



METALEX VENTURES LTD.
Suite 203 – 1634 Harvey Avenue
Kelowna, B.C. V1Y 6G2
Telephone: (250) 860-8599 Fax: (250) 860-1362

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

The annual general meeting of Shareholders of **Metalex Ventures Ltd.** (the “Company”) will be held at The Ramada Hotel & Conference Centre, 2170 Harvey Ave, Kelowna, British Columbia on Thursday, November 24, 2022 at 9:30 a.m. (Pacific Time) (the “Meeting”).

In light of the ongoing public health concerns related to COVID-19 and in order to comply with measures imposed by the federal and provincial governments, the Company is encouraging Shareholders and others not to attend the Meeting in person, but instead to submit their votes by proxy well in advance of the Meeting proxy deadline of 9:30 a.m. (Pacific Time) on November 22, 2022. Shareholders wishing to attend the Meeting in person must call the Company at (250) 860-8599 at least 48 hours prior to the date of the Meeting for further instructions on in-person attendance procedures.

The Company is offering Shareholders the option to listen and participate (but not to vote) at the Meeting in real time by video conference through Zoom. Access to the Meeting via Zoom will be via Meeting ID #849 6378 0404.

NOTE OF CAUTION Concerning COVID-19 Pandemic

At the date of this Notice the Company intends to hold the Meeting at the location stated in the Notice. However, due to potential unforeseen changes in the ongoing coronavirus COVID-19 outbreak (“COVID-19”), we recommend all shareholders submit votes by sending in a properly completed and signed form of proxy (or voting instruction form) prior to the Meeting following the instructions set out in the Information Circular. The Company reserves the right to take pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to changes in restrictions related to COVID-19 including by changing the Meeting date, changing the Meeting venue or changing the way in which the Meeting is conducted (for example by webcast or other remote communication). Should any changes to the Meeting occur, the Company will announce any and all changes by way of news release filed under the Company’s profile on SEDAR at www.sedar.com as well as on our Company website at www.metalexventures.com. Please check our website prior to the Meeting for the most current information. In the event of changes to the Meeting format due to COVID-19, the Company will not prepare or mail amended Proxy Materials.

Shareholders who intend to attend the meeting via the internet on the Zoom platform must **submit votes by Proxy ahead of the proxy deadline of 9:30 a.m. (Pacific Time) on November 22, 2022.** Attendance by video conference on the Zoom platform allows Shareholders to listen to and participate at the Meeting in real time, **but not to vote** at the Meeting.

Purpose of the Meeting

The Meeting is to be held for the following purposes:

1. to receive and consider the audited consolidated financial statements for the Company's fiscal year ended April 30, 2022, the report of the Company's auditor thereon, and the related management discussion and analysis;
2. to set the number of directors to be elected to the Board of the Company;
3. to elect directors of the Company for the ensuing year;
4. to appoint an auditor of the Company for the ensuing year;
5. to ratify and approve the Company's Share Option Plan, as amended, for continuation; and
6. to ratify and approve adoption of the Company's new Deferred Share Unit Plan.

An information circular accompanies this notice and contains details of matters to be considered at the Meeting. The Meeting will also consider any permitted amendment to, or variation of, any matter identified in this Notice and will transact such other business as may properly come before the Meeting or any adjournment thereof. The audited financial statements for the year ended April 30, 2022, the report of the auditor and related management discussion and analysis will be made available at the Meeting and are available on SEDAR at www.sedar.com.

Shareholders who are unable to attend the Meeting in person and who wish to ensure their Common Shares are voted at the Meeting are asked to complete, date and sign the enclosed form of proxy or complete another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the information circular.

Unregistered shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure their Common Shares are voted at the Meeting. If you hold your Common Shares in a brokerage account you are an unregistered shareholder.

DATED at Kelowna, British Columbia, this 24th day of October, 2022.

BY ORDER OF THE BOARD

“Chad Ulansky”

**Chad Ulansky
President and Chief Executive Officer**



METALEX VENTURES LTD.

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INFORMATION CIRCULAR

with information as at October 19, 2022 *(except as otherwise indicated)*

This Information Circular is furnished in connection with the solicitation of proxies by the management of Metalex Ventures Ltd. for use at the annual general meeting (the “Meeting”) of its shareholders to be held on November 24, 2022 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to “the Company”, “we” and “our” refer to Metalex Ventures Ltd. “Common Shares” means common shares in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

Appointment of Proxyholders

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

Voting by Proxyholder

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

- (a) each matter or group of matters identified therein, for which a choice is not specified, other than the appointment of an auditor and the election of directors,

- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

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

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by choosing one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Trust Company of Canada ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or
- (b) use a touch-tone phone to transmit voting choices to the toll-free number given in the proxy. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the proxy access number; or
- (c) log onto Computershare's website at www.investorvote.com. Registered Shareholders must follow the instructions provided on the website and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In either case you must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof. Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of proxies may be waived by the Company's board of directors (the "Board") at its discretion without notice. **Please note that in order to vote your Common Shares in person at the Meeting, you must attend the Meeting and register with the Scrutineer before the Meeting. If you have already submitted a Proxy, but choose to change your method of voting and attend the Meeting to vote, then you should register with the Scrutineer before the Meeting and inform them that your previously submitted proxy is revoked and that you personally will vote your Common Shares at the Meeting.**

Beneficial Shareholders

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

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

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

For the purpose of shareholder meetings, there are two types of Beneficial Shareholders: *Non-Objecting Beneficial Owners* (“**NOBOs**”) who do **not** object to their name being made known to the issuers of securities they own; and *Objecting Beneficial Owners* (“**OBOs**”) who **do** object to their name being made known to the issuers of securities they own.

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

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

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

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“Broadridge”) in Canada and in the United States. Broadridge mails a Voting Instruction Form (“VIF”) in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), different from the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right insert the name of your desired representative (which may be you) in the blank space provided in the VIF. Once you have completed and signed your VIF return it to Broadridge by mail or facsimile, or deliver your voting instructions to Broadridge by phone or via the internet, in accordance with Broadridge’s instructions. Broadridge tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge’s instructions, well in advance of the Meeting in order to: (a) have your Common Shares voted at the Meeting as per your instructions; or (b) have an alternate representative chosen by you duly appointed to attend and vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

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

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for

violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or duly authorized attorney, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

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

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

Other than as described in detail herein, and in particular with respect to the ordinary resolution to approve continuation of the Share Option Plan, as amended and with respect to the ordinary resolution to ratify adoption of the new Deferred Share Unit Plan (see *Particulars of Matters to be Acted upon*), no director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as may be set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Board has fixed October 19, 2022 as the record date (the "Record Date") for determining persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is listed on the TSX Venture Exchange (the "TSXV") and is authorized to issue an unlimited number of Common Shares. As of October 19, 2022 there were 185,895,918 Common Shares without par value issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, the only persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at October 19, 2022 are:

Shareholder Name	Number of Common Shares Held ⁽¹⁾	Percentage of Issued Common Shares
Charles Fipke	78,620,865 ⁽²⁾	42.29%

Notes:

(1) This information was obtained from SEDI.

(2) See Note (2) to *Election of Directors* table below.

The following documents filed with the securities commissions, or similar regulatory authority in British Columbia and Alberta, are specifically incorporated by reference into, and form an integral part of, this information circular:

- April 30, 2022 year-end financial statements, report of the auditor and related management discussion and analysis as filed under the Company's profile at www.sedar.com.

Printed copies of documents incorporated herein by reference may be obtained by a shareholder upon request without charge from the Company at Suite 203, 1634 Harvey Avenue, Kelowna, British Columbia, V1Y 6G2, telephone no. (250) 860-8599 or fax no. (250) 860-1362. These documents are available via the internet at www.metalexventures.com or at www.sedar.com.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein.

If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

ELECTION OF DIRECTORS

The size of the Company's Board is currently set at four. The Board proposes that the number of directors remain at four. At the Meeting, shareholders will be asked to approve an ordinary resolution to set the number of directors to be elected to the Board at four (4).

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

Advance Notice Policy

On November 29, 2013, the Board adopted an advance notice policy (the "Advance Notice Policy") with immediate effect. The shareholders of the Company ratified, confirmed and approved the Advance Notice Policy at the Company's annual general and special meeting held on November 29, 2013. The Advance Notice Policy provides for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the Act or (ii) a shareholder proposal made pursuant to the provisions of the Act.

Among other things, the Advance Notice Policy sets a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form. The Advance Notice Policy also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Policy, is not comprehensive and is qualified by the full text of such policy, a copy of which is attached as Schedule "A" to the Company's management

information circular filed under the Company's profile at www.sedar.com on October 31, 2013. Pursuant to the Advance Notice Policy, all nominations for election as director not made in compliance with the Advance Notice Policy will be disregarded at the Meeting.

Management Director Nominees

The following table sets out the names of management's nominees for election as director, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's current principal occupation, business or employment (for the five preceding years for each new nominee), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at October 19, 2022.

