



## MANAGEMENT INFORMATION CIRCULAR FOR THE 2023 ANNUAL GENERAL & SPECIAL MEETING

This information is given as of **September 29, 2023**, unless otherwise noted.

**The Company is conducting the Meeting virtually. Registered shareholders and validly appointed proxyholders may attend the Meeting via the web at <https://agm.issuereirect.com/lcev>. The site will allow registered shareholders to vote their shares online during the Meeting, submit questions and listen to the Meeting live.**

### SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of **CENTURY LITHIUM CORP.** (the "**Company**") for use at the Annual General & Special Meeting (the "**Meeting**") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

These securityholder materials are being sent to both registered and non-registered owners of the securities. 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 have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (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.

### PERSONS OR COMPANIES MAKING THE SOLICITATION

**The enclosed instrument of proxy is solicited by management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. None of the directors of the Company (the "**Board**" or the "**Directors**") have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person to attend and act for him or her on his or her behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, a shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided, or complete another instrument of proxy.**

**The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 at least 48 hours (Vancouver Time) before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays, which is on or before 1:00 pm Pacific Standard Time on October 26, 2023.**

The instrument of proxy must be signed by the shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially

certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies which do not strictly conform to the foregoing requirements.

**In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and depositing it at the place and within the time aforesaid or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.**

#### **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

**In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular.** The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

#### **Registered Shareholders**

As stated above, registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting virtually. Registered shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9;
- (b) using a touch-tone phone to transmit voting choices to the toll-free number given in the enclosed Proxy. Registered shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder's account number and the proxy access number; or
- (c) using the internet at Computershare's website, <https://www.investorvote.com>. Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy for the holder's account number and the proxy access number,

in all cases ensuring that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment thereof at which the Proxy is to be used.

Alternatively, registered shareholders may vote their shares online at the Meeting via the web at <https://agm.issuerdirect.com/lcev>.

## Non-Registered Shareholders

**Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote online at the Meeting.** Most of the Company's shareholders are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the name of a nominee (a "**Nominee**") such as: (a) a brokerage firm through which they purchased the shares; (b) a bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan; or (c) a clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your shares through a broker, you are likely a NON-registered holder. Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as non-objecting beneficial owners or "**NOBOs**". Those non-registered holders who have objected to disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners or "**OBOs**".

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting Materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting Materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting.

Meeting Materials sent to non-registered holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "**VIF**"). This form is used instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered shareholder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIFs, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

If you, as a non-registered holder, wish to vote at the Meeting virtually, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

In either case, the purpose of this procedure is to permit non-registered shareholders to direct the voting of the shares which they beneficially own. If a non-registered holder who receives a VIF wishes to attend the Meeting or have someone else attend on his, her or its behalf, the non-registered shareholder may appoint a legal proxy as set forth in the VIF, which will give the non-registered shareholder or his, her or its nominee the right to attend and vote at the Meeting. Non-registered shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

In addition, Canadian securities legislation permits the Company to forward Meeting Materials directly to NOBOs. If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions.

## Notice to Shareholders in the United States

The solicitation of proxies in this Information Circular 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 the securities laws of certain 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 applicable 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 (the "BCBCA"), the majority of its directors and executive officers are residents of Canada and a substantial portion of the assets of such persons are located outside of 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.

## **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

### **Record Date**

Only shareholders of record at the close of business on the **September 25, 2023**, who either personally attend the Meeting virtually or who complete and deliver the Proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies" will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

### **Voting Securities**

On **September 25, 2023**, there were **147,739,548** common shares without par value issued and outstanding, each share carrying the right to one vote. At a general meeting of the Company, every shareholder shall have one vote and, on a poll, every shareholder shall have one vote for each share of which he or she is the holder.

### **Principal Holders**

To the knowledge of the Directors and executive officers of the Company, there are no shareholders who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

### **Votes Necessary to Pass Resolutions at the Meeting**

Under the Company's Articles, the quorum for the transaction of business at the Meeting consists of one person present in person or by proxy. Under the Business Corporations Act (British Columbia) and the Company's Articles, a simple majority of the votes cast at the Meeting (virtually or by proxy) is required in order to pass an ordinary resolution. To approve a motion for an ordinary resolution, by disinterested Shareholder vote, a majority of the votes cast by "disinterested Shareholders" in person or by proxy who vote in respect of that resolution must be in favour. A "disinterested Shareholder" vote means that shares owned by all Shareholders who have a vested interest in passing the resolution are removed from the vote tally on that ordinary resolution, and a majority of the remaining votes must be in favour.

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

Other than as disclosed below and elsewhere in this Information Circular, none of the Directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed fiscal year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

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

For the purposes of this Information Circular, "informed person" means:

- (a) a Director or executive officer of the Company;

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

The Company was a party to the following material transactions with informed persons:

- (a) certain of the Directors and executive officers of the Company may be paid pursuant to written management agreements or consulting agreements, or receive Directors' fees or wages. See sub-heading "Employment, Consulting and Management Agreements or Arrangements" under the heading "Statement of Executive Compensation – Venture Issuer"; and
- (b) Directors and officers of the Company are eligible to be granted stock options, RSUs, DSUs and PSUs under the Company's Long-Term Incentive Plan. See sub-heading "Approval of Amended and Restated Long-Term Incentive Plan" under the heading "Particulars of Matters to be Acted Upon".

Other than as disclosed above and elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed fiscal year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

### **STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER**

The following disclosure is made pursuant to Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* published by the Canadian Securities Administrators.

For the purpose of this disclosure:

***"CEO"** means chief executive officer;*

***"CFO"** means chief financial officer;*

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

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

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

- (a) *each individual who, in respect of the Company, during any part of the most recently completed fiscal year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;*
- (b) *each individual who, in respect of the Company, during any part of the most recently completed fiscal year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;*

- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed fiscal year whose total compensation was more than \$150,000;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that fiscal year;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

For the purposes of the following disclosure, the Company’s NEOs for the fiscal year ended December 31, 2022 are: William W. Willoughby, CEO and Abraham Jonker, CFO.

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

Following are particulars of all compensation paid or payable to the Company’s NEOs and non-NEO directors for each of the two most recently completed fiscal years ended December 31:

Table of Compensation Excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fees, Retainer or Commission	Bonus	Committee or Meeting Fees	Value of Perquisites	Value of all Other Compensation	Total Compensation
William Willoughby <sup>(1)</sup> CEO, President and Director	2022	\$335,088 <sup>(2)</sup>	Nil	Nil	Nil	Nil	\$335,088
	2021	\$176,026 <sup>(2)</sup>	\$59,375	Nil	Nil	Nil	\$235,401
Abraham Jonker <sup>(3)</sup> CFO	2022	\$195,867 <sup>(4)</sup>	Nil	Nil	Nil	Nil	\$196,867
	2021	\$126,800 <sup>(4)</sup>	\$110,000	Nil	Nil	Nil	\$236,800
James Pettit <sup>(5)</sup> Director; Former CFO	2022	\$48,000 <sup>(6)</sup>	Nil	Nil	Nil	Nil	\$48,000
	2021	\$11,000 <sup>(6)</sup>	\$59,375	Nil	Nil	Nil	\$70,375
Donald Myers Director	2022	\$48,000 <sup>(7)</sup>	Nil	Nil	Nil	Nil	\$48,000
	2021	\$60,000 <sup>(7)</sup>	\$40,625	Nil	Nil	Nil	\$100,625
Bryan Disher <sup>(8)</sup> Director	2022	\$57,995 <sup>(9)</sup>	Nil	Nil	Nil	Nil	\$57,995
	2021	\$4,833 <sup>(9)</sup>	Nil	Nil	Nil	Nil	\$4,833
Ken Owen <sup>(10)</sup> Director	2022	\$53,417 <sup>(11)</sup>	Nil	Nil	Nil	Nil	\$53,417
	2021	\$4,000 <sup>(11)</sup>	Nil	Nil	Nil	Nil	\$4,000
Cassandra Joseph <sup>(12)</sup> Former Director	2022	\$64,980 <sup>(13)</sup>	Nil	Nil	Nil	Nil	\$64,980
	2021	\$24,219 <sup>(13)</sup>	Nil	Nil	Nil	Nil	\$24,219
Amanda Chow <sup>(14)</sup> Former Director	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	\$12,000	\$12,500	Nil	Nil	Nil	\$24,500
Donald Huston <sup>(15)</sup> Former Director, President and Chairman	2022	N/A	N/A	N/A	N/A	N/A	N/A
	2021	\$67,500	\$40,625	Nil	Nil	Nil	\$108,125

(1) Mr. Willoughby was appointed President on August 26, 2021.

