalent in value to a dividend paid on a Share credited to a Participant’s Account;

**“DSU”** or **“Deferred Share Unit”** means a right awarded to a Participant to receive a payment in the form of Shares, Cash Equivalent or a combination thereof upon Termination of Service, as provided in Article 5 and subject to the terms and conditions of this Plan;

**“DSU Agreement”** means a document evidencing the grant of DSUs and the terms and conditions thereof;

**“DSU Settlement Amount”** means the amount of Shares, Cash Equivalent, or combination thereof, calculated in accordance with Section 5.6, to be paid to settle a DSU Award after the Filing Date;

**“Effective Date”** means the effective date of the Plan as provided in Section 8.11;

**“Eligibility Date”** the effective date on which a Participant becomes eligible to receive long-term disability benefits (provided that, for greater certainty, such effective date shall be confirmed in writing to the Company by the insurance company providing such long-term disability benefits);

**“Eligible Participants”** means any director, officer, employee or Consultant of the Company or any of its Subsidiaries, but for the purposes of Article 5, this definition shall be limited to directors of the Company;

**“Employment Agreement”** means, with respect to any Participant, any written employment agreement between the Company or a Subsidiary and such Participant;

**“Exercise Notice”** means a notice in writing signed by a Participant and stating the Participant’s intention to exercise a particular Award, if applicable;

**“Filing Date”** has the meaning set out in Section 5.5(1), as applicable;

**“Grant Agreement”** means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement, a DSU Agreement, an RSU Agreement, an Employment Agreement or a Consulting Agreement;

**“Insider”** has the meaning set out in TSXV Policy 1.1;

**“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.

**“Management Company Employee”** means an individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the business enterprise of the Company;

**“Market Value”** means at any date when the market value of Shares is to be determined, (i) if the Shares are listed on a Stock Exchange, the volume weighted average trading price of the Shares on such Stock Exchange for the five trading days immediately preceding the relevant time as it relates to an Award, provided that it is not less than the “Discounted Market Price” (within the meaning of the policies of the TSX Venture Exchange), in which case it shall be the Discounted Market Price; or (ii) 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 and such determination shall be conclusive and binding on all Persons;

**“Option”** means an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof, and includes an ISO;

**“Option Agreement”** means a document evidencing the grant of Options and the terms and conditions thereof;

**“Option Price”** has the meaning ascribed thereto in Section 3.2;

**“Option Term”** has the meaning ascribed thereto in Section 3.4;

**“Outstanding Issue”** means the number of Shares that are issued and outstanding, on a non-diluted basis;

**“Participants”** means Eligible Participants that are granted Awards under the Plan;

**“Performance Criteria”** means specified criteria, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Award;

**“Performance Period”** means the period determined by the Board at the time any Award is granted or at any time thereafter during which any Performance Criteria and any other vesting conditions specified by the Board with respect to such Award are to be measured;

**“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;

**“Plan”** means this Omnibus Incentive Plan, including any amendments or supplements hereto made after the Effective Date;

**“Prior Plans”** means the stock option plan of the Company in effect immediately prior to the Effective Date;

**“Restricted Period”** means the period determined by the Board pursuant to Section 4.3;

“**RSU**” means a right awarded to a Participant to receive a payment in the form of Shares, Cash Equivalent or a combination thereof as provided in Article 4 and subject to the terms and conditions of this Plan;

“**RSU Agreement**” means a document evidencing the grant of RSUs and the terms and conditions thereof;

“**RSU Settlement Date**” has the meaning determined in Section 4.5(1);

“**RSU Vesting Determination Date**” has the meaning described thereto in Section 4.4;

“**Shares**” means the common shares in the share capital of the Company;

“**Share Compensation Arrangement**” means a stock option, stock option plan, deferred share unit, deferred share unit plan, restricted share unit, restricted share unit 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 employees, directors, officers, Insiders, or Consultants of the Company or a Subsidiary including a share purchase from treasury by an employee, director, officer, Insider, or Consultant which is financially assisted by the Company or a Subsidiary by way of a loan, guarantee or otherwise; provided, however, that any such arrangements that do not involve the issuance from treasury or potential issuance from treasury of Shares of the Company are not “Share Compensation Arrangements” for the purposes of this Plan;

“**Stock Exchange**” means the TSX Venture Exchange (or any other stock exchange on which the Shares are then listed and trading, if the Shares are not listed and trading on the TSX Venture Exchange as designated by the Board from time to time);

“**Subsidiary**” means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;

“**Tax Act**” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

“**Termination**” means that a Participant has ceased to be an Eligible Participant, including for greater certainty, the earliest date on which both of the following conditions are met: (i) the Participant has ceased to be employed by, or otherwise have a service relationship with, the Company or any Subsidiary thereof for any reason whatsoever; and (ii) the Participant is neither a member of the Board nor a director of the Company or any of its Subsidiaries;

“**Termination Date**” means (i) in the event of a Participant's resignation, the date on which such Participant ceases to be a director, executive officer, employee or Consultant of the Company or one of its Subsidiaries, and (ii) in the event of the termination of the Participant's employment, or position as an executive or officer of the Company or a Subsidiary, or as a Consultant, the effective date of the termination as specified in the notice of termination provided to the Participant by the Company or the Subsidiary, as the case may be, and, for greater certainty, without regard to any period of notice, pay in lieu of notice, or severance that may follow the Termination Date pursuant to the terms of the Participant's employment or services agreement (if any), the applicable employment standards legislation or the common law (if applicable), and regardless of whether the Termination was lawful or unlawful, except as may otherwise be required to meet minimum standards prescribed by the applicable standards legislation;