Nominee Position with the Company and Province or State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
Charles Fipke Chairman and Director British Columbia, Canada	Geologist	Since June 10, 2002	78,620,865 ⁽²⁾
Lorie Waisberg Director Ontario, Canada	Corporate Director	Since July 3, 2003	6,000 ⁽³⁾
Glenn Nolan Director Ontario, Canada	VP Government Relations, Noront Resources.	Since November 14, 2008	15,000 ⁽⁴⁾
Chad Ulansky President, Chief Executive Officer ("CEO") and Director British Columbia, Canada	President and CEO of the Company; President, Cantex Mine Development Corp.; and Geologist	Since October 19, 2006	125,700 ⁽⁵⁾

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees.
- (2) Of these Common Shares, 31,667,597 Common Shares are held directly by Dr. Fipke; 13,617,500 Common Shares are held indirectly through 0974052 BC Ltd. ("097"); 561,377 Common Shares are held indirectly through C.F. Minerals Research Ltd. ("CF"), 32,690,134 Common Shares are held indirectly through Kel-Ex Development Ltd. ("Kel-Ex") and 20,000 Common Shares are held indirectly through Lucky Panda Geoservices Ltd. ("Lucky"). 097, CF, Kel-Ex and Lucky are companies wholly owned and controlled by Dr. Fipke. There are 64,257 Common Shares held by the Charles E. Fipke Foundation ("CEFF"), which are included in this number. CEFF is a foundation controlled by Dr. Fipke, and although Dr. Fipke does not have beneficial ownership of the CEFF Common Shares, he does have control and direction over them. In addition, Dr. Fipke holds options to purchase up to an aggregate of 1,000,000 Common Shares. See "*Director Compensation*" below for further information.
- (3) Mr. Waisberg holds options to purchase up to an aggregate of 2,723,000 Common Shares and he holds 4,366,686 deferred share units. See "*Director Compensation*" below for further information.
- (4) Glenn Nolan holds options to purchase up to an aggregate of 1,533,000 Common Shares and he holds 4,366,686 deferred share units. See "*Director Compensation*" below for further information.
- (5) Mr. Ulansky indirectly owns 100,000 Common Shares through his Company, Element 29 Ventures. He holds options to purchase up to an aggregate of 500,000 Common Shares. See "*Director Compensation*" below for further information.

Penalties, Sanctions and Cease Trade Orders

No proposed director is, at the date of this information circular, or has been, within ten (10) years before the date of this information circular, a director, chief executive officer or chief financial officer of any company (including the Company, in respect of which this information circular is being prepared) that:

- a. 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
- b. 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; or
- c. is, as at the date of this information circular, or has been within ten (10) years before the date of this information circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- d. has, within the ten (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.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

The Company is a venture issuer as defined under National Instrument 52-110 – *Audit Committees* (“NI 52-110”) and each venture issuer is required to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

The Audit Committee’s Charter

The audit committee has a charter, a copy of which was filed on www.sedar.com on September 22, 2005, as Schedule “A” to the information circular prepared for the 2005 annual general meeting of the Company.

Composition of the Audit Committee

The audit committee members are Lorie Waisberg (Chairman), Glenn Nolan and Chad Ulansky. Lorie Waisberg and Glenn Nolan are independent but Chad Ulansky is non-independent because he is President and CEO of the Company. All audit committee members are considered financially literate.

A member of the audit committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship, which could, in the Board’s reasonable opinion, interfere with the exercise of a member’s independent judgement.

A member of the audit committee is considered financially literate if he or she has the ability to read and understand a set of financial statements presenting a breadth and level of complexity of accounting issues generally comparable to the breadth and complexity of issues one can reasonably expect to be raised by the Company.

Relevant Education and Experience

Lorie Waisberg practised business law with Goodmans LLP in Toronto for 30 years until August 2000 following which he served as Executive Vice President, Finance and Administration of Co-Steel Inc. (formerly TSX), a steel manufacturer until October 2002. He has served as a director of several public companies and is an audit committee member for two public companies.

Chad Ulansky holds a BSc. in Geology from the University of Capetown and commenced his career over 25 years ago working for Dia Met Minerals Ltd. on the project, which yielded the Ekati diamond, mine. Since then, he has led exploration programs in over 15 countries on four continents and is currently President, Chief Executive Officer and a director of each of Cantex Mine Development Corp. (TSXV), Dunnedin Ventures Inc. (TSXV) and Northern Uranium Corp. (TSXV).

Glenn Nolan has extensive experience in generating mutually beneficial relationships between First Nations and the mining industry. Former Chief of the Missanabie First Nations Band, Chief Nolan began his career in the mid-1970's, prospecting throughout northern and western Canada prior to starting his own company, which performed exploration work such as geophysical surveys, claim staking and camp management. He continues to advise foreign governments and companies on best practices when working with indigenous communities. Chief Nolan is a Past President of the Prospectors and Developers Association of Canada and is Vice President of Aboriginal Affairs of Noront Resources Ltd. (TSXV).

Each member of the Company's audit committee has adequate education and experience relevant to their performance as an audit committee member and, in particular, the requisite education and experience that provides the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than Davidson & Company LLP.

Reliance on Certain Exemptions

The Company's auditors, Davidson & Company LLP, Chartered Professional Accountants, have not provided any material non-audit services. At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures

The audit committee has adopted the pre-approval policies and procedures set out in the Audit Committee Charter for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company LLP to the Company to ensure auditor independence. Fees incurred with Davidson & Company LLP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended April 30, 2022	Fees Paid to Auditor in Year Ended April 30, 2021
Audit Fees ⁽¹⁾	\$19,232	\$19,232
Audit-Related Fees ⁽²⁾	N/A	N/A
Tax Fees ⁽³⁾	7,650	\$6,000
All Other Fees ⁽⁴⁾	3,600	Nil
Total	\$30,482	\$25,232

Notes:

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

Exemption

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

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 and its adherence to NP 58-201.

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 “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.

Management was 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.

Fifty percent of the Board members are independent. The independent members of the Board are Lorie Waisberg and Glenn Nolan. The non-independent directors are Charles Fipke, Chairman of the Board and a controlling shareholder of the Company, and Chad Ulansky, President and CEO.

Directorships

Charles Fipke is Chairman of the Board of Cantex Mine Development Corp., a company listed on the TSXV.

Lorie Waisberg is a director of Americas Gold and Silver Corporation, which is listed on the Toronto Stock Exchange.

Chad Ulansky is President, Chief Executive Officer, and a director of each of Cantex Mine Development Corp. and Northern Uranium Corp. and he is a director of Kodiak Copper Corp. Cantex and Kodiak are companies listed on the TSXV and Northern Uranium is listed on NEX.

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 have been 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.

Compensation

The Board determines compensation for the directors and the procedures for this determination are described under *Statement of Executive Compensation* below. With respect to compensation paid to the Chief Executive Officer, please refer to *Statement of Executive Compensation* below.

Other Board Committees

The Board has no committees other than the audit 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.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Professional Accountants, Suite 1200, 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, British Columbia, V7Y 1G6 will be nominated at the Meeting for appointment as auditor of the Company.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officer

In this section, “Named Executive Officer (“NEO”) means each of the following individuals:

- a) the Chief Executive Officer (“CEO”) of the Company;
- b) the Chief Financial Officer (“CFO”) of the Company;
- c) the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the April 30, 2022 financial year-end.

As at April 30, 2022, Chad Ulansky, President and CEO, and Jennifer Irons, CFO and Corporate Secretary, were each a “NEO” of the Company for the purposes of the following disclosure.

Compensation Discussion and Analysis

Element 29 Ventures Ltd. (“Element 29”), a company wholly owned by Chad Ulansky, CEO of the Company, provides the Company with the services of the CEO and invoices the Company accordingly. Until August 2020, Kel-Ex Developments Ltd. (“Kel-Ex”), a company wholly owned by Dr. Charles Fipke, the Company’s Chairman of the Board, provided the Company with the services of the CFO and invoiced the Company accordingly. As of August 2020, FourIrons Consulting (“FourIrons”), a company owned by Jennifer Irons, CFO of the Company, provides the Company with the services of Chief Financial Officer and invoices the Company accordingly. Element 29, FourIrons and Kel-Ex provide these services to other public companies operating out of a shared workspace which are operated by the same management team. This cost sharing allows the Company access to highly qualified executives on an as-needed basis, and is more efficient and economical than hiring executives on a full-time basis.

The Board has not appointed a compensation committee so the responsibilities relating to executive and director compensation are performed by the Board as a whole, including: the review of and recommendations for director compensation; oversight of the Company’s base compensation structure and equity-based compensation programs; recommendations for compensation of the Company’s officers and employees; and the evaluation of the performance of officers generally.

The Board has not considered the implications of the risks associated with the Company’s compensation program.

Philosophy and Objectives

To determine executive compensation, the Company relies solely on Board discussion without any formal objectives, criteria and analysis.

Equity Participation

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

Option-Based and Share-Based Awards

The Company established a share option plan approved by the shareholders on October 23, 2009 as amended on October 12, 2011 (the "Plan") to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes share option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All grants require Board approval and the Board administers the share option plan. The Plan provides that options may only be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

Following the April 30, 2022 financial year end, the Board has approved amendments to the Share Option Plan that are required by the new TSXV Policy 4.4 – *Security Based Compensation* which became effective on November 24, 2021 (the "new Policy"). At the Company's upcoming Meeting scheduled to be held November 24, 2022, the Board will present an ordinary resolution to the shareholders to approve the Option Plan for continuation, including all amendments to the Option Plan required by the new Policy.

Also following the April 30, 2022 financial year end, to maintain compliance with the new Policy, the Board has adopted a new Deferred Share Unit Plan (the "DSU Plan") by which Deferred Share Units ("DSUs") are granted to eligible participants, namely non-employee directors of the Company, as compensation in lieu of payment of fees. The Board will also present an ordinary resolution of the shareholders at the Meeting to approve adoption of the DSU Plan. Subject to shareholder and TSX Venture Exchange approval, the new DSU Plan will replace the Waisberg DSU Plan and the Nolan DSU Plan (each defined under *Director Compensation* below), pursuant to which DSUs outstanding as awarded under the Waisberg DSU Plan or the Nolan DSU Plan will remain outstanding and become subject to the terms of the new DSU Plan.

Hedging

The Company has not adopted a policy restricting its NEOs or directors from purchasing financial instruments designed 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 NEOs or directors has purchased such financial instruments.