(2) The Company paid consulting fees to Willoughby & Associates, PLLC, a company controlled by Mr. Willoughby, pursuant to a consulting agreement dated November 26, 2021, which was further replaced with an employment agreement with Mr. Willoughby dated August 24, 2022. For details, see “Employment, Consulting and Management Agreements or Arrangements”.

(3) Mr. Jonker was appointed CFO on May 1, 2021.

(4) Mr. Jonker provided employee services to the Company pursuant to an agreement dated May 1, 2021, as amended August 30, 2022. For details, see “Employment, Consulting and Management Agreements or Arrangements”.

(5) Mr. Pettit resigned as CFO on May 1, 2021.

- (6) Mr. Pettit provided services to the Company pursuant to a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (7) Mr. Myers provided services to the Company pursuant to a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (8) Mr. Disher was appointed a director on August 26, 2021.
- (9) Mr. Disher provided director services to the Company pursuant to a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (10) Mr. Owen was appointed a director on October 28, 2021.
- (11) Mr. Owen provided director services to the Company pursuant to a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (12) Ms. Joseph was appointed a director on June 1, 2021 and resigned on June 30, 2023.
- (13) Ms. Joseph provided director services to the Company pursuant to a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (14) Mr. Huston resigned as President and Chairman on August 26, 2021 and as a director on November 18, 2021.
- (15) Ms. Chow resigned as a director on November 18, 2021.

### Stock Options and Other Compensation Securities

The following compensation securities were granted, issued or issuable to the Directors and NEOs by the Company in the most recently completed fiscal year ended December 31, 2022, for services provided or to be provided, directly or indirectly, to the Company:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end	Expiry date
William Willoughby <i>CEO, President and Director</i>	Options	500,000	April 4, 2022	\$1.84	\$1.84	\$0.89	April 4, 2027
Abraham Jonker <i>CFO</i>	Options	250,000	April 4, 2022	\$1.84	\$1.84	\$0.89	April 4, 2027
James Pettit <i>Director; Former CFO</i>	Options	150,000	November 17, 2022	\$1.06	\$1.03	\$0.89	November 17, 2027
Donald Myers <i>Director</i>	Options	150,000	November 17, 2022	\$1.06	\$1.03	\$0.89	November 17, 2027
Bryan Disher <i>Director</i>	Options	180,000	November 17, 2022	\$1.06	\$1.03	\$0.89	November 17, 2027
Ken Owen <i>Director</i>	Options	165,000	November 17, 2022	\$1.06	\$1.03	\$0.89	November 17, 2027
Cassandra Joseph <i>Former Director</i>	Options	200,000	November 17, 2022	\$1.06	\$1.03	\$0.89	June 30, 2024

### Exercise of Stock Options

The following table sets out all compensation securities exercised by each Director and NEO of the Company during the fiscal year ended December 31, 2022:

<b>Exercise of Compensation Securities by Directors and NEOs</b>
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Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised	Exercise Price per Security	Date of Exercise	Closing Price per Security on Date of Exercise	Difference Between Exercise Price and Closing Price on Date of Exercise	Total Value on Exercise Date
William Willoughby <i>CEO, President and Director</i>	Options	150,000	\$0.10	July 19, 2022	\$1.20	\$1.10	\$165,000
		200,000	\$0.18	November 23, 2022	\$1.01	\$0.83	\$166,000
Abraham Jonker <i>CFO</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
James Pettit <i>Director; Former CFO</i>	Options	20,000	\$0.10	July 18, 2022	\$1.13	\$1.03	\$20,600
		150,000	\$0.18	November 21, 2022	\$1.07	\$0.89	\$133,500
Donald Myers <i>Director</i>	Options	20,000	\$0.10	July 18, 2022	\$1.13	\$1.03	\$20,600
		150,000	\$0.18	November 24, 2022	\$1.04	\$0.86	\$129,000
Bryan Disher <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ken Owen <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cassandra Joseph <i>Former Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### External Management Companies

The Company has not engaged the services of an external management company to provide executive management services to the Company, directly or indirectly. However, the Company operates from the premises of Sentinel Market Services Ltd. ("**Sentinel**"), a private company controlled by James Pettit, a Director of the Company, that provides office and administration services to the Company and various other public companies. Sentinel incurs expenses, which are reimbursed by the Company. These expenses included office space, equipment rental, administrative wages and other ancillary expenses. None of these expenses were paid directly or indirectly to Mr. Pettit.

### Stock Option Plans and Other Incentive Plans

For information about the material terms of the Company's Amended and Restated LTIP, please refer to the heading below "Particulars of Matters to be Acted Upon". There are no stock option or other awards made outside of the Company's former Stock Option Plan or current Long-Term Incentive Plan.

### Employment, Consulting and Management Agreements or Arrangements

Other than as described below, the Company has not entered into any agreement or arrangement under which compensation was provided during the most recently completed fiscal year ended December 31, 2022 or is payable in respect of services provided to the Company or any of its subsidiaries that were: (a) performed by a Director or NEO, or (b) performed by any other party but are services typically provided by a director or a NEO.

#### *William Willoughby, CEO, President and Director*

The Company and Willoughby & Associates, PLLC ("**W&A**"), a professional limited liability company controlled by Mr. Willoughby, entered into a consulting agreement dated November 26, 2021 made between the Company and W&A, by which W&A provided executive management and geotechnical consulting services to the Company in consideration of a consulting fee of USD 20,833.33 per month payable in monthly installments. The agreement with W&A was further replaced with an employment agreement dated August 24, 2022 with Mr. Willoughby for



the same services in consideration of an annual base salary of USD \$260,000. For actual amounts paid to Mr. Willoughby, see "Table of Compensation Excluding Compensation Securities".

During the fiscal year ended December 31, 2022, \$335,088 (2021: \$176,026) was paid to W&A pursuant to this agreement in relation to Mr. Willoughby's services as CEO and \$893,040 (2022: \$59,375) was paid for geotechnical services provided by W&A. None of these latter fees were paid directly or indirectly to Mr. Willoughby.

The employment agreement with Mr. Willoughby provides for termination of his employment in the following circumstances:

(a) Willoughby may terminate the agreement at any time, for any reason, on the giving of six-months' written notice to the Board of Directors;

(b) Willoughby may terminate the Agreement by providing 30 days' written notice to the Company at anytime within the six-month period following the acquisition of common shares or other voting securities of the Company ("Voting Securities") such that the person or persons come to hold, of record or beneficially, at least 35% of the Voting Securities and act(s) in concert with respect to voting such Voting Securities. In the event of such notice, the Company shall provide Willoughby with a Severance Agreement and a General Release of Claims, as set out in the agreement, for him to review and consider. Upon the finalization and complete execution of the Severance Agreement, the Company will pay Willoughby the sum equivalent of 24 months of base pay in the manner and time set forth in the Severance Agreement;

(c) The Company may, in its absolute discretion without notice or pay in lieu thereof, terminate the agreement for cause, as set out in the agreement; or

(d) The Company may, in its absolute discretion, terminate this Agreement for any reason on giving Willoughby 12 months' notice in writing or by paying him the equivalent of 12 months' base pay in lieu of notice.

*Abraham Jonker, Chief Financial Officer*

The Company entered into an employment agreement dated May 1, 2021, by which Mr. Jonker was engaged to provided executive management services as Chief Financial Officer to the Company in consideration of a base-salary of \$14,600 per month payable in bi-monthly installments. The agreement was amended on August 30, 2022, whereby the base-salary was increased to \$16,667 per month. For actual amounts paid to Mr. Jonker, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Jonker provides for termination of his employment in the following circumstances:

(a) by Mr. Jonker, at any time, for any reason, on the giving of three months' written notice to the Company (the Company may waive notice, in whole or in part and if it does so, Mr. Jonker's entitlement to remuneration and benefits pursuant to this Agreement will cease on the date it waives such notice);

(b) by the Company in its absolute discretion without notice, or pay in lieu thereof, for cause and, and for the purpose of this Agreement, cause includes:

- (i) any material breach of the provisions of this Agreement and Mr. Jonker's failure to cure such breach within thirty days after written notice from the Company, specifying the nature of the breach (except for the items set forth in subsections (ii), (iii) and (iv) set forth below which, for the purposes of this Agreement are deemed breaches which cannot be cured;
- (ii) any conduct of Mr. Jonker which in the opinion of the Company, tends to bring himself or the Company into disrepute;
- (iii) the commission of an act of bankruptcy by Mr. Jonker or compounding with his creditors generally; and

- (iv) conviction of Mr. Jonker of a criminal offence punishable by indictment, where the cause is not prohibited by law;

and failure by the Company to rely on the provision of this paragraph in any given instance or instances, shall not constitute a precedent or be deemed a waiver;

- (c) by the Company, in its absolute discretion, for any reason on giving Mr. Jonker twelve months' notice in writing or on paying to Mr. Jonker the equivalent termination pay in lieu of notice; and

(d) by Mr. Jonker on giving 30 days' written notice of termination to the Company at any time within the six month period following the acquisition of common shares or other voting securities of the Company ("Voting Securities") such that the person or persons come to hold, of record or beneficially, at least 35% of the Voting Securities and act in concert with respect to voting such Voting Securities. In the event of receipt of such notice, the Company shall pay to Mr. Jonker on the termination day the sum equivalent to 24 months of his base salary. The Company agrees to make reasonable efforts to structure such payment in a manner designed to minimize the tax consequences for Mr. Jonker. On receipt of this payment, Mr. Jonker shall have no further claims against the Company.