**“Termination of Service”** means that a Participant has ceased to be an Eligible Participant, and for greater certainty, for those Eligible Participants who are not solely directors of the Company, the earliest date on which both of the following conditions are met: (i) the Participant has ceased to be employed by the Company or has ceased providing ongoing services as a Consultant to the Company or any Subsidiary thereof for any reason whatsoever; and (ii) the Participant is neither a member of the Board nor a director of the Company or any of its Subsidiaries;

**“TSXV Policy 1.1”** means Policy 1.1 – *Interpretation* of the TSX Venture Exchange;

**“TSXV Policy 4.4”** means Policy 4.4 – *Security Based Compensation* of the TSX Venture Exchange;

**“TSXV Share Limits”** means: (i) the maximum number of Shares issuable to any one Participant under Awards in any 12-month period shall not exceed 5% of the Outstanding Issue (unless requisite disinterested shareholder approval has been obtained to exceed), calculated as of the date of the grant of an Award; (ii) the maximum number of Shares issuable to any one Consultant under Awards in any 12-month period shall not exceed 2% of the Outstanding Issue calculated as of the date of the grant of an Award; and (iii) Investor Relations Service Providers (within the meaning of TSXV Policy 4.4) (A) may only be granted Options under an Award, (B) the maximum number of Shares issuable to all Investor Relations Service Providers under any Options awarded shall not exceed 2% of the Outstanding Issue in any 12-month period, in each case measured as of the date of grant of an Award, and (C) may not be granted a Cashless Exercise Right;

**“United States”** means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

**“Vested Awards”** has the meaning described thereto in Section 6.2(5); and

**“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 such securities traded for the five trading days immediately preceding the exercise of the subject Option.

## **Section 1.2 Interpretation.**

- (1) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term “discretion” or “authority” means the sole and absolute discretion of the Board.
- (2) The division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.
- (3) In this Plan, words importing the singular shall include the plural, and *vice versa* and words importing any gender include any other gender.
- (4) The words “including”, “includes” and “include” and any derivatives of such words mean “including (or includes or include) without limitation”. As used herein, the expressions “Article”, “Section” and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.

- (5) Unless otherwise specified in the Participant's Grant Agreement, all references to money amounts are to Canadian currency.
- (6) For purposes of this Plan, the legal representatives of a Participant shall only include the administrator, the executor or the liquidator of the Participant's estate or will.
- (7) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

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

**Section 2.1 Purpose of the Plan.**

The purpose of the Plan is to permit the Company 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 Company's welfare of those Eligible Participants, who share responsibility for the management, growth and protection of the business of the Company or a Subsidiary;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Company or a Subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company or a Subsidiary are necessary or essential to its success, image, reputation or activities;
- (c) to reward Participants for their performance of services while working for the Company or a Subsidiary; and
- (d) to provide a means through which the Company or a Subsidiary may attract and retain able Persons to enter its employment or service.

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

- (1) The Plan shall be administered and interpreted by the board of directors of the Company (the "**Board**") or, if the Board by resolution so decides, by a committee appointed by the Board. If such committee is appointed for this purpose, all references to the "Board" herein will be deemed references to such committee. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements, subject to any required approval.
- (2) Subject to Article 7 and any applicable rules of the Stock Exchange, the Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations or vary the terms of this Plan and/or any Award hereunder for carrying out the provisions and purposes of the Plan and/or to address tax or other requirements of any applicable jurisdiction.
- (3) Subject to the provisions of this 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 and operations of the Plan as it may

deem necessary or advisable. The Board may delegate to officers or managers of the Company, or committees thereof, the authority, subject to such terms as the Board shall determine, to perform such functions, in whole or in part. Any such delegation by the Board may be revoked at any time at the Board's sole discretion. The interpretation, administration, construction and application of the Plan and any provisions hereof made by the Board, or by any officer, manager, committee or any other Person to which the Board delegated authority to perform such functions, shall be final and binding on the Company, its Subsidiaries and all Eligible Participants.

- (4) No member of the Board or any Person acting pursuant to authority delegated by the Board hereunder 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. Members of the Board and any person acting at the direction or on behalf of the Board, shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination.
- (5) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issuance of any Shares or any other securities in the capital of the Company. For greater clarity, the Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or varying or amending its share capital or corporate structure.

### **Section 2.3 Participation in this Plan.**

- (1) The Company makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant of an Award, the exercise of an Option or transactions in the Shares or otherwise in respect of participation under the Plan. Neither the Company, nor any of its directors, officers, employees, shareholders or agents shall be liable for anything done or omitted to be done by such Person or any other Person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Company and its Subsidiaries do not assume and shall not have responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with such Participant's own tax advisors.
- (2) Participants (and their legal representatives) shall have no legal or equitable right, claim, or interest in any specific property or asset of the Company or any of its Subsidiaries. No asset of the Company or any of its Subsidiaries shall be held in any way as collateral security for the fulfillment of the obligations of the Company or any of its Subsidiaries under this Plan. Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or the Participant's 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 Company.