Summary Compensation Table

Compensation paid to the NEOs during the Company's three most recently completed financial years ended April 30, 2022, 2021 and 2020 is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Year	Salary (\$) ⁽¹⁾	Share-based awards (\$)	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Chad Ulansky ⁽³⁾ CEO	2022	1,272 ⁽⁴⁾	4,200	Nil	Nil	Nil	Nil	22,388 ⁽⁵⁾	27,860
	2021	2,200 ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	29,228 ⁽⁵⁾	31,428
	2020	1,978 ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	989 ⁽⁵⁾	2,966
Jennifer Irons CFO	2022	26,450 ⁽⁶⁾	Nil	Nil	Nil	Nil	Nil	Nil	26,450
	2021	37,467 ⁽⁶⁾	Nil	Nil	Nil	Nil	Nil	Nil	37,467
	2020	37,309 ⁽⁷⁾	Nil	Nil	Nil	Nil	Nil	Nil	37,309

Notes:

- (1) Represents amounts billed to the Company by Element 29 Ventures Ltd. for the services of the CEO and amounts billed by Kel-Ex Developments Ltd. and FourIrons Consulting for the services to the Company of the CFO. See "Management Contracts" for further information.
- (2) Represents the fair value of compensatory options granted as estimated on the grant date using the Black-Scholes option pricing model with the assumptions disclosed in the April 30, 2022 year-end financial statements.
- (3) Chad Ulansky is also a director of the Company.
- (4) Represents amounts billed to the Company by Element 29 for services of the CEO.
- (5) Represents amounts billed to the Company by Element 29 Ventures Ltd. for geological consulting services.
- (6) Represents amounts billed to the Company by FourIrons and Kel-Ex for the services of the CFO.
- (7) Represents amounts billed to the Company by Kel-Ex for the services of the CFO.

Incentive Plan Awards

Outstanding Option-based Awards and Share-based Awards

The following table sets out all option-based awards and share-based awards outstanding as at April 30, 2022, for each NEO:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (m-d-y)	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Chad Ulansky ⁽²⁾ CEO	500,000	0.08	06-30-2028	Nil	Nil	Nil	Nil
Jennifer Irons CFO	400,000	0.08	01-13-2026	Nil	Nil	Nil	Nil

Notes:

- (1) This amount is calculated based on the difference between the exercise price of the option and closing price of the Company's Common Shares on the TSX Venture Exchange on April 30, 2022 of \$0.05.
- (2) Chad Ulansky is also a director of the Company.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested or earned under incentive plans during the financial year ended April 30, 2022, for each NEO:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Chad Ulansky, CEO	Nil	Nil	Nil
Jennifer Irons, CFO	Nil	Nil	Nil

Notes:

- (1) This amount is the aggregate dollar value that would have been realized if the options under the option based awards had been exercised on the vesting date. It is determined by the difference between the exercise price of the option and the market price on the date of vesting.
- (2) The Company has granted 500,000 options to its NEOs; of these, 83,333 options have vested as at April 30, 2022.

See “*Securities Authorized under Equity Compensation Plans*” for further information on the Option Plan. See also “*Director Compensation*” and “*Securities Authorized under Equity Compensation Plans*” below for further information on the Deferred Share Unit Plans between the Company and Lorie Waisberg and the Company and Glenn Nolan, both of which were in effect at the April 30, 2022 financial year-end.

Termination and Change of Control Benefits

There are no compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of the officer’s employment or from a change of a NEO’s responsibilities following a change in control.

Director Compensation

Mr. Waisberg and Chief Nolan were each paid under a “Deferred Share Unit Plan”, as follows:

- (i) a deferred share unit plan effective August 1, 2013 between the Company and Lorie Waisberg, a director of the Company (the “Waisberg DSU Plan”), wherein Mr. Waisberg receives his compensation for serving as a director and Chairman of the Audit Committee (\$30,000 per annum) by way of a quarterly issuance of deferred share units (“DSUs”) based upon the fair market value of the Company’s Common Shares at the end of each quarterly period. Under the terms of the Waisberg DSU Plan, Mr. Waisberg, on termination of his service with the Company has the option either to receive Common Shares in the Company equal to the number of DSUs credited to him under the Waisberg DSU Plan or to receive cash equal to the then current market value of the Common Shares he would otherwise have been entitled to receive.
- (ii) a deferred share unit plan effective August 1, 2013 between the Company and Glenn Nolan, a director of the Company (the “Nolan DSU Plan”), wherein Chief Nolan receives his compensation for serving as a director and a member of the Audit Committee of \$30,000 per annum by way of a quarterly issuance of deferred share units (“DSUs”) based upon the fair market value of the Company’s Common Shares at the end of each quarterly period. Under the terms of the Nolan DSU Plan, Chief Nolan, on termination of his service with the Company may elect either to receive Common Shares in the Company equal to the number of DSUs credited to him under the Nolan DSU Plan or to receive cash equal to the then current market value of the Common Shares he would otherwise have been entitled to receive.

There is no additional compensation paid to the independent directors, aside from compensation earned under the Waisberg DSU Plan and the Nolan DSU Plan. Executive officers do not receive additional compensation for serving as directors.

The compensation provided to the directors who were not NEOs during the Company's most recently completed financial year ended April 30, 2022 is set out below:

Name	Fees earned (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Charles Fipke	Nil	Nil	8,400	Nil	Nil	Nil	Nil
Glenn Nolan	Nil	30,000	2,100	Nil	Nil	Nil	32,100
Lorie Waisberg	Nil	30,000	2,100	Nil	Nil	Nil	32,100

Notes:

- Compensation by way of deferred share unit plan represents the value of the Common Shares on the grant date. Pursuant to the Deferred Share Unit Plan between the Company and Chief Nolan and between the Company and Mr. Waisberg, the Company granted 450,000 Deferred Share Units ("DSUs") to Chief Nolan and 450,000 DSUs to Mr. Waisberg in consideration for services up to and including the nine-month period ended January 31, 2022, representing fees of \$22,500 each. An additional \$7,500 in expenses was accrued for the three month period ended April 30, 2022, the period under which the DSU plan is no longer in effect.
- Represents the fair value of compensatory options granted as estimated on the grant date using the Black-Scholes option pricing model with the assumptions disclosed in the April 30, 2022 year-end financial statements. On June 30, 2021, the Company granted Mr. Fipke 1,000,000 options with an exercise price of \$0.08 each expiring June 30, 2028; as at April 30, 2022, 166,666 options had vested. Mr. Waisberg and Mr. Nolan were each granted 250,000 options with an exercise price of \$0.08 each expiring June 30, 2028; as at April 30, 2022, 41,677 options had vested for each.

The following table sets out all option-based awards outstanding as at April 30, 2022, for each director, excluding any director who is already set out in disclosure as a NEO above:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date m - d - y	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽²⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽²⁾ (\$)
Charles Fipke	1,000,000	0.08	06-30-2028	Nil	Nil	Nil	Nil
Lorie Waisberg	2,473,000	0.15	12-19-2023	Nil	Nil	Nil	Nil
	250,000	0.08	06-30-2028				
Glenn Nolan	1,283,000	0.15	12-19-2023	Nil	Nil	Nil	Nil
	250,000	0.08	06-30-2028				

Notes:

- The Company's Common Share price was \$0.05 per Common Share as at April 30, 2022 (the "Current Market Price"). The value of unexercised in-the-money options is calculated by subtracting the exercise price from the Current Market Price of the Common Shares and multiplying it by the number of options available at that exercise price.
- Accrued compensation by way of deferred share unit plan, at a deemed price of \$0.05 per Common Share as at April 30, 2022. Receipt of the Common Shares underlying the DSUs granted quarterly is deferred until such time as the director leaves the Company. DSUs are considered vested upon issuance. As at April 30, 2022 and October 19, 2022, there were 4,366,686 outstanding DSUs for Mr. Waisberg and 4,366,686 DSUs for Mr. Nolan.

The following table sets out the value vested or earned under incentive plans during the fiscal year ended April 30, 2022, for each director, excluding Chad Ulansky, a director who is already set out in disclosure for an NEO above:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Charles Fipke	Nil	Nil	Nil
Lorie Waisberg	Nil	Nil	Nil
Glenn Nolan	Nil	Nil	Nil

Note:

- (1) This amount is the aggregate dollar value that would have been realized if the options under the option-based awards had been exercised on the vesting date. It is determined by the difference between the exercise price of the option and the market price of the Common Shares on the date of vesting.

There were no further arrangements under which directors were compensated by the Company during the most recently completed financial year for their services in their capacity as directors or consultants.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The equity compensation plans, previously approved by shareholders, which the Company has in place are:

- (i) The Share Option Plan previously approved by shareholders on October 23, 2009 as amended on October 12, 2011– see “*Share Option Plan*” under “*Particulars of Matters to Be Acted Upon*” below. The Company’s Share Option Plan has been amended, effective October 11, 2022 and management of the Company will ask shareholders to approve such amendments to the Option Plan at the Meeting; and
- (ii) Deferred Share Unit Plans for each of Lorie Waisberg and Glenn Nolan – see “*Director Compensation*” above. At the Meeting the Board will present an ordinary resolution to the shareholders to ask them to ratify and approve adoption by the Company of a new Deferred Share Unit Plan (the “DSU Plan”) dated for reference October 11, 2022.

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The following table sets out equity compensation plan information as at the Company’s April 30, 2022 financial year-end when there were 185,895,918 issued and outstanding Common Shares, 10% of which is 18,589,591 Common Shares available for reserve pursuant to the Company’s Option Plan and the Deferred Share Unit Plan.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders – the Option Plan	6,286,000	\$0.12	12,303,591
Equity compensation plans not approved by securityholders – singular Deferred Share Unit Plans between the Company and Lorie Waisberg and the Company and Glen Nolan	8,733,372	\$0.05	Annual allotments valued at \$30,000
Total	15,019,372		12,303,591

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as at the Company’s most recently completed financial year of April 30, 2022, or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, 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 interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the Company’s fiscal year ended April 30, 2022, nor has any interest in any material transaction in the current year other than as set out herein or in a document already disclosed to the public and filed on www.sedar.com. See heading “*Management Contracts*”.

MANAGEMENT CONTRACTS

Kel-Ex Development Ltd. (“Kel-Ex”) a company wholly owned by Dr. Charles Fipke, Chairman of the Company, operates some of the Company’s mineral property exploration programs and invoices the Company for all exploration work. In turn, Kel-Ex hires third-party contractors and provides its own employees to conduct and supervise the work. Kel-Ex also provided the Company with the services of the Chief Financial Officer up until August 2020 and invoiced the Company accordingly. It is far less expensive to use Kel-Ex for these services on a flexible, as-needed basis than to employ full-time in-house staff in each of these and other areas. If the Company replaced Kel-Ex with a group of other service providers, costs would increase significantly.