(e) Notwithstanding any provision or agreement to the contrary, if Mr. Jonker's employment is terminated, for any reason, its rights regarding any vested share options existing as of the date on which his employment is terminated will continue and remain available for exercise at any time within 12 months of the date on which his employment is terminated.

*James Pettit, Director*

By an agreement dated December 6, 2021, the Company engaged Mr. Pettit's services as a director in consideration of \$48,000 per annum. For actual amounts paid to Mr. Pettit, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Pettit terminates automatically if he is removed from office by a resolution of the shareholders and provides for termination if he:

- (a) becomes prohibited by law from acting as a director;
- (b) resigns in writing;
- (c) receives an order made against her or compounds with creditors generally;
- (d) is unable to perform his duties to the reasonable satisfaction of the board of directors of the Company or by reason of mental incapacity;
- (e) is in breach of the *Criminal Code* (Canada);
- (f) is in breach of any terms set out in her agreement not remedied within 21 days of notice of such breach and remedy;
- (g) is incompetent, guilty of gross misconduct and/or any serious or persistent negligence or misconduct in respect of her obligations under his agreement; or
- (h) refuses after a written warning to carry out the duties reasonably and properly required of him under the terms of his appointment as set out in his agreement.

*Donald Myers, Director*

By an agreement dated December 6, 2021, the Company engaged Mr. Myers' services as a director in consideration of \$48,000 per annum. For actual amounts paid to Mr. Myers, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Myers provides for termination upon the same terms as the foregoing agreement with Mr. Pettit.

*Cassandra Joseph, Former Director*

By an agreement dated December 6, 2021, Ms. Joseph provided director services to the Company in consideration of \$48,000 per annum. In addition, she received \$17,000 per annum for serving as non-executive Chair of the Board. For actual amounts paid to Ms. Joseph, see "Table of Compensation Excluding Compensation Securities".

The agreement with Ms. Joseph provided for termination upon the same terms as the foregoing agreements with Mr. Pettit and Mr. Myers.

The agreement was terminated upon Ms. Joseph's resignation from the Board on June 30, 2023.

*Bryan Disher, Director*

By an agreement dated December 6, 2021, Mr. Disher provides director services to the Company in consideration of \$48,000 per annum. In addition, he receives \$5,000 per annum for serving as Chair on each of the Audit Committee and CCGNC. For actual amounts paid to Mr. Disher, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Disher provides for termination upon the same terms as the foregoing agreements with Mr. Pettit, Mr. Myers and Ms. Joseph.

The agreement with Mr. Disher was amended on September 14, 2023.

*Ken Owen, Director*

By an agreement dated December 6, 2021, as amended November 25, 2022, Mr. Owen provides director services to the Company in consideration of \$48,000 per annum. In addition, he receives \$5,000 per annum for serving as Chair on the Technical Environment, Social and Employees' Health and Safety Committee. For actual amounts paid to Mr. Owen, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Owen provides for termination upon the same terms as the foregoing agreements with Mr. Pettit, Mr. Myers, Ms. Joseph and Mr. Disher.

Incremental Payments on Change of Control or Termination

For each of the foregoing agreements, the following table summarizes the estimated incremental payments that are triggered by, or result from, change of control, severance, termination or constructive dismissal (assuming such events had occurred on or before December 31, 2022):

<b>Consultant (NEO or Director)</b>	<b>Payout for Termination without Cause</b>	<b>Payout for Change of Control</b>
Willoughby & Associates LLC (controlled by William Willoughby, CEO, President and Director)	US \$260,000	US \$520,000 <sup>(1)</sup>
Abraham Jonker, CFO	\$200,004	\$400,008 <sup>(1)</sup>
James Pettit, Director	N/A	N/A
Donald Myers, Director	N/A	N/A
Cassandra Joseph, Former Director	N/A	N/A
Bryan Disher, Director	N/A	N/A
Ken Owen, Director	N/A	N/A

(1) Payable in the event of termination within six months of a change of control.

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

The Board established a Compensation, Corporate Governance and Nominating Committee (the “CCGNC”) on September 9, 2021. The CCGNC is comprised of three Directors: Donald Myers, Corby Anderson and Bryan Disher. The compensation of Directors and NEOs shall be reviewed and approved on an annual basis by the CCGNC. In setting compensation levels, the CCGNC relies primarily on the experience, skills and education of its members.

The Company’s compensation practices are designed to attract, motivate and retain highly qualified employees to manage the business of the Company by rewarding individual and corporate performance and aligning the interests of the Directors and NEOs with the Company’s shareholders. Compensation is designed to achieve both current and long-term goals of the Company and to maximize returns to shareholders. Accordingly, a significant portion of executive compensation is tied to achieving the Company’s goals. Compensation decisions are intended to be transparent, and the Company’s practices are intended to be simple in design and competitive within the mineral exploration industry. Any compensation paid to the Directors and NEOs is dependent upon the Company’s finances as well as the performance of each of the Directors and NEOs.

At present, the Board does not evaluate the implications of the risks associated with the Company’s current compensation policies and practices, as the Company is still a venture issuer developing its business.

### Pension Disclosure

The Company does not provide any pension, retirement plan or other remuneration for its Directors or officers that constitutes an expense to the Company.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information on the Company’s equity compensation plans under which common shares are authorized for issuance as of **December 31, 2022**:

Plan Category	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
Equity compensation plans approved by securityholders	6,750,000	\$1.235	7,995,813
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	6,750,000		7,995,813

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company’s last completed fiscal year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed fiscal year with respect to any indebtedness of any such person.

### MANAGEMENT CONTRACTS

During the Company’s most recently completed fiscal year ended December 31, 2022, there were no management functions of the Company, which were to any substantial degree performed by a person other than a director or senior officer of the Company.

## CORPORATE GOVERNANCE

The following disclosure is made pursuant to the Canadian Securities Administrators' National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") and Form 58-101F2 *Corporate Governance Disclosure (Venture Issuers)*.

### Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. Bryan Disher, Ken Owen, Donald Myers and Corby Anderson do not have any other material relationship to the Company that would interfere with their ability to act in the best interests of the Company, are considered to be independent directors. William Willoughby, the CEO & President, and James Pettit, former CFO, are not independent directors as a result of their current or former positions as officers of the Company.

### Other Directorships

Certain directors of the Company currently serve as directors of other public companies. Some of the directors may be engaged in the search for additional business opportunities on behalf of other companies, and situations may arise where these directors may be serving another company with interests that could be in conflict with those of the Company. In the event of any conflicts of interest, such conflicts must be disclosed to the Company and dealt with in accordance with the provisions of the the *Business Corporations Act* (British Columbia). The following table sets out the directors of the Company that are currently directors of other reporting issuers:

Director	Other Reporting Issuers
William Willoughby	Caliber Minerals Inc.
James Pettit	Aben Minerals Ltd. Rockridge Resources Ltd. Skyharbour Resources Ltd. Surge Copper Corp. Apogee Minerals Ltd.
Donald Myers	N/A
Corby Anderson	N/A
Bryan Disher	Registered Plan Private Investments Inc.
Ken Owen	N/A

### Orientation and Continuing Education

The Company does not provide a formal orientation and education program for new directors. However, any new directors will be given: (a) the opportunity to familiarize themselves with the Company, the current directors and members of management; (b) copies of recently publicly filed documents of the Company, technical reports and the Company's internal financial information; (c) access to technical experts and consultants; and (d) a summary of significant corporate and securities legislation.

Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments, and with changes in legislation, and are encouraged to attend related industry seminars in relation to the Company's operations. Board members have full access to the Company's records.

### Ethical Business Conduct

The Board has developed and adopted a Code of Business Conduct and Ethics (the “Code”), which is applicable to all directors, officers, employees and consultants to the Company. The Code serves as a roadmap to guide their decisions and actions in order to uphold the highest moral, legal and ethical standards within the Company.

### **Nomination of Directors**

The CCGNC is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company’s mission and strategic objectives, and a willingness to serve.

### **Compensation**

The CCGNC is responsible for setting compensation paid to directors and executive officers and establishing and reviewing incentive plans for directors, officers and management. For further details, see “Oversight and Description of Director and Named Executive Officer Compensation”.

### **Other Board Committees**

In addition to the Audit Committee and CCGNC, the Company has a Disclosure Committee and a Technical, Environment, Social and Employees’ Health and Safety Committee (“Technical Committee”).

The Disclosure Committee is comprised of three directors and officers: William Willoughby, CEO & President, Abraham Jonker, CFO, and Bryan Disher, director. The Disclosure Committee is responsible for ensuring that communications to the investing public about the Company are made in accordance with all applicable legal and regulatory requirements, including National Instrument 51-201, “Disclosure Standards”.

The Technical Committee is comprised of three directors: Ken Owen (Chair), Corby Anderson and James Pettit. The Technical Committee assists the Board in fulfilling its responsibilities and to a) ensure that the Company’s management has an effective reporting system in place to fully report to the Board on a regular basis on all aspects of the Company’s exploration, project development and operational plans and programs (“*Technical Programs*”) and to assist the Board to monitor the Company’s actual performance against capital budgets, timelines and Technical Programs; b) review and approve of policies and monitor activities of the Company as they relate to public disclosure made by the Company in respect of its mineral projects and reserves (“*Technical Disclosure*”) to ensure compliance with all applicable regulatory requirements; c) review and approve of environmental policies and monitor activities of the Company as they relate to environmental matters; d) review and approve of social policies and programs of the Company as they relate to social issues affecting communities where the Company is conducting its Technical Programs and activities; and e) review and approve of health and safety policies and monitor the activities of the Company as they relate to the health and safety of employees of the Company in the workplace.

### **Assessments**

The effectiveness of the Board as a whole, any committee of the Board and individual directors is assessed on an ongoing basis by the Board and senior management.

### **Liability Insurance**

The Company has purchased, at its expense, directors’ and officers’ liability insurance for the protection of its directors and officers against liability incurred by them in their capacities as directors and officers of the Company and its subsidiaries.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

Pursuant to the *Business Corporations Act* (British Columbia) and the Canadian Securities Administrators' National Instrument 52-110 *Audit Committees* ("NI-110"), the Company is required to have an audit committee. A copy of the Company's audit committee charter is set out in Appendix A of this Information Circular.

### Composition of the Audit Committee

As at the date of this Information Circular, the following are the members of the Company's audit committee (the "Audit Committee"):

Name	Independent	Financially Literate
Bryan Disher (Chair)	Yes	Yes
Ken Owen	Yes	Yes
Donald Myers	Yes	Yes

### Relevant Education and Experience

The Board has determined that the committee members have the appropriate level of financial understanding and industry specific knowledge to be able to perform the duties of the position. Furthermore, the Board has determined that each member of the Audit Committee is financially literate as defined in NI 52-110.

**Bryan Disher** is an independent director and Chair of the Audit Committee. Mr. Disher also serves as independent director and chair of the audit committee of Registered Plan Private Investments Inc. Mr. Disher was previously independent director and audit committee chair of Minds + Machines Group Limited, independent director and audit committee chair of Balmoral Resources Limited and independent director and audit committee chair of Rubicon Organics Inc. Mr. Disher spent 37 years with PwC, serving as an audit partner on numerous publicly listed companies. Mr. Disher is a Chartered Professional Accountant (CPA, CA).

**Ken Owen** is an independent director and an Audit Committee member. Mr. Owen holds a B.Sc Eng (Mining) (WITS) and M.Sc Minerals Production Management ( Imperial College London ). He has over 40 years experience in senior management and consulting roles, with De Beers Consolidated Mines, Anglo American Plc, and as an associate with SRK Consulting. He served as Technical Director on the Board of Mwana Africa Plc ( 2006-9) and as non-executive director for Firestone Diamonds Plc ( 2015-2020).

**Donald Myers** is an independent director and an Audit Committee member. Mr. Myers has over 30 years of experience in public company management and corporate communications working with companies listed on the TSX Venture Exchange, NASDAQ, and the Toronto Stock Exchange.

As a result of their education and experience, each member of the Audit Committee has familiarity with, an understanding of, or experience in:

- (a) 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) reviewing 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; and
- (c) an understanding of internal controls and procedures for financial reporting.

### Audit Committee Oversight

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

### Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

If and when required, the Company is relying upon the exemption in section 6.1 of NI 52-110, which exempts “venture issuers” from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

### Pre-Approval of Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of the Company’s auditors for non-audit services. Subject to the requirements of NI 52-110, the engagement of the Company’s auditors for non-audit services is considered by and pre-approved by the Audit Committee on a case-by-case basis.

### External Auditor Service Fees

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

The fees billed or billable by the Company’s auditor in each of the last two fiscal years, by category, are as follows:

Fiscal Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2022	\$66,030	Nil	Nil	\$56,175 <sup>(1)</sup>
December 31, 2021	\$22,774	Nil	\$44,660 <sup>(2)</sup>	\$18,605 <sup>(3)</sup>

*(1) Fees related to the review of the Company’s quarterly unaudited financial statements.*

*(2) Fees related the preparation of the Company’s T-2 corporate income tax form.*

*(3) Fees relating to the review of the Company’s Short-Form Prospectus.*

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Election of Directors

At the Meeting, shareholders will be asked to consider and, if thought appropriate, pass an ordinary resolution fixing the number of directors and electing directors for the ensuing year.

The shareholders of the Company last fixed the number of directors at six. The Company currently has six directors and, at the Meeting, shareholders will be asked to fix the number of directors at six and elect six directors.

Each Director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a Director before then. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following sets out the name of each of the persons proposed to be nominated for election as a director; all positions and offices in the Company presently held by him/her; his/her principal occupation, business or



employment (over the past five years, if not a previously elected director), the period during which he/she has served as a director; and the number of common shares that he/she has advised are beneficially owned, or controlled or directed, directly or indirectly, as at the date of this Information Circular.

Name, Place of Residence and Positions with the Company	Principal Occupation, Business or Employment	Director Since	Common Shares Beneficially Owned or Controlled
<b>WILLIAM WILLOUGHBY, Ph.D.</b> <sup>(D)</sup> Idaho, USA <i>CEO, President and a Director</i>	CEO and President of the Company; Owner and Principal of Willoughby & Associates PLLC.	September 12, 2017	2,495,580
<b>JAMES PETTIT</b> <sup>(T)</sup> British Columbia, Canada <i>Director</i>	Senior officer and a director of several TSXV-listed companies.	June 12, 2000	745,100
<b>DONALD MYERS</b> <sup>(A)(C)</sup> British Columbia, Canada <i>Director</i>	Corporate communications professional and a director of several TSXV-listed companies.	September 20, 2005	2,641,000
<b>BRYAN DISHER</b> <sup>(A)(C)(D)</sup> British Columbia, Canada <i>Director</i>	Non-executive director at Registered Plan Private Investments Inc since 2016. Formerly non-executive director of Minds + Machines Group Limited, Rubicon Organics Inc., and Balmoral Resources Limited.	August 26, 2021	10,000
<b>CORBY ANDERSON</b> <sup>(C)(T)</sup> Montana, USA <i>Director</i>	Harrison Western Professor at the Colorado School of Mines since 2009.	July 14, 2023	Nil
<b>KEN OWEN</b> <sup>(A)(T)</sup> Johannesburg, South Africa <i>Director</i>	Independent consulting mining engineer.	October 21, 2021	Nil

(A) Audit Committee member.

(C) CCGCN Member.

(T) Technical Committee Member.

(D) Disclosure Committee Member.

The terms of office for those nominees who are presently Directors will expire as of the date of the Meeting. All of the Directors who are elected at the Meeting will have their term of office expire at the next Annual General Meeting of the Company.