- (3) Unless otherwise determined by the Board and subject to Policy 4.4 of the TSX Venture Exchange, the Company shall not offer financial assistance to any Participant in regard to the exercise of any Award granted under this Plan.
- (4) The Board may also require that any Eligible Participant in the Plan provide certain representations, warranties and certifications to the Company to satisfy the requirements of applicable laws, including, without limitation, exemptions from the registration requirements of the U.S. Securities Act, and applicable U.S. state securities laws.
- (5) In connection with an Award to be granted to any Eligible Participant, it shall be the responsibility of such person and the Company to confirm that such person is a *bona fide* Eligible Participant for the purposes of participation under the Plan.

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

- (1) Subject to adjustment pursuant to Article 7, the securities that may be acquired by Participants under this Plan shall consist of authorized but unissued Shares from treasury.
- (2) The maximum number of Shares issuable pursuant to outstanding Awards under this Plan shall not exceed 10% of the total number of Shares outstanding at any given time, less any Shares reserved for issuance under the Plan.
- (3) No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the above-noted total numbers of Shares reserved for issuance pursuant to the settlement of Awards.
- (4) The Plan includes an “evergreen” stock option plan, as Shares of the Company covered by Options which have been exercised or settled, as applicable, and Options which have expired or are forfeited, surrendered, cancelled or otherwise terminated or lapsed for any reason without having been exercised, will be available for subsequent grants under the Plan and the number of Options that may be granted under the Plan increases if the total number of issued and outstanding Shares of the Company increases. Shares will not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award that is settled in cash.

#### **Section 2.5 Limits with Respect to other Share Compensation Arrangements, Insiders, Individual Limits, and Annual Grant Limits.**

- (1) The maximum number of Shares issuable pursuant to this Plan and any other Share Compensation Arrangement shall not exceed the limits set out in Section 2.4(2).
- (2) The maximum number of Shares issuable to Eligible Participants who are Insiders (as a group), at any time, under this Plan and any other Share Compensation Arrangement, shall not exceed 10% of the Outstanding Issue at any point in time.
- (3) The maximum number of Shares issuable to Eligible Participants who are Insiders (as a group), within any one-year period, under this Plan and any other Share Compensation Arrangement, shall not exceed 10% of the Outstanding Issue calculated as of the date of the grant of the Award.

- (4) Subject to the policies of the Stock Exchange, any Shares issued or Award granted pursuant to the Plan, or securities issued under any other Share Compensation Arrangement prior to a Participant becoming an Insider, shall be included for the purposes of the limits set out in Section 2.5(2) and Section 2.5(3).
- (5) Subject to the policies of the Stock Exchange, in the event of the death of a Participant, the legal representative, liquidator, executor or administrator, as the case may be, of the estate of the Participant is not entitled to make a claim in respect of an Award granted to such Participant after the first anniversary of the death of such Participant.
- (6) The TSXV Share Limits shall apply to the Shares issued or issuable under any Award granted under the Plan and any other Share Compensation Arrangement, subject to the Shares being listed for trading on the TSX Venture Exchange.

### **Section 2.6 Granting of Awards.**

Any Award granted under the Plan shall be subject to the requirement that, if at any time the Company shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any Stock Exchange or under any law or regulation of any jurisdiction, or the consent or approval of any Stock Exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant of such Awards or exercise of any Option 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 Company to apply for or to obtain such listing, registration, qualification, consent or approval.

### **Section 2.7 TSX Venture Exchange Vesting Restrictions.**

While the Shares are listed for trading on the TSX Venture Exchange:

- (a) no Award (other than Options), may vest before the date that is one year following the date the Award is granted or issued, provided that this requirement may be accelerated for a Participant who dies or who ceases to be an eligible Participant under the provisions hereof in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction;
- (b) any Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months with no more that 25% of the Options vesting in any three month period, in accordance with the vesting restrictions set out in Section 4.4(c) of Policy 4.4 of the TSX Venture Exchange;
- (c) there can be no acceleration of the vesting requirements applicable to Options granted to Investor Relations Service Providers without the prior written approval from the TSX Venture Exchange.

### **Section 2.8 Relationship with Prior Plans.**

The Plan supersedes and replaces the Prior Plans, which are terminated and of no force or effect as of the Effective Date. All securities granted under the Prior Plans shall continue to exist

and shall remain outstanding in accordance with their terms, provided that from the Effective Date, such securities shall be governed by this Plan.

### **ARTICLE 3 OPTIONS**

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

An Option is an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof. For the avoidance of doubt, no Dividend Equivalents shall be granted in connection with an Option.

#### **Section 3.2 Option Awards.**

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, (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 the Option Term, the whole subject to the terms and conditions prescribed in this Plan or in any Option Agreement, and any applicable rules of the Stock Exchange.

#### **Section 3.3 Option Price.**

The Option Price for Shares that are the subject of any Option shall be determined and approved by the Board when such Option is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

#### **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, which shall not be more than ten years from the date the Option is granted (the “**Option Term**”).
- (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 Business Day after the end of the Black-Out Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan.
- (3) A Stock Exchange four month hold period will be imposed from the date of grant of the Option on all Options awarded to Insiders or Consultants of the Company and on all Options for which the exercise price per Share of any Option is based on a discount to the Market Value of the Shares.