The Company is not required to use Kel-Ex for any services and its agreement with Kel-Ex can be cancelled by either party at any time. The Company chooses to use Kel-Ex’s services at its discretion for its service quality, experience and competitive rates, which are typically lower than other third party

suppliers. The Company benefits from Kel-Ex’s familiarity with the Company’s corporate culture and assets, which is a significant asset that saves time and money.

Beyond providing the services as provided above, Kel-Ex charges an administration fee of 10% on all Quebec project costs except invoices from CF Mineral Research Ltd. (“CF Minerals”), a company also owned by Dr. Fipke. In fiscal 2022, the Company was invoiced \$336,746 (2021: \$186,261) by CF Minerals for laboratory and mineralogical analysis costs. The following amounts were invoiced to the Company by Kel-Ex:

	2022	2021	2020
10% administration fee	\$112,303	\$16,977	\$ 5,232
Consulting fee	7,244	5,513	8,033
Shared exploration costs	9,416	14,602	141,460
Shared office and administration costs	9,489	12,467	14,505
Amounts charged for the services of the CFO	Nil	11,067	37,309

To put these expenses into context, the services provided by Kel-Ex from 2020 to 2022 amounted to:

	2022	2021	2020	Average
The Company’s spending on Kel-Ex services for the three years from 2020 – 2022 as a percentage of total expenditures	7.56%	5.32%	38.92%	17.27%

The Company also paid \$1,272 to Element 29 Ventures Ltd., a private company owned by Chad Ulansky, CEO of the Company, for the services of the CEO, \$22,388 for geological consulting services provided to the Company, and \$33,292 in exploration expenditure. The Company also paid \$26,450 to FourIrons Consulting, a private company owned by Jennifer Irons, CFO of the Company, for the services of the CFO.

Other than as set forth herein, there are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Continuation of Option Plan

The Company has a Share Option Plan dated for reference October 23, 2009 (the “Option Plan”), which was amended on October 12, 2011 and on October, 2022. The Option Plan is a rolling plan pursuant to which options totalling a maximum of 10% of the Common Shares outstanding from time to time, under all share-based compensation arrangements, are available for grant. The current amendment of the Option Plan will make it compliant with the new TSX Venture Policy 4.4 – *Security Based Compensation* (“**TSXV Policy 4.4**”).

To comply with TSXV policies covering “rolling” option plans, continued grants under the Option Plan must be approved annually by the shareholders of the Company. At the Meeting shareholders will be asked to ratify and approve the Option Plan, as amended October 7, 2022, for continuation until the next annual general meeting of the Company.

As at October 11, 2022 there were 185,895,918 Common Shares issued and outstanding. Accordingly, under the Option Plan the Company has the authority to grant options to purchase up to a total of 18,589,591 Common Shares, subject to the number of Common Shares issuable pursuant to all of the Company’s share-based compensation arrangements. At the date of this Information Circular, options to purchase an aggregate of 6,286,000 Common Shares are granted and outstanding under the Option Plan, representing approximately 3.38% of the outstanding Common Shares in the capital of the Company. There are also 8,733,372 Deferred Share Units (“DSUs”) outstanding, representing approximately 4.7% of the outstanding Common Shares, pursuant to Deferred Share Unit Plans between the Company and each of Lorie Waisberg and Glenn Nolan, both of whom are non-employee directors of the Company. These

Deferred Share Unit Plans will be replaced and succeeded by the non-employee director Deferred Share Unit Plan (the “DSU Plan”) adopted by the Board on October 7, 2022, which new DSU Plan is to also be presented for shareholder approval at the Meeting (see *Adoption of Deferred Share Unit Plan* below). Outstanding DSUs under the current Deferred Share Unit Plans will be rolled into and become part of the new DSU Plan.

Material Terms of the Option Plan

The following is a summary of the material terms of the Plan:

- a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Option Plan.
- b) For options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates.
- c) the Company is required to obtain Disinterested Shareholder Approval prior to instances where:
 - (1) the Option Plan, together with all of the Company’s Share Compensation Arrangements, could result at any time in:
 - (i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares in the event the Option Plan is amended to reserve for issuance more than 10% of the Outstanding Shares;
 - (ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares in the event that the Option Plan is amended to reserve for issuance more than 10% of the Outstanding Shares; or
 - (iii) the issuance to any one Service Provider, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or
 - (2) any reduction in the exercise Price of an Option previously granted to an Insider.
- d) Options granted to Service Providers conducting investor relations activities in any 12-month period cannot exceed (2%) of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSXV (or the NEX, as the case may be).
- e) the aggregate number of Options granted to any one Consultant in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSXV (or the NEX, as the case may be).
- f) Terms of an Option are set by the Board at the time the Option is allocated. Options granted under the Option Plan are non-assignable and non-transferable and are issuable for a maximum period of up to 10 years from the date of grant of the Option.
- g) At the discretion of the Board, options may be granted with vesting provisions. However, in all cases where options are granted to Consultants conducting Investor Relations Activities those options will have vesting provisions.
- h) An Option granted to any Service Provider (an “Optionee”) will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent

that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company.

- i) if an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such option;
- j) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- k) the exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the Plan);
- l) vesting of options will be at the discretion of the Board, and will generally be subject to: (i) the Optionee remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Optionee remaining as a Director of the Company or its affiliates during the vesting period; provided that there will be no acceleration of vesting requirements applicable to outstanding Options granted to Consultants conducting Investor Relations Activities without prior written approval of TSXV (or NEX, as the case may be). All Optioned Shares issued to Consultants conducting Investor Relations Activities are subject to a four-month Exchange Hold Period commencing on the date of grant of the Options.
- m) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all Plan shares in respect of options, which have not yet been granted under the Plan;
- n) Amendment of the terms of an Option, must be approved by TSXV (or NEX, as the case may be), and where applicable, must be subject to shareholder approval, prior to the exercise of the amended Option; and the Company must issue a news release outlining the terms of amendment of the Option;
- o) Other than an adjustment of the Optioned Shares as a result of a consolidation, or a stock split of the Common Shares, any adjustment related to a reorganization including amalgamation, merger, arrangement, spin-off, dividend or recapitalization will be subject to prior acceptance of TSXV (or NEX, as the case may be); and
- p) The Option Plan is now amended to include both a "net exercise" and a "cashless exercise" feature allowing for the adjustment of the number of Optioned Shares to be issued as a result of the net exercise or the cashless exercise of Options, as the case may be. All cashless exercises and net exercises are subject to prior Board approval and Participants must comply with all tax withholding procedures.

Shareholder Approval

The Company is of the view that the Option Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in competition with other companies in the industry.

At the Meeting, shareholders will be asked to vote on the following ordinary resolution to ratify and approve the Option Plan for continuation, with or without variation:

“BE IT **RESOLVED** that the Company’s Share Option Plan, dated for reference October 23, 2009, as amended on October 7, 2022, be and is hereby ratified and approved for continuation until the next annual general meeting of the Company.”

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

Definitions

Disinterested Shareholder Approval means approval by a majority of the votes cast by all of the Company’s shareholders at a duly constituted shareholders’ meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates.

A “*disinterested shareholder*” means a shareholder that is not an Insider to whom options may be granted under the Plan and they are not an Associate of any Insider.

An “*Insider*” is a director or an officer of the Company, a director or an officer of a company that is itself an Insider or a subsidiary of an Insider, or a person that has beneficial ownership of, and/or control or direction, either directly or indirectly over, securities of the Company carrying more than 10% of the voting rights attached to all the Company’s outstanding voting securities.

An “*Associate*” means, if used to indicate a relationship with any person,

- (a) a partner, other than a limited partner, of that person,
- (b) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity,
- (c) an issuer in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer, or
- (d) a relative, including the spouse, of that person or a relative of that person's spouse, if the relative has the same home as that person.

Shareholders are encouraged to carefully review the full text of the Option Plan, as amended, attached as Schedule A to this Circular. A copy of the Option Plan will also be available for inspection at the Meeting. A shareholder may also obtain a copy of the Option Plan by contacting the Company at telephone number: (604) 681-2877 or fax number: (604) 681-2879. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a printed copy of any such document.

The Board recommends shareholders vote in favour of ratification and approval of the amended Option Plan.

Approval of the Option Plan, as amended, for continuation must be passed by a simple majority of votes cast in favour in respect thereof by shareholders present in person or represented by proxy at the Meeting.

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES TO VOTE THE PROXIES IN FAVOUR OF THE ORDINARY RESOLUTION TO RATIFY AND APPROVE THE OPTION PLAN, AS AMENDED, FOR CONTINUATION.

B. Adoption of Deferred Share Unit Plan

Summary of DSU Plan

The Board has adopted a new Deferred Share Unit Plan (the “**DSU Plan**”) pursuant to which the Board may grant deferred share units (the “**DSUs**”) to non-employee directors of the Company who are considered eligible to participate in the DSU Plan (each, a “**Participant**”). The DSU Plan is compliant with the new TSX Venture Policy 4.4 – *Security Based Compensation* (“**TSXV Policy 4.4**”). A resolution to approve the new DSU Plan will be presented to the Shareholders for approval at the Meeting. See “*Approval of DSU Plan*” below.

The purpose of the DSU Plan is to provide Participants with the opportunity to acquire DSUs and enable them to participate in the long-term success of the Company and to promote a greater alignment of interests between such Participants and the Shareholders. A DSU essentially tracks the value of the underlying Common Shares but does not entitle the recipient to the actual underlying Common Shares until such DSUs vest. Under the DSU Plan, the maximum number of Common Shares reserved for issuance, including Options, RSUs, and DSUs currently outstanding, is equal to 10% of the Common Shares outstanding from time to time on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval as that term is defined therein in TSXV Policy 4.4.

The DSU Plan supersedes, replaces and is in substitution for the deferred share unit plan(s) of the Company in effect immediately prior to the approval by the Board of the DSU Plan, being the Waisberg DSU Plan and the Nolan DSU Plan (together, the “**Old Plans**”). Any securities issued under the Old Plans that are outstanding as of the date hereof are covered by and subject to the terms of the DSU Plan.