Pursuant to the Advance Notice Policy of the Company adopted by the directors on April 23, 2013, approved by the shareholders on May 29, 2014 and still in effect as at the date hereof, any additional director nominations for the Meeting must be received by the Company on or before **September 30, 2023**, being a date not less than 30 and no more than 65 days prior to the date of the Meeting. As of the date hereof, there were no nominations received.

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

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

The above information was provided by management of the Company.

### **Appointment of Auditor**

The shareholders will be asked to approve the appointment of PricewaterhouseCoopers LLP (“**PwC**”) of Vancouver, British Columbia, as auditor of the Company for the ensuing year, at a remuneration to be fixed by the Board.

**Unless instructed otherwise, the persons named in the accompanying proxy intend to vote FOR the appointment of PwC as auditor of the Company at a remuneration to be fixed by the Board.**

### **Approval of Amended and Restated Long-Term Incentive Plan**

#### *Background*

On September 28, 2021, the Board approved a Long-Term Incentive Plan for the Company (the “**Long-Term Incentive Plan**”) and at the Company’s annual and special meeting of shareholders held October 28, 2021, shareholders approved the Long-Term Incentive Plan.

The Long-Term Incentive Plan is a “rolling” plan under which the maximum number of Shares that are reserved for issuance shall not, at any time, exceed 10% of the Company’s issued and outstanding Shares as at that date. As a result, under Exchange rules, the Long-Term Incentive Plan must re-approved by shareholders each year.

The Long-Term Incentive Plan was re-approved by shareholders on October 28, 2022.

On September 27, 2023, the Board approved an amended and restated version of the Long-Term Incentive Plan (the “**Amended and Restated LTIP**”) in order to incorporate a number of amendments to the Long-Term Incentive Plan intended to ensure that the plan complies with all applicable requirements of Policy 4.4 of the Exchange. The Exchange has conditionally approved the Amended and Restated LTIP. In order to become effective, the Amended and Restated LTIP must be approved by ordinary resolution of the disinterested Shareholders at the Meeting.

#### *Amended and Restated LTIP*

The following table summarizes the key provisions of the Amended and Restated LTIP, which is qualified in its entirety by referenced to the full text of the Amended and Restated LTIP. In some instances, a distinction is made between grants made before or after the Effective Date (the date of adoption of the Long-Term Incentive Plan). A copy of the Amended and Restated LTIP is attached hereto as Schedule B. Capitalized terms that are used in the following summary that are not otherwise defined have the meanings given to them in the Amended and Restated LTIP.

<b>Eligible Participants</b>	For all Awards, any director, officer, employee or consultant of the Company or any subsidiary of the Company who is eligible to receive Awards under the Amended and Restated LTIP.
<b>Types of Awards</b>	Options, PSUs, RSUs and DSUs.

**Number of Securities Issued and Issuable**

The aggregate number of common shares of the Company (the “Shares”) to be reserved and set aside for issue upon the exercise or redemption and settlement for all Awards granted under this Amended and Restated LTIP, together with all other established security-based compensation arrangements of the Company, shall not exceed 10% of the Company’s issued and outstanding Shares as at the date of the applicable grant. In respect of PSUs, the maximum Shares issuable under the grant shall be included in the calculation for such purposes.

**Plan Limits**

When combined with all of the Company’s other previously established security-based compensation arrangements, including the limitation imposed on the maximum number of Shares which may be issued pursuant to the exercise or redemption and settlement of DSUs, PSUs and RSUs set out above, the Amended and Restated LTIP shall not result in the grant:

- to any one person in any 12 month period which could, when exercised, result in the issuance of Shares exceeding five percent (5%) of the issued and outstanding Shares of the Company, calculated at the date of grant, unless the Company has obtained the requisite disinterested shareholder approval to the grant;
- to any one consultant in any 12 month period which could, when exercised, result in the issuance of Shares exceeding 2% of the issued and outstanding Shares of the Company, calculated at the date of grant;
- in any 12 month period, to any Investor Relations Service Provider, which could, when exercised, result in the issuance of Shares exceeding, in aggregate, 2% of the issued and outstanding Shares of the Company, calculated at the date of grant, provided that for so long as the Shares are listed and posted for trading on the Exchange, persons employed or engaged by the Company to perform Investor Relations Activities may not receive any Award other than Options;
- unless the Company has obtained Disinterested Shareholder approval, in any 12 month period, of a number of Shares issued or granted to Insiders exceeding 10% of the issued and outstanding shares of the Company, calculated as at the date any Awards are granted or issued to any Insider; and
- unless the Company has obtained Disinterested Shareholder approval, where the aggregate number of Shares issuable to Insiders at any time exceeds 10% of the issued and outstanding Shares.

**Definition of Market Price**

“Market Price” means at any date in respect of the Shares shall be the volume weighted average trading price of the Shares on the Exchange, for the five (5) trading days immediately preceding the Grant Date (or, if such Shares are not then listed and posted for trading on the Exchange, on such stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board); provided that, for so long as the Shares are listed and posted for trading on the Exchange, the Market Price shall not be less than the Market Price as defined in Policy 1.1; and provided, further, that with respect to an Option granted to a U.S. Taxpayer, such Participant and the number of Shares subject to such Award shall be identified by the Board or a committee of the Board prior to the start of the applicable five (5) trading day period. In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion and, with respect to an Award made to a U.S. Taxpayer, in accordance with Section 409A of the United

States Internal Revenue Code of 1986, as amended from time to time, including any regulations promulgated thereunder.

***Non-Assignability  
and Non-  
Transferability of  
Awards***

Except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding Award pass to a beneficiary or legal representative upon death of a Participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one year from the Participant's death.

***Amending  
Procedures***

**Discretion to Amend the Plan and Awards.** The Board may, subject to any rules of the Exchange and approval rights of the Exchange, amend the Plan or Awards at any time without obtaining shareholder approval, *provided, however*, that no such amendment may materially and adversely affect any Award previously granted to a Participant without the consent of the Participant, except to the extent required by applicable law (including Exchange requirements). Any amendment under this Section shall be subject to all necessary regulatory approvals. Without limiting the generality of the foregoing, but subject to such matters that require shareholder approval as set out under **Amendments Requiring Shareholder Approval**, the Board may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Award;
- (b) making any amendments to add covenants of the Company for the protection of Participants, as the case may be, provided that the Board shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
- (c) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Board shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and directors; or
- (d) making such changes or corrections which, on the advice of counsel to the Company, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Board shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

**Amendments Requiring Shareholder Approval.** Notwithstanding the above, and subject to any rules of the Exchange and approval rights of the Exchange, no amendments to the Plan or Awards to:

- (a) increases the percentage of the Company's issued and outstanding Shares from time to time that can be reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the

Board to make equitable adjustments in the event of transactions affecting the Company or its capital;

- (b) increases or removes the 10% limits on Shares issuable or issued to Insiders;
- (c) reduces the exercise price of an Award (for this purpose, a cancellation or termination of an Award of a Participant prior to its expiry date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option Award) except pursuant to the provisions in the Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (d) extends the term of an Award beyond the original expiry date (except where an expiry date would have fallen within a Blackout Period applicable to the Participant);
- (e) permits an Award to be exercisable beyond 10 years from its Grant Date (except where an expiry date would have fallen within a Blackout Period of the Company);
- (f) increases or removes the limits on the participation of directors;
- (g) permits Awards to be transferred to a Person;
- (h) changes the eligible participants of the Plan;
- (i) is a matter expressly subject to approval of the holders of Shares pursuant to the applicable rules of the Exchange;
- (j) deletes or reduces the range of amendments which require approval of shareholders under this Section 13.2; or
- (k) any other change that requires Disinterested Shareholder approval pursuant to Exchange Policy 4.4,

shall be made without obtaining approval of the shareholders or Disinterested Shareholders, of the Company, as applicable, in accordance with the requirements of the Exchange.

The Company will not provide financial assistance to participants under the Amended and Restated LTIP.

**Financial Assistance**

**Other**

In the event of a change in control, the Board shall have the right, but not the obligation, to permit each participant to exercise all of the participant's outstanding Options and to settle all of the participant's outstanding PSUs, RSUs and DSUs, subject to any required approval of the Exchange and subject to completion of the change in control, and has the discretion to accelerate vesting

The Amended and Restated LTIP further provides that if the expiry date or vesting date of Options is during a blackout period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten trading days following the end of the blackout period, subject to certain requirements of the Exchange, as set out in the Amended and Restated LTIP. In the case of PSUs, RSUs and DSUs, any settlement that is effected during a blackout period shall be in the form of a cash payment.