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

Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria 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, any exercise of Options by a Participant shall be made in accordance with any insider trading policies implemented by the Company.

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

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5) 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 Company at its registered office to the attention of the Corporate Secretary of the Company (or the individual that the Corporate Secretary of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash, certified cheque, bank draft or any other form of payment deemed acceptable by the Board of the purchase price for the number of Shares specified therein and, if required by Section 8.2, the amount necessary to satisfy any taxes.
- (2) Upon the exercise, the Company shall, as soon as practicable after such exercise but no later than ten Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares either to:
  - (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 as 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 Company to be maintained by the transfer agent and registrar of the Shares.
- (3) Subject to the rules and policies of the Stock Exchange (including the TSXV Share Limits, as applicable), the Board may, in its discretion and at any time, determine to grant a Participant the right, when entitled to exercise Options, to deal with such Options on a "cashless exercise" basis (the "**Cashless Exercise Right**"). The Board may determine in its discretion that such Cashless Exercise Right, if any, grants a Participant the right to exercise such Options by notice in writing to the Company and receive, without payment of any cash other than pursuant to Section 8.2, that number of Shares, disregarding fractions, that is equal to the quotient obtained by dividing:

- (a) the product of the number of Options being exercised multiplied by the difference between the VWAP of the Shares and the Option Price; and
  - (b) the VWAP of the Shares.
- (4) In the event the Board grants and the Participant exercises Options pursuant to a Cashless Exercise Right:
- (a) the Company shall make an election pursuant to subsection 110(1.1) of the Tax Act; and
  - (b) the number of Options exercised, and not the number of Shares issued by the Company pursuant to such Cashless Exercise Right shall be included in calculating the limitation in Sections 2.4 and 2.5 and the TSXV Share Limits, as applicable.
- (5) Disinterested Shareholder approval will be obtained for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Participant is an Insider of the Company at the time of the proposed amendment.

### **Section 3.7 Option Agreements.**

Options shall be evidenced by an Option Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine. The Option Agreement may contain any such terms that the Company considers 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 resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

## **ARTICLE 4 RESTRICTED SHARE UNITS**

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

A “Restricted Share Unit” (or “RSU”) is an Award in the nature of a bonus for services rendered that, upon settlement, entitles the recipient Participant to acquire Shares as determined by the Board or to receive the Cash Equivalent or a combination thereof, as the case may be, pursuant and subject to such restrictions and conditions as the Board may determine at the time of grant, unless such RSU expires prior to being settled. Vesting conditions may, without limitation, be based on continuing employment (or other service relationship) and/or achievement of Performance Criteria. Unless otherwise determined by the Board in its discretion, the Award of an RSU is considered a bonus for services rendered in the calendar year in which the Award is made or as an incentive for future services rendered to the Company or its Subsidiaries.

### **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 Restricted Period of such RSUs, (provided, however, that no such Restricted Period



shall exceed the three years referenced in Section 4.3), 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 Agreement.

- (2) Subject to the vesting and other conditions and provisions in this Plan and in the RSU Agreement, each vested RSU awarded to a Participant shall entitle the Participant to receive one Share, the Cash Equivalent or a combination thereof upon confirmation by the Board that the vesting conditions (including the Performance Criteria, if any) have been met and no later than the last day of the Restricted Period. For greater certainty, RSUs that are subject to Performance Criteria may not become fully vested by the last day of the Restricted Period.

#### **Section 4.3 Restricted Period.**

Subject to Section 2.7(a), the applicable restricted period in respect of a particular RSU shall be determined by the Board but in all cases shall end no later than the 31<sup>st</sup> of December of the third calendar year following the calendar year in which the performance of services for which such RSU is granted, occurred (the “**Restricted Period**”). All unvested RSUs shall be cancelled on the RSU Vesting Determination Date (as such term is defined in Section 4.4) and, in any event: all unvested RSUs shall be cancelled no later than the last day of the Restricted Period.

#### **Section 4.4 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 an 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 15<sup>th</sup> of December of the calendar year which commences three years after the calendar year in which the performance of services for which such RSU is granted occurred.

#### **Section 4.5 Settlement of RSUs.**

- (1) Except as otherwise provided in the RSU Agreement, all of the vested RSUs covered by a particular grant shall be settled as soon as practicable and in any event within ten Business Days following their RSU Vesting Determination Date and no later than the end of the Restricted Period (the “**RSU Settlement Date**”).
- (2) Settlement of RSUs shall take place promptly following the RSU Settlement Date and no later than the end of the Restricted Period, and shall take the form determined by the Board, in its sole discretion. Settlement of RSUs shall be subject to Section 8.2 and shall take place 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:
    - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of 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 be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or

(ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive, to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of 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.

#### **Section 4.6 Determination of Amounts.**

(1) For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 4.5, such calculation will be made on the RSU Settlement Date based on the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant's Account to settle in cash.

(2) For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of RSUs pursuant to Section 4.5, such calculation will be made on the RSU Settlement Date based on the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant's Account to settle in Shares.