The following summary of the DSU Plan is qualified in its entirety by the full text of the DSU Plan attached as Schedule B to this Circular.

Eligible Participants

Participation in the DSU Plan is restricted to directors of the Company who are (i) not otherwise an employee of the Company and (ii) designated by the Board as eligible to participate in the DSU Plan. The DSU Plan is administered by the Board.

Transferability

The rights respecting the DSUs are non-transferrable and non-assignable other than by will or the laws of descent and distribution.

Grant of DSUs

The Board will establish an annual compensation amount (the “**Annual Base Compensation**”) payable to Participants. The Annual Base Compensation will be payable in quarterly installments. The Board may elect quarterly to grant up to 100% of a Participant’s Annual Base Compensation in DSUs.

Each Participant who elects to receive their Annual Base Compensation in DSUs will be credited on an account maintained on the books of the Company (the “**Participant’s Account**”) with the number of DSUs calculated to the nearest thousandth of a DSU, determined by dividing the dollar amount of such compensation payable in DSUs on the grant date by the Share Price (as defined below). For the purposes of the DSU Plan, the “**Share Price**” of the Common Shares is determined, as at a particular date, as the closing price of the Common Shares on the TSXV averaged over the five consecutive trading days immediately preceding (a) in the case of a grant, the date of the grant in respect of a Director; or (b) in the case of a redemption, the redemption date, being the date that a notice of redemption (the “**Notice of**

Redemption") is received by the Company (the "**Redemption Date**"), or in the event such Common Shares are not traded on the TSXV, the fair market value of such Common Shares as determined by the Board acting in good faith (the "**Fair Market Value**").

Payment of DSU Awards

A DSU must be outstanding for at least one year before it vests and may be redeemed, subject to certain exceptions. Each Participant will be entitled to redeem his or her DSUs during the period commencing on the business day immediately following the date of such Participant's death, or retirement from, or loss of office or employment with the Company (within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision), including the Participant's resignation, retirement, death or otherwise (the "**Termination Date**") and ending on the date that is 12 months following the Termination Date by providing or causing his or her legal representative to deliver a written Notice of Redemption to the Company.

Upon redemption, the Participant will be entitled to receive, and the Company will issue and provide: (i) subject to shareholder approval of the DSU Plan and the limitations set forth therein, the number of Common Shares issued from treasury equal to the number of DSUs in such Participant's Account, subject to any applicable deductions and withholdings; (ii) subject to and in accordance with applicable laws, the number of Common Shares purchased by an independent administrator of the DSU Plan in the open market for purposes of providing Common Shares to Participants under the DSU Plan equal in number to the DSUs in the Participant's Account, subject to any applicable deductions and withholdings; (iii) in the event that the Company has granted DSUs as dividend equivalents and if upon the redemption thereof the Company does not have a sufficient number of Common Shares reserved and available for issuance, the payment of a cash amount to a Participant equal to the number of DSUs multiplied by the Share Price, subject to any applicable deductions and withholdings, in lieu of issuing Common Shares; or (iv) any combination of the foregoing, as determined by the Board in its sole discretion.

Payment of Dividend Equivalents

When dividends are paid on Common Shares, a Participant shall be credited with dividend equivalents in respect of the DSUs credited to the Participant's Account as of the record date for payment of dividends and no payment in cash should be made to any Participant with respect to such dividend equivalent. Such dividend equivalents shall be converted into additional DSUs (including fractional DSUs) to be calculated by: (a) multiplying the amount of the dividend per Common Share by the aggregate number of DSUs that were credited to the Participant's Account as of the record date for payment of the dividend, and (b) dividing the amount obtained in §(a) by the Fair Market Value on the Redemption Date of the DSU with respect to which the dividend equivalent was granted.

Maximum Number of Common Shares Issued

The number of Common Shares that may be granted by the Company in accordance with the DSU Plan, provided the maximum number of Common Shares which may be issued from treasury in connection with the redemption of DSUs, in combination with the aggregate number of Common Shares which may be issuable under any other security based compensation arrangement (as defined below), will not exceed 10% of the Common Shares outstanding from time to time on a non-diluted basis, subject to customary adjustments in accordance with the terms of the DSU Plan and, if required by the TSXV Policies or any other stock exchange on which the Common Shares may then be listed, and by the shareholders of the Company.

If and for so long as the Common Shares are listed on the TSXV: (i) no DSUs may be granted to any Investor Relations Service Providers, as defined under TSXV Policies; and (ii) the number of Common Shares which may be issuable under the DSU Plan and any other share compensation arrangement:

- (a) to any one Participant, shall not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis at the grant date, unless the Company has obtained Disinterested Shareholder Approval in accordance with TSXV Policy 4.4 to exceed such limit;
- (b) within any one-year period:
 - (i) to any one Participant, shall not exceed 5% of the total issued and outstanding Common Shares on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval in accordance with TSXV Policy 4.4 to exceed such limit;
 - (ii) to Insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval in accordance with TSXV Policy 4.4 to exceed such limit;
- (c) to Insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval in accordance with TSXV Policy 4.4 to exceed such limit; and
- (d) to any one Consultant in any 12 month period must not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis, calculated as at the date any Security Based Compensation (as defined in the DSU Plan) is granted or issued to such Consultant.

Amendments to the DSU Plan

The Board has the right, in its sole discretion, to amend, suspend or terminate the DSU Plan or any portion thereof, at any time, in accordance with applicable laws, provided that no such amendment, suspension or termination may: (i) be made without obtaining shareholder approval, Disinterested Shareholder Approval, and TSXV approval; or (ii) adversely affect the rights of any Participant with respect to the DSUs to which the Participant is entitled under the DSU Plan without the consent of the Participant.

Unless otherwise required by the TSXV Policies, the Board may make the following amendments to the DSU Plan without obtaining shareholder approval: (i) amendments to the terms and conditions of the DSU Plan necessary to ensure that the DSU Plan complies with the applicable regulatory requirements, including the rules of the TSXV, in place from time to time; or (ii) amendments to the DSU Plan that are of a “housekeeping” nature, including for the purposes of making formal minor or technical modifications to any of the provisions of the DSU Plan, or to correct any ambiguity, defective provision, error, or omission in the provisions of the DSU Plan, provided, however, that no such amendment of the DSU Plan may be made without the consent of each affected Participant in the DSU Plan if such amendment would adversely affect the rights of such affected Participant(s) under the DSU Plan.

Termination of the DSU Plan

The Board may decide to terminate or suspend the DSU Plan or discontinue granting awards under the DSU Plan at any time in which case no further DSUs shall be awarded or credited under the DSU Plan. Any DSUs which remain outstanding in a Participant’s Account at that time shall continue to be dealt with according to the terms of the DSU Plan.

Shareholders are encouraged to carefully review the full text of the DSU Plan as set out at Schedule B to this Circular. A copy of the DSU Plan will also be available for review at the Meeting.

Approval of DSU Plan

The Company is of the view that the DSU Plan provides the Company with the flexibility to attract and maintain the services of directors in competition with other companies in the industry and is in the best interest of the Company.

At the Meeting, shareholders will be asked to vote on the following ordinary resolution to ratify and approve the DSU Plan, with or without variation:

“BE IT RESOLVED that the Company’s deferred share unit plan, dated for reference October 7, 2022, be and is hereby ratified and approved until the next annual general meeting of the Company.”

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

The Board recommends shareholders vote in favour of ratification and approval of the DSU Plan.

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

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES TO VOTE THE PROXIES IN FAVOUR OF THE ORDINARY RESOLUTION TO RATIFY AND APPROVE THE DSU PLAN.

ADDITIONAL INFORMATION

Financial information is provided in the Company’s audited financial statements for the year ended April 30, 2022, the report of the auditor and the related management discussion and analysis (the “Financial Statements”). The Financial Statements will be placed before the Meeting.

Additional information relating to the Company and a copy of the Financial Statements may be obtained from the Company’s website at www.metalexventures.com, from SEDAR at www.Sedar.com or upon request from the Company at #203-1634 Harvey Ave, Kelowna, British Columbia, V1Y 6G2, telephone: 250-860-8599 or fax: 250-860-1362. The Company may require payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a printed copy of any such document.

OTHER MATTERS

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

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

DATED at Kelowna, British Columbia, this 24th day of October, 2022.

BY ORDER OF THE BOARD

“Chad Ulansky”

**Chad Ulansky
President and Chief Executive Officer**

SCHEDULE A

COPY OF

**METALEX VENTURES LTD.
(the “Company”)**

SHARE OPTION PLAN

**Dated for Reference October 23, 2009
Amended October 12, 2011 and October 7, 2022**

**METALEX VENTURES LTD.
(the “Company”)**

SHARE OPTION PLAN

**Dated for Reference October 23, 2009
Amended October 12, 2011 and October 7, 2022**

**ARTICLE 1
PURPOSE AND INTERPRETATION**

Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSX Venture Policies (or, if applicable, NEX Policies) will be resolved in favour of the latter.

Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Associate** has the meaning set out in the Securities Act;
- (c) **Black-out Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company’s insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);
- (d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (e) **Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:

- (i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,
 - (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,
 - (iii) where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;
- (f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture (or, the NEX, as the case may be);
- (g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;
- (h) **Consultant** means an individual or Consultant Company, other than an Employee, Officer or Director that:
- (i) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company;
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and
 - (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;
- (i) **Consultant Company** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (j) **Directors** means the directors of the Company as may be elected from time to time;

- (k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (l) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates;
- (m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;
- (n) **Effective Date** for an Option means the date of grant thereof by the Board;
- (o) **Employee** means:
- (i) an individual who is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;
- (p) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (q) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (r) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (s) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (t) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (u) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing

successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;

(v) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(w) **NEX** means a separate board of TSX Venture for companies previously listed on TSX Venture or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;

(x) **NEX Issuer** means a company listed on NEX;

(y) **NEX Policies** means the rules and policies of NEX as amended from time to time;

(z) **Officer** means a Board appointed officer of the Company;

(aa) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;

(bb) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;

(cc) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;

(dd) **Optionee** means the recipient of an Option hereunder;

(ee) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;

(ff) **Participant** means a Service Provider that becomes an Optionee;

(gg) **Person** includes a company, any unincorporated entity, or an individual;

(hh) **Plan** means this share option plan, the terms of which are set out herein or as may be amended;

(ii) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;

(jj) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;

(kk) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;

(ll) **Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes

a company, of which 100% of the share capital is beneficially owned by one or more Service Providers;

(mm) **Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;

(nn) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;

(oo) **Take Over Bid** means a take over bid as defined in Multilateral Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;

(pp) **TSX Venture** means the TSX Venture Exchange and any successor thereto; and

(qq) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time.