**Description of Awards**

**A. Stock Options**

<b>Stock Option Terms and Exercise Price</b>	The number of shares subject to each Option grant, exercise price, vesting, expiry date and other terms and conditions are determined by the Board. The exercise price shall in no event be lower than the Market Price of the shares at the date of grant, less any allowable discounts.		
<b>Term</b>	Options shall be for a fixed term and exercisable as determined by the Board, provided that no Option shall have a term exceeding ten years.		
<b>Vesting</b>	All Options granted pursuant to the Amended and Restated LTIP will be subject to such vesting requirements as may be imposed by the Board, with all Options issued to any Investor Relations Service Providers vesting in stages over at least 12 months with no more than 1/4 of the Options vesting in any three-month period.		
<b>Exercise of Option</b>	The participant may exercise Options by payment of the exercise price per share subject to each Option.		
<b>Circumstances Involving Cessation of Entitlement to Participate</b>	<b>Reasons for Vesting Termination</b>		<b>Expiry of Vested Options</b>
	Death	Unvested Options automatically vest as of the date of death.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of death.
	Disability	Unvested Options automatically vest on the date the holder is determined to be disabled.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of disability.
	Retirement	Unvested Options automatically vest on the date of retirement.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of retirement.
	Resignation	Unvested Options as of the date of resignation automatically terminate and shall be forfeited.	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of resignation.  Options granted to Investor Relations Service Providers expire on the scheduled expiry date of the Option and 30 days following the date of resignation, or as otherwise allowed by the Board.
	Termination without Cause/Constructive Dismissal (No Change in Control)	Unvested Options automatically vest as of the termination date.	Options expire on the earlier of scheduled expiry date of the Option and 90 days following the termination date, or as otherwise allowed by the Board.
	Change in Control	Options granted prior to the Effective Date shall vest and become immediately exercisable.	Expiry Date will be at the discretion of the Board.
	Termination with Cause	Options whether vested or unvested as of the	Options whether vested or unvested as of the

		termination date, automatically terminate and shall be forfeited.	termination date, automatically terminate and shall be forfeited.
<b>B. Performance Share Units</b>			
<b>PSU Terms</b>	A PSU is a notional security but, unlike other equity-based incentives, vesting is contingent upon achieving certain performance criteria, thus ensuring greater alignment with the long-term interests of shareholders. The terms applicable to PSUs under the Amended and Restated LTIP (including the performance cycle, performance criteria for vesting and whether dividend equivalents will be credited to a participant's PSU account) are determined by the Board at the time of the grant.		
<b>Vesting</b>	PSUs do not vest, and cannot be paid out (settled), until the completion of the performance cycle. The performance cycle shall in no case end later than December 31 of the calendar year that is three years after the grant date and provided that in all cases, no PSUs may vest before the date that is one year following the Grant Date.		
<b>Settlement</b>	At the grant date, the Board shall stipulate whether the PSUs are paid in cash, shares, or a combination of both, in an amount equal to the Market Value of the notional shares represented by the PSUs in the holders' account.		
<b>C. Restricted Share Units</b>			
<b>RSU Terms</b>	An RSU is a notional security that entitles the recipient to receive cash or shares at the end of a vesting period. The terms applicable to RSUs under the Amended and Restated LTIP (including the vesting schedule and whether dividend equivalents will be credited to a participant's RSU account) are determined by the Board at the time of the grant.		
<b>Credit to RSU Account</b>	As dividends are declared, additional RSUs may be credited to RSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one share on such record date.		
<b>Vesting</b>	RSUs vest upon lapse of the applicable restricted period. For employees, vesting generally occurs in three equal instalments on the first three anniversaries of the grant date. For directors, one third of the Award may be immediately vesting, with the balance vesting equally over the first two anniversaries of the grant date, provided that no RSUs may vest before the date that is one year following the Grant Date.		
<b>Settlement</b>	At the grant date, the Board shall stipulate whether the RSUs are paid in cash, shares, or a combination of both, in an amount equal to the Market Value of the notional shares represented by the RSUs in the holders' account.		
<b>D. Deferred Share Units</b>			
<b>DSU Terms</b>	<p>A DSU is a notional security that entitles the recipient to receive cash or shares upon resignation from the Board (in the case of directors) or at the end of employment. The terms applicable to DSUs under the Amended and Restated LTIP (including whether dividend equivalents will be credited to a participant's DSU account) are determined by the Board at the time of the grant.</p> <p>Typically, DSUs have been granted (i) as a component of a director's annual retainer, or (ii) as a component of an officer's annual incentive grant. The deferral feature strengthens alignment with the long-term interests of shareholders.</p>		

<b>Credit to DSU Account</b>	As dividends are declared, additional DSUs may be credited to DSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one share on such record date.
<b>Vesting</b>	DSUs vest either in accordance with the DSU Award Agreement, or immediately at the time it is credited to the Participant's DSU Account, as applicable, provided that no DSU may vest before the date that is one year following the Grant Date.
<b>Settlement</b>	DSUs may only be settled after the date on which the holder ceases to be a director, officer or employee of the Company. At the grant date, the Board shall stipulate whether the DSUs are paid in cash, shares, or a combination of both, in an amount equal to the Market Value of the notional shares represented by the DSUs in the holders' account.

<b>E. PSUs, RSUs and DSUs</b>		
<b>Circumstances Involving Cessation of Entitlement to Participate</b>	<b>Reason for Termination</b>	
	Death	All outstanding PSUs, RSUs and DSUs shall vest as of the date of death and be available for settlement.
	Retirement or Disability	All outstanding PSUs, RSUs and DSUs that were vested on or before the date of Retirement or Disability shall be available for settlement. All outstanding PSUs, RSUs and DSUs that were not vested on or before the date of Retirement or Disability shall continue to vest in accordance with their terms and, if any such PSUs, RSUs or DSUs vest shall be available for settlement.
	Resignation	Outstanding PSUs, RSUs and DSUs that were vested on or before the date of resignation shall be available for settlement as of the date of resignation, after which time all remaining PSUs, RSUs and DSUs shall in all respects terminate.
	Termination without Cause/Constructive Dismissal (No Change in Control)	Outstanding PSUs, RSUs and DSUs that were vested on or before the termination date shall be available for settlement as of the termination date. Outstanding PSUs, RSUs and DSUs that would have vested on the next vesting date following the termination date shall be available for settlement as of such vesting date. Subject to the foregoing, any remaining PSUs, RSUs and DSUs shall in all respects terminate as of the termination date.
	Change in Control plus Termination without Cause / Constructive Dismissal within 12 months of Change in Control	PSUs, RSUs and DSUs shall vest immediately prior to the termination date and be available for settlement.
	Termination with Cause	Outstanding PSUs, RSUs and DSUs (whether vested or unvested) shall automatically terminate on the termination date and be forfeited.



Any shares subject to an Award which for any reason expires without having been exercised or is forfeited or terminated shall again be available for future Awards under the Amended and Restated LTIP and any shares subject to an Award that is settled in cash and not shares shall again be available for future Awards under the Amended and Restated LTIP.

A total of 8,243,000 Options are outstanding as of the date of this Circular. If the Amended and Restated LTIP is approved, a total of 6,530,955 Awards will be available to be granted, subject to the maximum number of shares that may be issued pursuant to the issue or upon the exercise or redemption and settlement of the DSUs, PSUs and RSUs.

#### Incentive Plan Resolution

At the Meeting, shareholders will be asked to consider, and if deemed appropriate, to approve the following ordinary resolution (the “**Incentive Plan Resolution**”):

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:**

1. Subject to the final acceptance of the TSXV, the Amended and Restated Long-Term Incentive Plan (the “**Incentive Plan**”) of the Company as described in the Company’s Management Proxy Circular for the Annual General Meeting of the Company dated September 29, 2023, is hereby approved and confirmed and the directors and officers of the Company be authorized and directed to perform such acts and deeds and things and execute and deliver on behalf of the Company all such documents, agreements and other writings as may be required, which in his or her opinion he or she deems necessary and in the best interest of the Company, in order to give effect to the true intent of this resolution and notwithstanding the foregoing, the directors of the Company are hereby authorized, without further approval of or notice to the shareholders of the Company, to revoke this ordinary resolution at any time prior to giving effect to the Incentive Plan;
2. Any one director or officer of the Company is authorized, on behalf of the Company, to execute and deliver all other documents and do all such other acts and things as may be necessary or desirable to give effect to the foregoing resolutions.