#### **Section 4.7 RSU Agreements.**

RSUs shall be evidenced by an RSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. The RSU Agreement may contain any such terms that the Company considers 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 resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

#### **Section 4.8 Award of Dividend Equivalents.**

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of unvested RSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. However, to the extent that Dividend Equivalents awarded under this Section 4.8 entitle Participants to receive additional RSUs, the maximum aggregate number of Shares that might possibly be issued to satisfy this obligation must be included in the grant limits in Section 2.4(2)(b), clause (i) and (ii) of the defined term "TSXV Share Limits" and Sections 2.5(2) and (3), and if the Company does not have a sufficient number of Shares available under this Plan to satisfy its obligations in respect of such Dividend Equivalents it shall make payments in cash.

In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant and returned to the Company's account.

## **ARTICLE 5 DEFERRED SHARE UNITS**

### **Section 5.1 Nature of DSUs.**

A "Deferred Share Unit" (or "**DSU**") is an Award attributable to a Participant's duties as a director of the Company and that, upon settlement, entitles the recipient Participant to receive such number of Shares (which may include Shares purchased in the secondary market by a trustee or administrative agent appointed by the Board) as determined by the Board, or to receive the Cash Equivalent or a combination thereof, as the case may be, and is payable after Termination of Service of the Participant.

### **Section 5.2 DSU Awards.**

The Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive DSU Awards under the Plan, (ii) fix the number of DSU Awards to be granted to each Eligible Participant, and (iii) fix the date or dates on which such DSU Awards shall be granted, subject to the terms and conditions prescribed in this Plan and in any DSU Agreement. Each DSU awarded shall entitle the Participant to one Share, or the Cash Equivalent, or a combination thereof.

### **Section 5.3 Payment of Annual Base Compensation.**

- (1) Subject to the Board determining otherwise, each Participant may elect to receive in DSUs any portion or all of their Annual Base Compensation by completing and delivering a written election to the Company on or before the 5th day of November of the calendar year ending immediately before the calendar year with respect to which the election is made. Such election will be effective with respect to compensation payable for fiscal quarters beginning during the calendar year following the date of such election. Elections hereunder shall be irrevocable with respect to compensation earned during the period to which such election relates.
- (2) Further, where an individual becomes a Participant for the first time during a fiscal year, such individual may elect to defer Annual Base Compensation with respect to fiscal quarters of the Company commencing after the Company receives such individual's written election, which election must be received by the Company no later than 30 days after the later of the Plan's adoption or such individual's appointment as a Participant. For greater certainty, new Participants will not be entitled to receive DSUs for any Annual Base Compensation earned pursuant to an election for the quarter in which they submit their first election to the Company or any previous quarter.
- (3) All DSUs granted with respect to Annual Base Compensation will be credited to the Participant's Account when such Annual Base Compensation is payable (the "**Grant Date**").
- (4) The Participant's Account will be credited with the number of DSUs calculated to the nearest thousandths of a DSU, determined by dividing the dollar amount of

compensation payable in DSUs on the Grant Date by the Market Value of the Shares. Fractional DSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

#### **Section 5.4 Additional Deferred Share Units.**

In addition to DSUs granted pursuant to Section 5.3, the Board may award such number of DSUs to a Participant as the Board deems advisable to provide the Participant with appropriate equity-based compensation for the services they render to the Company or its Subsidiaries. The Board shall determine the date on which such DSUs may be granted and the date as of which such DSUs shall be credited to a Participant's Account. An award of DSUs pursuant to this Section 5.4 shall be subject to a DSU Agreement evidencing the Award and the terms applicable thereto.

#### **Section 5.5 Settlement of DSUs.**

- (1) A Participant may receive their Shares, or Cash Equivalent, or a combination thereof, to which such Participant is entitled upon Termination of Service, by filing a redemption notice on or before the 15th day of December of the first calendar year commencing after the date of the Participant's Termination of Service. Notwithstanding the foregoing, if any Participant does not file such notice on or before that 15th day of December, the Participant will be deemed to have filed the redemption notice on the 15th day of December (the date of the filing or deemed filing of the redemption notice, the "**Filing Date**").
- (2) The Company will make payment of the DSU Settlement Amount as soon as reasonably possible following the Filing Date and in any event no later than 12 months commencing after the Participant's Termination of Service.
- (3) In the event of the death of a Participant, the Company will, subject to Section 8.2, make payment of the DSU Settlement Amount within two months of the Participant's death to or for the benefit of the legal representative of the deceased Participant. For the purposes of the calculation of the Settlement Amount, the Filing Date shall be the date of the Participant's death.
- (4) Subject to Section 2.7(a) and the terms of the DSU Agreement, including the satisfaction or, at the discretion of the Board, waiver of any vesting conditions, settlement of DSUs shall take place promptly following the Filing Date, and take the form as determined by the Board, in its sole discretion. Settlement of DSUs shall be subject to Section 8.2 and shall take place through:
  - (a) in the case of settlement of DSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of DSUs for Shares:
    - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of 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 be entitled to

receive (unless the Participant intends to simultaneously dispose of any such Shares); or

(ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive, to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or

(c) in the case of settlement of the DSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

#### **Section 5.6 Determination of DSU Settlement Amount.**

(1) For purposes of determining the Cash Equivalent of DSUs to be made pursuant to Section 5.5 such calculation will be made on the Filing Date based on the Market Value on the Filing Date multiplied by the number of vested DSUs in the Participant's Account to settle in cash.

(2) For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of DSUs pursuant to Section 5.5, such calculation will be made on the Filing Date based on the whole number of Shares equal to the whole number of vested DSUs then recorded in the Participant's Account to settle in Shares.