Other Words and Phrases

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSX Venture Policies (and, if applicable, the NEX Policies).

Gender

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

ARTICLE 2 SHARE OPTION PLAN

Establishment of Share Option Plan

2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

Maximum Plan Shares

2.2 The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under share options granted under Share Compensation Arrangements other than this

Plan, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies (and, if applicable, the NEX Policies).

Eligibility

2.3 Options to purchase Common Shares may be granted hereunder to Service Providers from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

Options Granted Under the Plan

2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

Limitations on Issue

2.6 Subject to §2.10, the following restrictions on issuances of Options are applicable under the Plan:

- (a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares (unless the Company has obtained Disinterested Shareholder Approval under §2.10 (a)(iii) to do so);
- (b) the aggregate number of Options granted to Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed (2%) of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture (or the NEX, as the case may be); and
- (c) the aggregate number of Options granted to any one Consultant in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

Options Not Exercised

2.7 In the event an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

Powers of the Board

2.8 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in TSX Venture Policies or the Company's tier classification thereunder;
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and
- (e) amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Service Providers (before a particular Option is granted) subject to the other terms hereof.

Amendment of the Plan by the Board of Directors

2.9 Subject to the requirements of the TSX Venture Policies (or, if applicable, the NEX policies) and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;
- (c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;
- (d) it may make amendments necessary as a result in changes in securities laws applicable to the Company;
- (e) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and

(f) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

Terms or Amendments Requiring Disinterested Shareholder Approval

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

(a) the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:

(i) under all Share Compensation Arrangements, the aggregate number of Common Shares reserved for issuance to Insiders exceeding 10% of the Outstanding Shares at any point in time in accordance with TSX Venture Policies;

(ii) the aggregate number of Common Shares issued to Insiders pursuant to all Share Compensation Arrangements, within a 12-month period exceeding 10% of the Outstanding Shares, in accordance with TSX Venture Policies; or,

(iii) under all Share Compensation Arrangements, the issuance to any one Person, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or

(b) any reduction in the Exercise Price, or the extension of the term, of an Option held by an Insider or any other amendment to an Option that results in a benefit to an Insider.

Options Granted under the Company's Previous Share Option Plans

2.11 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS

Exercise Price

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

Term of Option

3.2 The term of an Option will be set by the Board at the time such Option is allocated under this Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.

Option Amendment

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 Any proposed amendment to the terms of an Option, and except as otherwise provided under TSX Venture Policies:

- (a) must be approved by TSX Venture (or NEX, as the case may be), and be subject to shareholder approval, where applicable, prior to the exercise of such Option; and
- (b) The Company must issue a news release outlining the terms of the amendment.

Vesting of Options

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

Vesting of Options Granted to Consultants Conducting Investor Relations Activities

3.7 Notwithstanding §3.6, Options granted to Consultants conducting Investor Relations Activities will vest:

- (a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
- (b) such longer vesting period as the Board may determine;

provided that:

- (c) there can be no acceleration of the vesting requirements applicable to outstanding Options granted to Consultants conducting Investor Relations Activities without the prior written approval of TSX Venture (or NEX, as the case may be).

Effect of Take-Over Bid

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding Sections 3.6 and 3.7 or any vesting requirements set out in any Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or the NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies.

Acceleration of Vesting on Change of Control

3.9 In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, subject to approval of the TSX Venture (or the NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies. Notwithstanding the foregoing, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written approval of the TSX Venture (or NEX, as the case may be).

Extension of Options Expiring during Blackout Period

3.10 Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall, subject to approval of the TSX Venture (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding Section 2.8, the tenth Business Day period referred to in this Section 3.10 may not be extended by the Board.

Optionee Ceasing to be Director, Employee or Service Provider

3.11 Options may be exercised after the Service Provider has left his/her employ/office or has been advised his/her services are no longer required or his/her service contract has expired, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Service Provider will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the

Company, but only to the extent that such Option has vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and

(c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Non-assignable

3.12 Subject to §3.11, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Adjustment of the Number of Optioned Shares

3.13 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

(b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;

(c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

(d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon

the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.13;

(e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;

(f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company;

(g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees; and

(h) any adjustment, other than in connection with a consolidation of the Common Shares or split of the Common Shares, to Options granted or issued under this Plan is subject to the prior acceptance of the TSX Venture, where required, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES

Option Commitment

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of the Optionees.

Manner of Exercise

4.2 An Optionee who wishes to exercise his Option may do so by delivering

(a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and

(b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.5.

Cashless Exercise

4.3 Subject to the provisions of this Plan (including, without limitation, §4.5) and, upon prior approval of the Board, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

(a) excluding Options held by any Investor Relations Service Provider, a “net exercise” procedure in which the Company issues to the Optionee, such number of Common Shares as is equal to the number determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options by (ii) the VWAP of the underlying Common Shares; or

(b) a broker assisted “cashless exercise” in which the Company delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Company an amount equal to the Exercise Price and all applicable required withholding obligations as determined by the Company against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this §4.3 from time to time by delivery to the Company, at its head office or such other place as may be specified by the Company of (i) written notice of exercise specifying that the Optionee has elected to effect such a cashless exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Optionee or the Company arising under applicable law and verified by the Company to its satisfaction (or by entering into some other arrangement acceptable to the Company in its discretion, if any). The Participant shall comply with §4.5 of this Plan with regard to any applicable required withholding obligations and with such other procedures and policies as the Company may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

4.4 In the event of a net exercise pursuant to §4.3(a) or a cashless exercise pursuant to §4.3(b), the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in §2.2, §2.6 and §2.10 of this Plan.

Tax Withholding and Procedures

4.5 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to

following the procedures set out in §4.2 and elsewhere in this Plan, and as a condition of exercise:

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

and must in all other respects follow any related procedures and conditions imposed by the Company.

Delivery of Optioned Shares and Hold Periods

4.6 As soon as practicable after receipt of the notice of exercise described in §4.2, as applicable, and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. An Exchange Hold Period will be applied from the date of grant for all Options to:

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

4.7 Pursuant to TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares, or written notice in the case of uncertificated shares, will include a legend stipulating that the Optioned Shares issued are subject to a four-month TSX Venture hold period commencing the Effective Date of grant of the Option.

ARTICLE 5 GENERAL

Employment and Services

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with

applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

Interpretation

5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

Continuation of Plan

5.4 The Plan, as amended, will become effective from and after October 7, 2022, and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to October 7, 2022.

Amendment of the Plan

5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options, which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of this Plan to Service Providers.

SCHEDULE A

METALEX VENTURES LTD. SHARE OPTION PLAN

OPTION COMMITMENT

Notice is hereby given that, effective this ___ day of _____, 20___ (the "Effective Date") pursuant to the provisions of the Share Option Plan (the "Plan") of **METALEX VENTURES LTD.** (the "Company"), the Company has granted to _____ (the "Optionee"), an Option to acquire _____ Common Shares ("Optioned Shares") up to 5:00 p.m. Vancouver Time on the _____ day of _____, 20___ (the "Expiry Date") at an Exercise Price of CDN\$_____ per share.

Optioned Shares are to vest immediately.

[OR]

Optioned Shares will vest as follows: *[INSERT VESTING SCHEDULE and TERMS]*

The Option shall expire _____ days after the Optionee ceases to be employed by or provide services to the Company.

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

To exercise the Option, (1) deliver a written notice in the form attached as Schedule B to the Plan (or in such other form as established by the Company) specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate, or a written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the Company or its transfer agent, if applicable, as soon as practicable thereafter and may bear a restrictive legend if required under applicable securities laws or the TSX Venture Policies.

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

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

RESIDENT UNTIL 12:00 A.M. (MIDNIGHT) ON *[insert date 4 months from the date of grant of the Option].*”

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies (and, if applicable, the NEX policies).

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

METALEX VENTURES LTD.

Per:

Authorized Signatory

[insert name and title of authorized signatory]

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

OPTIONEE:

[insert name of optionee]

Signature of Optionee

SCHEDULE B

**METALEX VENTURES LTD.
SHARE OPTION PLAN**

NOTICE TO EXERCISE OPTIONS

TO: Metalex Ventures Ltd.
Attention: Share Option Plan Administrator

Re: Exercise of Options - Share Option Plan of Metalex Ventures Ltd. (the “Company”)

This Notice is to inform the Administrator of the Company’s Share Option Plan (the “Plan”) that

I, _____, wish to exercise _____ Options pursuant to the Plan, at CDN\$ _____ per Optioned Share, on this _____ day of _____, 20_____.

Payment issued in favour of **Metalex Ventures Ltd.** for the amount of CDN\$_____ will be forwarded, including withholding tax amounts.

Please register the share certificate representing the Optioned Shares in the name of:

Name of Optionee: _____

Address: _____

Please send share certificate to:

Name: _____

Address: _____

Sincerely,

Signature of Optionee

Date

SIN Number (for T4)

SCHEDULE B

COPY OF

**METALEX VENTURES LTD.
DEFERRED SHARE UNIT PLAN**

October 7, 2022

METALEX VENTURES LTD.
DEFERRED SHARE UNIT PLAN

October 7, 2022

ARTICLE 1 GENERAL PROVISIONS

1.1 Purpose

This Deferred Share Unit Plan has been established by the Company to promote the interests of the Company by attracting and retaining qualified persons to serve on the Board and to promote a greater alignment of long-term interests between such Participants and the shareholders of the Company.