**The Board has determined that the Amended and Restated LTIP is in the best interests of the Company and unanimously recommends that shareholders vote FOR the Incentive Plan Resolution.**

**Unless instructed otherwise, the persons named in the accompanying proxy intend to vote FOR the Incentive Plan Resolution.**

#### **Amendment of Stock Options**

At the Meeting, Shareholders will be asked to consider, and, if deemed advisable, to approve, with or without amendment, an ordinary resolution of disinterested Shareholders amending the expiry date of 750,000 currently issued and outstanding stock options held by Abraham Jonker, CFO of the Company (the “**Options**”) to May 3, 2026, being the date which is five years following the date on which the Options were originally granted. All other terms of the Options will remain unchanged.

The Options were granted to Mr. Jonker on May 3, 2021 with an exercise price of \$1.25 and original expiry date of May 3, 2024.

The proposed amendment to the Options is subject to Exchange and Disinterested shareholder approval. The Exchange had conditionally approved the proposed amendment to the Options.

At the Meeting, shareholders will be asked to consider, and if deemed appropriate, to approve the following ordinary resolution (the “**Option Amendment Resolution**”):

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:**

1. Subject to the final acceptance of the TSXV, the expiry date of the 750,000 stock options held by Abraham Jonker that were originally issued on May 3, 2021 with an exercise price of \$1.25 be extended from May 3, 2024 to May 3, 2026.
2. Any one director or officer of the Company is authorized, on behalf of the Company, to execute and deliver all other documents and do all such other acts and things as may be necessary or desirable to give effect to the foregoing resolutions.

**The Board has determined that the proposed amendment of the Options is in the best interests of the Company and unanimously recommends that shareholders vote FOR the Option Amendment Resolution.**

**Unless instructed otherwise, the persons named in the accompanying proxy intend to vote FOR the approval of Option Amendment Resolution.**

#### **OTHER MATTERS TO BE ACTED UPON**

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

#### **ADDITIONAL INFORMATION**

Additional Information concerning the Company is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com). Financial Information concerning the Company is provided in the Company's comparative financial statements and management's discussion and analysis for the fiscal year ended December 31, 2022.

Shareholders wishing to obtain a copy of the Company's financial statements and management's discussion and analysis may contact the Company as follows:

CENTURY LITHIUM CORP.  
1610-777 Dunsmuir Street, Vancouver, BC, V7Y 1K4  
Telephone: (604) 687-3376  
E-mail: [info@centurylithium.com](mailto:info@centurylithium.com)

#### **BOARD APPROVAL**

The contents of this Information Circular have been approved and its mailing has been authorized by the Directors of the Company.

DATED at Vancouver, British Columbia, as at September 29, 2023.

#### **ON BEHALF OF THE BOARD**

*/s/ "William Willoughby"*  
**William Willoughby,**  
President & CEO



# CENTURY LITHIUM

## Schedule A

### **CENTURY LITHIUM CORP.** (the "Company")

#### **AUDIT COMMITTEE CHARTER**

The Audit Committee is appointed by the Board of Directors to assist the Board of Directors in its oversight and evaluation of:

- the quality and integrity of the financial statements of the Company,
- the compliance by the Company with legal and regulatory requirements in respect of financial disclosure,
- the qualification, independence and performance of the Company's independent auditor
- the performance of the Company's internal auditor (if applicable),
- the assessment, monitoring and management of the strategic, operational, reporting and compliance risks of the Company's business (the "Risks"), and
- the performance of the Company's Chief Financial Officer.

In addition, the Audit Committee provides an avenue for communication between the independent auditor, the internal auditors, the Company's Chief Financial Officer and other financial senior management, other employees and the Board of Directors concerning accounting, auditing and Risk management matters.

The Audit Committee is directly responsible for the recommendation of the appointment and retention (and termination) and for the compensation and the oversight of the work of the independent auditor (including oversight of the resolution of any disagreements between senior management and the independent auditor regarding financial reporting) for the purpose of preparing audit reports or performing other audit, review or attest services for the Company.

The Audit Committee is not responsible for:

- planning or conducting audits,
- certifying or determining the completeness or accuracy of the Company's financial statements or that those financial statements are in accordance with generally accepted accounting principles. Each member of the Audit Committee shall be entitled to rely in good faith upon:
- financial statements of the Company represented to him or her by senior management of the Company or in a written report of the independent auditor to present fairly the financial position of the Company in accordance with generally accepted accounting principles; and
- any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

"Good faith reliance" means that the Audit Committee member has considered the relevant issues, questioned the information provided and assumptions used, and assessed whether the analysis provided by senior management or the expert is reasonable. Generally, good faith reliance does not require that the member question the honesty, competence and integrity of senior management or the expert unless there is a reason to doubt their honesty, competency and integrity.

The fundamental responsibility for the Company's financial statements and disclosure rests with senior management. It is not the duty of the Audit Committee to conduct investigations, to itself resolve disagreements (if any) between senior management and the independent auditor or to assure compliance with applicable legal and regulatory requirements.

In discharging its obligations under this Charter, the Audit Committee shall act in accordance with its fiduciary duties.

## REPORTS

The Audit Committee shall report to the Board of Directors on a regular basis and, in any event, before the public disclosure by the Company of its annual financial results. The reports of the Audit Committee shall include any issues of which the Audit Committee is aware with respect to the quality or integrity of the Company's financial statements, its compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor and changes in Risks.

The Audit Committee also shall prepare, as required by applicable law, any audit committee report required for inclusion in the Company's publicly filed documents.

## COMPOSITION

The members of the Audit Committee shall be three or more individuals who are appointed (and may be replaced) by the Board of Directors on the recommendation of the Company's Compensation, Corporate Governance and Nominating Committee. The appointment of members of the Audit Committee shall take place annually at the first meeting of the Board of Directors after a meeting of shareholders at which directors are elected, provided that if the appointment of members of the Audit Committee is not so made, the directors who are then serving as members of the Audit Committee shall continue as members of the Audit Committee until their successors are appointed. The Board of Directors may appoint a member to fill a vacancy that occurs in the Audit Committee between annual elections of directors. Any member of the Audit Committee may be removed from the Audit Committee by a resolution of the Board of Directors. Unless the Chair is elected by the Board of Directors, the members of the Audit Committee may designate a Chair by majority vote of the members of the Audit Committee.

Each of the members of the Audit Committee shall meet the Company's Categorical Standards for Determining Independence of Directors and shall be financially literate (or acquire that familiarity within a reasonable period after appointment) in accordance with applicable legislation and stock exchange requirements. No member of the Audit Committee shall:

- accept (directly or indirectly) any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries<sup>1</sup> (other than remuneration for acting in his or her capacity as a director or committee member) or be an "affiliated person" of the Company or any of its subsidiaries, or
- concurrently serve on the audit committee of more than three other public companies without the prior approval of the Board of Directors and their determination that such simultaneous service would not impair the ability of the member to effectively serve on the Audit Committee (which determination shall be disclosed in the Company's annual management information circular).

1 A company is a subsidiary of another company if it is controlled, directly or indirectly, by that other company (through one or more intermediaries or otherwise).

2 An "affiliate" of a person is a person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with the first person.

## RESPONSIBILITIES

### Independent Auditor

The Audit Committee shall:

- Recommend the appointment and the compensation of, and, if appropriate, the termination of the independent auditor, subject to such Board of Directors and shareholder approval as is required under applicable legislation and stock exchange requirements.
- Obtain confirmation from the independent auditor that it ultimately is accountable, and will report directly, to the Audit Committee and the Board of Directors.
- Oversee the work of the independent auditor, including the resolution of any disagreements between senior management and the independent auditor regarding financial reporting.
- Pre-approve all audit and non-audit services (including any internal control-related services) provided by the independent auditor (subject to any restrictions on such non-audit services imposed by applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators).

- Adopt such policies and procedures as it determines appropriate for the pre-approval of the retention of the independent auditor by the Company and any of its subsidiaries for any audit or non-audit services, including procedures for the delegation of authority to provide such approval to one or more members of the Audit Committee.
- Provide notice to the independent auditor of every meeting of the Audit Committee.
- Approve all engagements for accounting advice prepared to be provided by an accounting firm other than independent auditor.
- Review quarterly reports from senior management on tax advisory services provided by accounting firms other than the independent auditor.

#### **Internal Auditor (if applicable)**

The Audit Committee shall:

- Review and approve the internal auditor's audit plan and all major changes to the plan.
- Review and discuss with the internal auditors the scope, progress and results of executing the internal audit plan.
- Review the charter, reporting relationship, activities, staffing, organizational structure and credentials of the internal auditors.
- Review and concur on the appointment, replacement, reassignment or dismissal of the personnel responsible for the internal audit function.
- Review the annual performance of the internal auditors.