#### **Section 5.7 DSU Agreements.**

DSUs shall be evidenced by a DSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. The DSU Agreement may contain any such terms that the Company considers necessary in order that the DSU will comply with any provisions respecting deferred 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 resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

#### **Section 5.8 Award of Dividend Equivalents.**

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. However, to the extent that Dividend Equivalents awarded under this Section 5.8 entitle Participants to receive additional DSUs, the maximum aggregate number of Shares that might possibly be issued to satisfy this obligation must be included in the grant limits in Section 2.4(2)(b), clause (i) and (ii) of the defined term "TSXV Share Limits" and Sections 2.5(2) and (3), and if the Company does not have a sufficient number of Shares available under this Plan to satisfy its obligations in respect of such Dividend Equivalents it shall make payments in cash.

**ARTICLE 6  
GENERAL CONDITIONS**

**Section 6.1 General Conditions Applicable to Awards.**

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

- (1) Vesting Period. Subject to Section 2.7: (a) each Award granted hereunder shall vest in accordance with the terms of the Grant Agreement entered into in respect of such Award; and (b) the Board has the right to accelerate the date upon which any Award becomes exercisable notwithstanding the vesting schedule set forth for such Award, regardless of any adverse or potentially adverse tax consequence resulting from such acceleration. There can be no acceleration of vesting requirements applicable to Option grants to an Investor Relations Service Provider without the prior written approval of the Stock Exchange.
- (2) Employment. 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 by the Company or a Subsidiary to the Participant of employment or another service relationship with the Company or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Company or any of its Affiliates in connection with the employment, retention or termination of any such Participant. The loss of existing or potential profit in Shares underlying Awards granted under this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.
- (3) Grant of Awards. Eligibility to participate in this Plan does not confer upon any Eligible Participant any right to be granted Awards pursuant to this Plan. Granting Awards to any Eligible Participant does not confer upon any Eligible Participant the right to receive nor preclude such Eligible Participant from receiving any additional Awards at any time. The extent to which any Eligible Participant is entitled to be granted Awards pursuant to this Plan will be determined in the sole discretion of the Board. 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 Company or any Subsidiary.
- (4) 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 by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Subject to Section 4.8 and Section 5.8, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.
- (5) 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.

- (6) Non-Transferrable Awards. Each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased Participant. No Award granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.
- (7) Participant's Entitlement. Except as otherwise provided in this Plan or unless the Board permits otherwise, upon any Subsidiary of the Company ceasing to be a Subsidiary of the Company, Awards previously granted under this Plan that, at the time of such change, are held by a Person who is a director, executive officer, employee or Consultant of such Subsidiary of the Company and not of the Company itself, whether or not then exercisable, shall automatically terminate on the date of such change.

## **Section 6.2 General Conditions Applicable to Options.**

Each Option shall be subject to the following conditions:

- (1) Termination for Cause. Upon a Participant ceasing to be an Eligible Participant for Cause, any vested or unvested Option granted to such Participant shall terminate automatically and become void immediately. For the purposes of the Plan, the determination by the Company 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 Company's codes of conduct and any other reason determined by the Company to be cause for termination.
- (2) Termination not for Cause. Upon a Participant ceasing to be an Eligible Participant as a result of such Participant's employment or service relationship with the Company or a Subsidiary being terminated without Cause, (i) any unvested Option granted to such Participant shall terminate and become void immediately and (ii) any vested Option granted to such Participant may be exercised by such Participant. Unless otherwise determined by the Board, in its sole discretion, such Option shall only be exercisable within the earlier of 90 days after the Termination Date, or the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the foregoing, any vested Option must expire within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an Eligible Participant under this Plan.
- (3) Resignation. Upon a Participant ceasing to be an Eligible Participant as a result of such Participant's resignation from the Company or a Subsidiary, (i) each unvested Option granted to such Participant shall terminate and become void immediately upon resignation, and (ii) unless otherwise determined by the Board, in its sole discretion, each vested Option granted to such Participant will cease to be exercisable on the earlier of the 30 days following the Termination Date and the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the foregoing, any vested Option must expire within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an Eligible Participant under this Plan.
- (4) Permanent Disability/Retirement. Upon a Participant ceasing to be an Eligible Participant by reason of retirement (in accordance with any retirement policy implemented by the Company from time to time) or permanent disability, (i) any unvested Option shall

terminate and become void immediately, and (ii) any vested Option will cease to be exercisable on the earlier of the 90 days from the date of retirement or the date on which the Participant ceases such Participant's employment or service relationship with the Company or any Subsidiary by reason of permanent disability, and the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire.

- (5) Death. Upon a Participant ceasing to be an Eligible Participant by reason of death, any vested Option granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares only which such Participant was entitled to acquire under the respective Options (the "**Vested Awards**") on the date of such Participant's death. Such Vested Awards shall only be exercisable within 12 months after the Participant's death or prior to the expiration of the original term of the Options whichever occurs earlier.