This Deferred Share Unit Plan supersedes, replaces and is in substitution for any deferred share unit plan(s) of the Company in effect immediately prior to the approval by the Board of this Deferred Share Unit Plan (the “**Old Plans**”). Any securities issued under the Old Plans that are outstanding as of the date hereof are covered by and subject to the terms of this Deferred Share Unit Plan.

1.2 Definitions

As used in the Plan, the following terms have the following meanings:

- (a) “**Account**” means an account maintained for each Participant on the books of the Company which will be credited with Deferred Share Units, in accordance with the terms of the Plan;
- (b) “**Applicable Law**” means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder and TSXV Policies;
- (c) “**Board**” means the board of directors of the Company;
- (d) “**Business Day**” means any day that is not a Saturday, Sunday, or a holiday (as defined in the *Interpretation Act* (Canada)) in Vancouver, British Columbia;
- (e) “**Common Shares**” means common shares in the capital of the Company;
- (f) “**Company**” means Metalex Ventures Ltd. and its successors and assigns;
- (g) “**Consultant**” has the meaning set out in Policy 4.4 of the Exchange for so long as the Shares are listed on the Exchange, and if the Shares are not so listed, shall have the meaning, if any, that applies to a listing of the Shares on such other exchange as the Shares are then listed on;
- (h) “**Deferred Share Unit**” means a unit credited to a Participant’s Account by way of a bookkeeping entry in the books of the Company pursuant to this Plan, the value of which is equivalent in value to a Common Share;
- (i) “**Director**” means a director of the Company;

- (j) “**Disinterested Shareholder Approval**” has the meaning described in Section 5.3 of TSXV Policy 4.4 – *Security Based Compensation*;
- (k) “**Dividend**” means an Ordinary Dividend, and may, in the discretion of the Board, include a special or stock dividend, and may, in the discretion of the Board, include a special dividend declared and payable on a Common Share;
- (l) “**Employee**” means any employee or officer of the Company or an Affiliate of the Company;
- (m) “**Exchange**” means, collectively, the TSX Venture Exchange, any successor thereto and any other stock exchange or trading facilities through which the Common Shares trade or are quoted from time to time;
- (n) “**Exchange Hold Period**” has the meaning ascribed thereto in TSXV Policy 1.1 – *Interpretation*;
- (o) “**Fair Market Value**” means the closing price of the Common Shares on the Exchange on the Business Day immediately prior to the relevant date, or if the Common Shares are not listed on the Exchange, then on such other stock exchange or quotation system as may be selected by the Board, provided that, if the Common Shares are not listed or quoted on any other stock exchange or quotation system, then the Fair Market Value will be the value determined by the Board in its sole discretion acting in good faith;
- (p) “**Fiscal Quarter**” means each three-month period ending on July 31, October 31, January 31 or April 30, respectively, unless otherwise designated by the Board;
- (q) “**Grant**” means any Deferred Share Unit credited to the Account of a Participant;
- (r) “**Grant Date**” means any date determined from time to time by the Board as a date on which a grant of Deferred Share Units will be made to one or more Participants under this Plan;
- (s) “**Insider**” has the meaning ascribed thereto in TSXV Policy 1.1 – *Interpretation*;
- (t) “**Investor Relations Activities**” has the same meaning as set forth in TSXV Policy 1.1 – *Interpretation*;
- (u) “**Investor Relations Service Provider**” includes any Director whose role and duties primarily consist of Investor Relations Activities;
- (v) “**Management Company Employee**” has the meaning set out in Policy 4.4 of the Exchange for so long as the Shares are listed on the Exchange, and if the Shares are not so listed, shall have the meaning, if any, that applies to a listing of the Shares on such other exchange as the Shares are then listed on;

- (w) “**Notice of Redemption**” means written notice, on a prescribed form, by the Participant, or the administrator or liquidator of the estate of the Participant, to the Company of the Participant’s wish to redeem his or her Deferred Share Units;
- (x) “**Non-Employee Director**” means a Director who is not an Employee;
- (y) “**Old Plans**” means any deferred share unit plan(s) of the Company in effect immediately prior to the approval by the Board of this Deferred Share Unit Plan;
- (z) “**Ordinary Dividend**” means a dividend declared and payable in cash on Common Shares;
- (aa) “**Participant**” means a Director who (i) is not otherwise an employee of the Company and (ii) is designated by the Board as eligible to participate in the Plan;
- (bb) “**Plan**” means this Deferred Share Unit Plan;
- (cc) “**Redemption Date**” means the date that a Notice of Redemption is received by the Company;
- (dd) “**Reorganization**” means any declaration of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin-off or other distribution (other than Ordinary Dividends) of the Company assets to shareholders or any other similar corporate transaction or event which the Board determines affects the Common Shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of Participants under this Plan;
- (ee) “**Security Based Compensation Plan**” means this Plan and any stock option plan, employee stock purchase plan, restricted share unit plan, other deferred share unit plan, or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Company by way of loan, guarantee, or otherwise;
- (ff) “**Share Price**” means the closing price of a Common Share on the Exchange averaged over the five consecutive trading days immediately preceding (a) in the case of a Grant, the date of Grant in respect of a Director, or (b) in the case of a redemption, the Redemption Date, as applicable, or in the event such Common Shares are not traded on the Exchange, the fair market value of such Common Shares as determined by the Board acting in good faith;
- (gg) “**Termination Date**” means the date of a Participant’s death, or retirement from, or loss of office or employment with the Company, within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision, including the Participant’s resignation, retirement, death or otherwise; and

- (hh) “**TSXV Policies**” means the policies included in the TSX Venture Exchange Corporate Finance Manual and “**TSXV Policy**” means any one of them.

1.3 Effective Date

The Plan shall be effective as of the date first written above, provided that no Common Shares may be issued under the Plan until and unless all required Exchange, regulatory, and shareholder approvals have been obtained with respect to the issuance of Common Shares hereunder.

1.4 Governing Law; Subject to Applicable Regulatory Rules

The Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The provisions of the Plan shall be subject to the applicable by-laws, rules, and policies of the Exchange and applicable securities legislation, including for greater certainty TSXV Policy 4.4 – Security Based Compensation. Adoption of the Plan shall be subject to Disinterested Shareholder Approval and Exchange approval.

ARTICLE 2 DEFERRED SHARE UNITS

2.1 Establishment of Annual Base Compensation

An annual compensation amount (the “**Annual Base Compensation**”) payable to Non-Employee Directors of the Company shall be established from time-to-time by the Board. The amount of Annual Base Compensation will be reported annually in the Company’s management information circular.

2.2 Payment of Annual Base Compensation

- (a) The Annual Base Compensation shall be payable in quarterly installments, with each installment payable as promptly as practicable following the last Business Day of the Fiscal Quarter to which it applies. Quarterly payments shall be prorated if Board service commences or terminates during a Fiscal Quarter. The number of Deferred Share Units to be paid and the terms of the Deferred Share Units shall be determined as provided in the following sections of this Plan.
- (b) The Board may elect to grant Deferred Share Units for up to 100% of a Participant’s Annual Base Compensation, and such determination will be made by the Board on a quarterly basis. All Deferred Share Units granted with respect to Annual Base Compensation will be credited to the Participant’s Account when such Annual Base Compensation is payable.
- (c) The Participant’s Account will be credited with the number of Deferred Share Units calculated to the nearest thousandth of a Deferred Share Unit, determined by dividing the dollar amount of compensation payable in Deferred Share Units on the

Grant Date by the Share Price. Fractional Common Shares will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

ARTICLE 3 ADMINISTRATION

3.1 Transferability

Rights respecting Deferred Share Units shall not be transferable or assignable other than by will or the laws of descent and distribution.

3.2 Administration of Plan

Except as required to ensure that the Plan continues to meet the requirements of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision, the Board shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan:

- (a) to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan and to amend and rescind such rules and regulations from time to time;
- (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;
- (c) to prescribe the form of the instruments used in conjunction with the Plan; and
- (d) to determine which members of the Board are eligible to participate in the Plan.

3.3 Redemption of Deferred Share Units

- (a) A Deferred Share Unit must be outstanding for at least one year before it vests and may be redeemed, provided that the vesting required by this section 3.3(a) shall be accelerated for a Participant who dies or who ceases to be an eligible Participant under this Plan in connection with a change of control, take-over bid, RTO or other similar transaction.
- (b) Subject to section 3.3(a), each Participant shall be entitled to redeem his or her Deferred Share Units during the period commencing on the Business Day immediately following the Termination Date and ending on the date that is 12 months following the Termination Date by providing a written Notice of Redemption to the Company. In the event of death of a Participant, the Notice of Redemption shall be filed by the legal representative of the Participant, and must be filed within one year from the Participant's death.
- (c) Upon redemption, the Participant shall be entitled to receive, and the Company shall issue or provide:

- (i) subject to shareholder approval of this Plan and the limitations set forth in Article 6 below, a number of Common Shares issued from treasury equal to the number of Deferred Share Units in the Participant's Account, subject to any applicable deductions and withholdings;
- (ii) subject to and in accordance with any Applicable Law, a number of Common Shares purchased by an independent administrator of the Plan (if and when an independent administrator is so engaged by the Company) in the open market for the purposes of providing Common Shares to Participants under the Plan equal in number to the Deferred Share Units in the Participant's Account, subject to any applicable deductions and withholdings;
- (iii) in the event that the Company has granted Deferred Share Units pursuant to section 4.1 hereof, and if upon the redemption thereof the Company does not have a sufficient number of Common Shares reserved and available for issuance under this Plan, the payment of a cash amount to a Participant equal to the number of Deferred Share Units multiplied by the Share Price, subject to any applicable deductions and withholdings, in lieu of issuing Common Shares; or

(iv) any combination of the foregoing,

as determined by the Board, in its sole discretion.

3.4 Payment Notwithstanding

Notwithstanding any other provision of this Plan, all amounts payable to, or in respect of, a Participant hereunder shall be paid on or before December 31 of the calendar year commencing immediately after the Participant's Termination Date.