### **Section 6.3 General Conditions Applicable to RSUs.**

Each RSU shall be subject to the following conditions:

- (1) Termination for Cause and Resignation. Upon a Participant ceasing to be an Eligible Participant for Cause or as a result of such Participant's resignation from the Company or a Subsidiary, the Participant's participation in the Plan shall be terminated immediately, all RSUs credited to such Participant's Account that have not vested shall be forfeited and cancelled, and the Participant's rights to Shares or Cash Equivalent or a combination thereof that relate to such Participant's unvested RSUs shall be forfeited and cancelled on the Termination Date. The Participant shall not receive any payment in lieu of cancelled RSUs that have not vested.
- (2) Death or Termination. Upon a Participant ceasing to be an Eligible Participant as a result of (i) death, (ii) retirement, (iii) Termination for reasons other than for Cause, (iv) such Participant's employment or service relationship with the Company or a Subsidiary being terminated by reason of injury or disability, or (v) becoming eligible to receive long-term disability benefits, all unvested RSUs in the Participant's Account as of such date relating to a Restricted Period in progress shall be terminated, and the Participant shall not receive any payment in lieu of cancelled RSUs.
- (3) General. For greater certainty, where a Participant's employment or service relationship with the Company or a Subsidiary is terminated pursuant to Section 6.3(1) or Section 6.3(2) following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the Participant shall remain entitled to such distribution or payment provided such distribution or payment is made within a reasonable period, not exceeding 12 months, following termination of such Participant's employment or service relationship.

## **ARTICLE 7 ADJUSTMENTS AND AMENDMENTS**

### **Section 7.1 Adjustment to Shares.**

In the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the



Company with or into another corporation, or (iv) any distribution to all holders of Shares or other securities in the capital of the Company, of cash, evidences of indebtedness or other assets of the Company (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 Company or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit) or any transaction or change having a similar effect, then the Board shall in its sole discretion, subject to the required approval of any Stock Exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such occurrence or change, including, without limitation:

- (a) adjustments to the exercise price of such Award without any change in the total price applicable to the unexercised portion of the Award;
- (b) adjustments to the number of Shares to which the Participant is entitled upon exercise of such Award; or
- (c) adjustments to the number or kind of Shares reserved for issuance pursuant to the Plan.

#### **Section 7.2 Change of Control.**

- (1) In the event of a potential Change of Control, the Board shall have the power, in its sole discretion, subject to Section 7.3, to modify the terms of this Plan and/or the Awards to assist the Participants to tender into a take-over bid or to participate in any other transaction leading to a Change of Control.
- (2) If the Company completes a transaction constituting a Change of Control and within 12 months following the Change of Control, (i) a Participant who was also an officer or employee of, or Consultant to, the Company prior to the Change of Control has their position, employment or Consulting Agreement terminated, or the Participant is constructively dismissed, or (ii) a director ceases to act in such capacity, then all unvested RSUs shall immediately vest and shall be paid out, and all unvested Options shall vest and become exercisable provided that the acceleration of vesting provisions required by the Exchange is subject to the prior written consent of the Exchange. Any Options that become exercisable pursuant to this Section 7.2(2) shall remain open for exercise until the earlier of their expiry date as set out in the Grant Agreement and the date that is 90 days after such termination or dismissal.
- (3) Notwithstanding any other provision of this Plan, this Section 7.2 shall not apply with respect to any DSUs held by a Participant where such DSUs are governed under paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.

#### **Section 7.3 Amendment or Discontinuance of the Plan.**

- (1) The Board may suspend or terminate the Plan at any time. Notwithstanding the foregoing, any suspension or termination of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.

- (2) The Board may from time to time, in its absolute discretion and without approval of the shareholders of the Company make the following types of amendments to this Plan or any Award, subject to any regulatory or Stock Exchange requirement at the time of such amendment:
  - (a) amendments of a “housekeeping” nature, including any amendment that is necessary to: (i) clarify an existing provision of the Plan; correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan; (iii) comply with applicable law or the requirements of the Stock Exchange or any other regulatory body; or (iv) correct any grammatical or typographical errors in the Plan; and
  - (b) amendments regarding the administration of the Plan.
- (3) With approval of the shareholders of the Company (including disinterested shareholder approval, as applicable) and subject to any regulatory or Stock Exchange requirement at the time of such amendment, the Board may amend this Plan, including amendments to the provisions of this Plan that:
  - (a) amend the definition of an Eligible Participant under the Plan;
  - (b) increase the maximum number of Shares issuable under the Plan (either as a fixed number or fixed percentage of the Outstanding Issue), except in the event of an adjustment pursuant to Article 7;
  - (c) increase the maximum number of Shares that may be (A) issuable to Insiders at any time, or (B) issued to 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 7;
  - (d) amend the method for determining the Option Price;
  - (e) extend the maximum term of any Award;
  - (f) amend the expiry and termination provisions applicable to an Award; and
  - (g) amend the amendment provisions of the Plan.
- (4) Subject to the Shares being listed on the TSX Venture Exchange, any shareholder approval required under Section 7.3(3) for (a) any extension to the Option Term or decrease in the Option Price for Options granted to individuals who are Insiders at the time of the proposed amendment, or (b) any amendment that could result in the limits in Section 2.5(2), Section 2.5(3) and (i) of the TSXV Share Limits being exceeded, will require disinterested shareholder approval.
- (5) Notwithstanding the foregoing, any amendment of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision and complies with relevant regulations, including TSX Venture Exchange policy 4.4, as applicable..

#### **Section 7.4 TSX Venture Exchange Approval of Adjustments.**

While the Shares are listed for trading on the TSX Venture Exchange, any adjustment, other than in connection with a subdivision of the Shares into a greater number of Shares pursuant to Section 7.1(i) or a consolidation of the Shares into a lesser number of Shares pursuant to Section 7.1(ii), to any Award pursuant to the provisions hereof is subject to the prior acceptance of the TSX Venture Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

#### **Section 7.5 Hold Periods.**

All Awards under this Plan are subject to any applicable resale restrictions under securities laws and the Stock Exchange four-month hold period, if applicable. Certificates or other instruments will bear a legend stipulating any resale restrictions and the Stock Exchange hold period required under applicable securities laws and Exchange policies.

### **ARTICLE 8 MISCELLANEOUS**

#### **Section 8.1 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 or trustee to administer the Awards granted under the Plan, including for the purposes of making secondary market purchases of Shares for delivery on settlement of an Award, if applicable, 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 Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

#### **Section 8.2 Tax Withholding.**

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 such withholdings, including in respect of applicable taxes and source deductions, as the Company determines. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding may be satisfied in such manner as the Company determines, including by (a) having the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 8.1, 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 Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or determined by the Company as appropriate, but not result in the alteration of the exercise price.

#### **Section 8.4 Clawback.**

Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any law, government regulation or Stock Exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government

regulation or Stock Exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or Stock Exchange listing requirement). Without limiting the generality of the foregoing, the Board may provide in any case that outstanding Awards (whether or not vested or exercisable) and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards will be subject to forfeiture and disgorgement to the Company, with interest and other related earnings, if the Participant to whom the Award was granted violates (i) a non-competition, non-solicitation, confidentiality or other restrictive covenant by which such Participant is bound, or (ii) any policy adopted by the Company applicable to the Participant that provides for forfeiture or disgorgement with respect to incentive compensation that includes Awards under the Plan. In addition, the Board may require forfeiture and disgorgement to the Company of outstanding Awards and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards, with interest and other related earnings, to the extent required by law or applicable Stock Exchange listing standards, including and any related policy adopted by the Company. Each Participant, by accepting or being deemed to have accepted an Award under the Plan, agrees to cooperate fully with the Board, and to cause any and all permitted transferees of the Participant to cooperate fully with the Board, to effectuate any forfeiture or disgorgement required hereunder. Neither the Board nor the Company nor any other person, other than the Participant and such Participant's permitted transferees, if any, will be responsible for any adverse tax or other consequences to a Participant or such Participant's permitted transferees, if any, that may arise in connection with this Section 8.4.

#### **Section 8.5 Securities Law Compliance.**

- (1) The Plan (including any amendments to it), the terms of the grant of any Award under the Plan, the grant of any Award and exercise of any Option, and the Company's obligation to sell and deliver Shares in respect of any Awards, shall be subject to all applicable federal, provincial, state and foreign laws, rules and regulations, the rules and regulations of applicable Stock Exchanges and to such approvals by any regulatory or governmental agency as may be required, as determined by the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any Award hereunder to issue, sell or deliver Shares in violation of such laws, rules and regulations or any condition of such approvals.
- (2) No Awards shall be granted in the United States and no Shares shall be issued in the United States pursuant to any such Awards unless such Shares are registered under the U.S. Securities Act and any applicable state securities laws or an exemption from such registration is available. Any Awards granted in the United States, and any Shares issued pursuant thereto, will be "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Any certificate or instrument representing Awards granted in the United States or Shares issued in the United States pursuant to such Awards pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws shall bear substantially the following legend restricting transfer under applicable United States federal and state securities laws:

THE SECURITIES REPRESENTED HEREBY [and for Awards, the following will be added: AND THE SECURITIES ISSUABLE PURSUANT HERETO] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED,

SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY (1) RULE 144 THEREUNDER, IF AVAILABLE, OR (2) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN CONNECTION WITH ANY TRANSFERS PURSUANT TO (C)(1) OR (D) ABOVE, THE SELLER HAS FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE, IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY, TO THAT EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

- (3) No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of the Plan or of the Shares under the securities laws of any jurisdiction or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void.
- (4) The Company shall have no obligation to issue any Shares pursuant to this Plan unless upon official notice of issuance such Shares shall have been duly listed with a Stock Exchange. Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws.
- (5) If Shares cannot be issued to a Participant upon the exercise of an Option due to legal or regulatory restrictions, the obligation of the Company to issue such Shares shall terminate and any funds paid to the Company in connection with the exercise of such Option will be returned to the applicable Participant as soon as practicable.

#### **Section 8.6 Reorganization of the Company.**

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

#### **Section 8.7 Quotation of Shares.**

So long as the Shares are listed on one or more Stock Exchanges, the Company must apply to such Stock Exchange or Stock Exchanges for the listing or quotation, as applicable, of the

Shares underlying the Awards granted under the Plan, however, the Company cannot guarantee that such Shares will be listed or quoted on any Stock Exchange.

**Section 8.8 No Fractional Shares.**

No fractional Shares shall be issued upon the exercise or vesting of any Award granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise or settlement of such Award, or from an adjustment permitted by the terms of this Plan, such Participant shall only have the right to purchase or receive, as the case may be, the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

**Section 8.9 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 laws of Canada applicable therein.

**Section 8.10 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 8.11 Effective Date of the Plan.**

The plan was approved by Shareholders on December 18, 2024, being the effective date of the Plan.