3.5 Exchange Hold Period and Legend

If required by the policies of the Exchange, the certificates representing Common Shares issued upon the redemption of Deferred Share Units (if redeemed prior to the expiry of the Exchange Hold Period) will bear the following Exchange Hold Period legend:

“Without prior written approval of TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date that is four months and a day after the distribution date].”

ARTICLE 4 DIVIDENDS

4.1 Payment of Dividend Equivalents

When Dividends are paid on Common Shares, a Participant shall be credited with Dividend equivalents in respect of the Deferred Share Units credited to the Participant's account as of the record date for payment of Dividends and no payment in cash should be made to any Participant with respect to such Dividend equivalent. Such Dividend equivalents shall be converted into additional Deferred Share Units (including fractional Deferred Share Units) to be calculated by:

- (a) multiplying the amount of the dividend per Share by the aggregate number of Deferred Share Units that were credited to the Participant's account as of the record date for payment of the Dividend, and
- (b) dividing the amount obtained in section 4.1(a) by the Fair Market Value on the Redemption Date of the Deferred Share Unit with respect to which the Dividend equivalent was granted.

ARTICLE 5 ALTERATION OF NUMBER OF SHARES SUBJECT TO THE PLAN

5.1 Subdivisions or Consolidations

In the event that the Common Shares shall be subdivided or consolidated into a different number of Common Shares or a distribution shall be declared upon the Common Shares payable in Common Shares, the number of Deferred Share Units then recorded in the Participant's Account shall be adjusted by replacing such number by a number equal to the number of Common Shares which would be held by the Participant immediately after the distribution, subdivision, or consolidation, should the Participant have held a number of Common Shares equal to the number of Deferred Share Units recorded in the Participant's Account on the record date fixed for such distribution, subdivision, or consolidation.

5.2 Reorganizations

In the event there shall be any change, other than as specified in Section 5.1, in the number or kind of outstanding Common Shares or of any shares or other securities into which such Common Shares shall have been changed or for which they shall have been exchanged, pursuant to a Reorganization or otherwise, then there shall be substituted for each Common Share referred to in the Plan or for each share into which such Common Share shall have been so changed or exchanged, the kind of securities into which each outstanding Common Share shall be so changed or exchanged and an equitable adjustment shall be made, if required, in the number of Deferred Share Units then recorded in the Participant's Account, such adjustment, if any, to be reasonably determined by the Board and, subject to Exchange approval where required, to be effective and binding for all purposes.

5.3 Adjustments

In the case of any such substitution, change, or adjustment as provided for in this Article 5, the variation shall generally require that the number of Deferred Share Units then recorded in the Participant's Account prior to such substitution, change or adjustment be proportionately and appropriately varied, subject to Exchange approval where required.

ARTICLE 6 RESTRICTIONS ON ISSUANCES

6.1 Maximum Number of Deferred Share Units

Deferred Share Units may be granted by the Company in accordance with this Plan, provided the maximum number of Common Shares which may be issued from treasury in connection with the redemption of Deferred Share Units, in combination with the aggregate number of Common Shares which may be issuable under any other Security Based Compensation Plan, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis, or such greater number of Common Shares as shall have been duly approved by the Board and, if required, by the TSXV Policies (if applicable) or any other stock exchange on which the Common Shares of the Company may then be listed, and by the shareholders of the Company. In the event this Plan is amended to provide for the issuance of Deferred Share Units to Employees, Consultants or Management Company Employees, then the Issuer and the Participant being granted Deferred Share Units shall be responsible for ensuring and confirming that such Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

6.2 Participation Limits

If and for so long as the Company's Common Shares are listed on the Exchange: (i) no Deferred Share Units may be issuable to any Investor Relations Service Providers; and (ii) the number of Common Shares which may be issuable under the Plan and any other Security Based Compensation Plan:

- (a) to any one Participant, shall not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis at the Grant Date, unless the Company has obtained Disinterested Shareholder Approval in accordance with TSXV Policy 4.4 – Security Based Compensation to exceed such limit;
- (b) within any one-year period:
 - (i) to any one Participant, shall not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval in accordance with TSXV Policy 4.4 – Security Based Compensation to exceed such limit;
 - (ii) to Insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis, unless the

Company has obtained Disinterested Shareholder Approval in accordance with TSXV Policy 4.4 – Security Based Compensation to exceed such limit;

- (c) to Insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval in accordance with TSXV Policy 4.4 – Security Based Compensation to exceed such limit; and
- (d) to any one Consultant in any 12 month period must not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to such Consultant.

ARTICLE 7 AMENDMENT, SUSPENSION, OR TERMINATION

7.1 Amendments Requiring Shareholder Approval

The Board reserves the right to amend, suspend, or terminate the Plan or any portion thereof at any time, in accordance with Applicable Law, provided that such amendment, suspension, or termination (i) will require shareholder approval, Disinterested Shareholder Approval, and Exchange approval; and (ii) will not adversely affect the rights of any Participant with respect to the Deferred Share Units to which the Participant is then entitled under the Plan without the consent of the Participant.

7.2 Amendments Not Requiring Shareholder Approval

Without limiting the generality of the foregoing, unless otherwise required by the TSXV Policies, the Board may make the following amendments to the Plan, without obtaining shareholder approval:

- (a) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the Exchange, in place from time to time; or
- (b) amendments to the Plan that are of a “housekeeping” nature, including for the purposes of making formal minor or technical modifications to any of the provisions of the Plan, or to correct any ambiguity, defective provision, error, or omission in the provisions of the Plan,

provided, however, that no such amendment of the Plan may be made without the consent of each affected Participant in the Plan if such amendment would adversely affect the rights of such affected Participant(s) under the Plan.

7.3 Amendments and Renewals

All amendments and renewals of the Plan shall require prior Disinterested Shareholder approval and prior Exchange approval in accordance with TSXV Policy 4.4 – Security Based Compensation.

7.4 Tax Matters

Notwithstanding any other provision of the Plan, any amendment of the Plan or interpretation thereof shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Income Tax Act (Canada) or any successor to such provision.

7.5 Termination of the Plan

The Board may decide to terminate or suspend the Plan or discontinue granting awards under the Plan at any time in which case no further Deferred Share Units shall be awarded or credited under the Plan. Any Deferred Share Units which remain outstanding in a Participant's Account at that time shall continue to be dealt with according to the terms of the Plan. No termination, suspension, or discontinuation will, without the consent of the Participant or unless required by Applicable Law, adversely affect the rights of a Participant with respect to Deferred Share Units to which the Participant is then entitled under this Plan. In no event will a termination of this Plan accelerate the time at which the Participant would otherwise be entitled to receive any cash in respect of Deferred Share Units hereunder. The Plan shall terminate when all payments owing pursuant to Section 3.3 of the Plan have been made and all Deferred Share Units have been cancelled in all Participants' Accounts. Notwithstanding the foregoing, termination of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Income Tax Act (Canada) or any successor to such provision.

ARTICLE 8 GENERAL

8.1 Withholding

The Company may withhold from any amount payable to a Participant, either under this Plan, or otherwise, such amount as may be necessary so as to ensure that the Company will be able to comply with the provisions of any Applicable Law relating to the withholding of tax or other required deductions, including on the amount, if any, includable in the income of a Participant. For greater certainty, if a Participant is or becomes subject to tax in more than one jurisdiction, the Company may be required to withhold or account for taxes in more than one jurisdiction. The Company shall also have the right in its discretion to satisfy any such withholding tax liability by, among other things, requiring the Participant to remit such amounts to the Company, or by retaining, acquiring, or selling on behalf of a Participant any Common Shares which would otherwise be issued or provided to a Participant hereunder.

Notwithstanding any provision in this Plan, the ultimate liability for all taxes legally payable by a Participant is and remains the Participant's responsibility, and such tax liability may exceed the amount actually withheld by the Company. The Company (a) makes no representations or

undertakings regarding the treatment of any taxes under Applicable Laws in connection with any aspect of this Plan; and (b) does not commit to and is under no obligation to structure the terms of this Plan to reduce or eliminate a Participant's liability for taxes or achieve any particular tax result under any Applicable Law.

8.2 Successors and Assigns

The Plan shall be binding on all successors and assignees of the Company.

8.3 Legal Compliance

The Company's grant of any Deferred Share Units or issuance of any Common Shares hereunder is subject to compliance with Applicable Law applicable thereto. As a condition of participating in the Plan, each Participant agrees to comply with all Applicable Law and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with Applicable Law.

8.4 No Shareholder Rights

Under no circumstances shall Deferred Share Units be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares nor shall any Participant be considered the owner of Common Shares by virtue of the award of Deferred Share Units.

8.5 No Right to Be Retained as Director

Participation in the Plan shall not be construed to give any Participant a right to be retained or continue to be retained as a Director.

8.6 No Other Benefit

Notwithstanding any other provision of the Plan, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no Deferred Share Units will be granted to such Participant, to compensate for a downward fluctuation in the price of Common Shares nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Company makes no representations or warranties to a Participant with respect to the Plan or any Deferred Share Units whatsoever. In seeking the benefits of participation in the Plan, a Participant agrees to exclusively accept all risks associated with a decline in the market price of Common Shares and all other risks associated with the holding of a Deferred Share Unit.

8.7 Participation Voluntary

Participation in the Plan shall be entirely voluntary.

8.8 Unfunded Plan

Unless otherwise determined by the Board, the Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Deferred Share Units under

the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company.

8.9 Final Determination

Any determination or decision by or opinion of the Board made or held pursuant to the terms of the Plan shall be final, conclusive, and binding on all parties concerned. All rights, entitlements, and obligations of Participants under the Plan are set forth in the terms of the Plan and cannot be modified by any other documents, statements, or communications, except by Plan amendments referred to in Article 7 of the Plan.

8.10 Ability to Reorganize Company Notwithstanding Deferred Share Units

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

8.11 Interpretation

In this text, words importing the singular meaning shall include the plural and vice versa, and words importing the masculine shall include the feminine and neuter genders.

8.12 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.