#### **The Audit Process, Financial Statements and Related Disclosure**

The Audit Committee shall:

- Meet separately and periodically with senior management, the internal auditor and/or the independent auditor to review and discuss,
  - the planning and staffing of the audit by the independent auditor,
  - before public disclosure, the Company's annual audited financial statements and quarterly financial statements, the Company's accompanying disclosure of Management's Discussion and Analysis and earnings press releases and make recommendations to the Board of Directors as to their approval and dissemination of the annual financial statements and accompanying disclosure,
  - financial information provided to analysts and rating agencies: this review need not be done on a case by case basis but may be done generally (consisting of a discussion of the types of information disclosed and the types of presentations made) and need not take place in advance of the disclosure,
  - any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the selection or application of accounting principles, any major issues regarding auditing principles and practices, and the adequacy of internal controls that could significantly affect the Company's financial statements,
  - all critical accounting policies and practices used,
  - all alternative treatments of financial information within GAAP or IFRS, as applicable that have been discussed with senior management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor,
  - the use of "pro forma" or "adjusted" non-GAAP or non-IFRS, as applicable information,
  - the effect of new regulatory and accounting pronouncements,
  - the effect of any material off-balance sheet structures, transactions, arrangements and obligations (contingent or otherwise) on the Company's financial statements,
  - any disclosures concerning any weaknesses or any deficiencies in the design or operation of internal controls or disclosure controls made to the Audit Committee in connection with certification of forms by the Chief Executive Officer and/or the Chief Financial Officer for filing with applicable securities regulators, and
  - the adequacy of the Company's internal accounting controls and management information systems and its financial, auditing and accounting organizations and personnel (including any

fraud involving an individual with a significant role in internal controls or management information systems) and any special steps adopted in light of any material control deficiencies.

- Review disclosure of financial information extracted or derived from the Company's financial statements.
- Review with the independent auditor,
- the quality, as well as the acceptability of the accounting principles that have been applied,
- any problems or difficulties the independent auditor may have encountered during the provision of its audit services, including any restrictions on the scope of activities or access to requested information and any significant disagreements with senior management, any management letter provided by the independent auditor or other material communication (including any schedules of unadjusted differences) to senior management and the Company's response to that letter or communication, and
- any changes to the Company's significant auditing and accounting principles and practices suggested by the independent auditor or other members of senior management.

### **Enterprise Risk Management**

The Audit Committee will oversee management's identification and monitoring of risks related to financial systems and reporting and recommending strategies to mitigate against such risks.

### **Compliance**

The Audit Committee shall:

- Review with senior management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports, which raise material issues regarding the Company's financial statements or accounting policies.
- Review senior management's written representations to the independent auditor.
- Review with the Company's General Counsel (or, if the Company does not have a General Counsel, its principal external legal advisors) legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
- Establish procedures for
  - the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and
  - the confidential, anonymous submission by employees of the Company with concerns regarding any accounting or auditing matters.

### **Delegation**

To avoid any confusion, the Audit Committee responsibilities identified above are the sole responsibility of the Audit Committee and may not be allocated by the Board of Directors to a different committee without revisions to this Charter.

### **MEETINGS**

The Audit Committee shall meet at least quarterly and more frequently as circumstances require. All members of the Audit Committee should strive to be at all meetings. The Audit Committee shall meet separately, periodically, with senior management, the internal auditor and the independent auditor and may request any member of the Company's senior management or the Company's outside counsel or independent auditor to attend meetings of the Audit Committee or with any members of, or advisors to, the Audit Committee. The Audit Committee will also meet *in camera* at each of its regularly scheduled meetings.

Quorum for the transaction of business at any meeting of the Audit Committee shall be a majority of the number of members of the Audit Committee or such greater number as the Audit Committee shall by resolution determine. The powers of the Audit Committee may be exercised at a meeting at which a quorum of the Audit Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Audit Committee. Each member (including the Chair) is entitled to one (but only one) vote in Audit Committee proceedings.

Meetings of the Audit Committee shall be held from time to time and at such place as a member of the Audit Committee may request upon 48 hours prior notice. The notice period may be waived by a quorum of the Audit Committee.

Except as otherwise provided in this Charter, the Audit Committee may form and delegate authority to individual members and subcommittees of the Audit Committee where the Audit Committee determines it is appropriate to do so.

#### **INDEPENDENT ADVICE**

In discharging its mandate, the Audit Committee shall have the authority to retain (and authorize the payment by the Company of) and receive advice from special legal, accounting or other advisors as the Audit Committee determines to be necessary to permit it to carry out its duties.

#### **ANNUAL EVALUATION**

Annually, or more frequently at the request of the Chief Executive Officer as a result of legislative or regulator changes, the Audit Committee shall, in a manner it determines to be appropriate:

- Conduct a review and evaluation of the performance of the Audit Committee and its members, including the compliance of the Audit Committee with this Charter.
- Review and assess the adequacy of its Charter and recommend to the Board of Directors any improvements to this Charter or the position description that the Audit Committee determines to be appropriate, except for minor technical amendments to this Charter, authority for which is delegated to the Chief Executive Officer, who will report any such amendments to the Board of Directors at its next regular meeting.

**Schedule B**

**CENTURY LITHIUM CORP.**  
(the "Company")

**AMENDED AND RESTATED LONG-TERM INCENTIVE PLAN**



## CENTURY LITHIUM CORP.

### AMENDED AND RESTATED LONG-TERM INCENTIVE PLAN

#### 1. PURPOSE

The purpose of the Plan is (i) to attract, retain and motivate persons of training, experience and leadership as directors, officers, employees and consultants of the Corporation and its subsidiaries, (ii) to advance the long-term interests of the Corporation by providing such persons with the opportunity and incentive, through equity-based compensation, to acquire an ownership interest in the Corporation, and (iii) to promote a greater alignment of interests between such persons and shareholders of the Corporation.

#### 2. DEFINITIONS AND INTERPRETATION

##### 2.1 **Definitions.** For purposes of the Plan, the following words and terms shall have the following meanings:

“**Addendum**” means the addendum for US Taxpayers (as defined in the Addendum) attached hereto as Addendum A - Special Provisions Applicable to US Taxpayers and forming part of the Plan;

“**affiliate**” means an “**affiliated company**” as determined in accordance with the Securities Act and also includes those entities that are similarly related, whether or not any of the entities are corporations, companies, partnerships, limited partnerships, trusts, income trusts or investment trusts or any other organized entity issuing securities;

“**associate**” means an “**associate**” as determined in accordance with the Securities Act;

“**Award**” means an Option, Performance Share Unit, Restricted Share Unit and/or Deferred Share Unit granted under the Plan (as applicable);

“**Award Agreement**” means an Option Award Agreement, a PSU Award Agreement, a RSU Award Agreement and/or a DSU Award Agreement (as applicable);

“**Blackout Period**” means an interval of time during which (a) trading in securities of the Corporation is restricted in accordance with the policies of the Corporation; or (b) the Corporation has otherwise determined that one or more Participants may not trade in securities of the Corporation because they may be in possession of undisclosed material information (as defined under applicable securities laws);

“**Board**” means the board of directors of the Corporation or, if established and duly authorized to act, a committee of the board of directors of the Corporation;

“**Business Day**” means any day, other than Saturday, Sunday or any statutory holiday in the Province of British Columbia, Canada;

“**Canadian Taxpayer**” means a Participant (other than a consultant) liable to pay income taxes in Canada as a result of the receipt of an Award or the settlement thereof;

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

- (a) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its subsidiaries and another corporation or other entity, as a result of which the holders of Shares prior to the completion of the transaction hold less than 50% of the votes attached to all of the outstanding voting securities of the successor corporation or entity after completion of the transaction;
- (b) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
- (c) any person, entity or group of persons or entities acting jointly or in concert (the “**Acquiror**”) acquires, or acquires control (including the power to vote or direct the voting) of, voting securities of the Corporation which, when added to the voting securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or direct the casting of 20% or more of the votes attached to all of the Corporation’s outstanding voting securities which may be cast to elect directors of the Corporation or the successor corporation (regardless of whether a meeting has been called to elect directors);
- (d) the sale, transfer or other disposition of all or substantially all of the assets of the Corporation;
- (e) as a result of or in connection with:
  - (i) the contested election of directors; or
  - (ii) a transaction referred to in paragraph (a) of this definition of “**Change in Control**”,  
  
the nominees named in the most recent management information circular of the Corporation for election to the board of directors of the Corporation shall not constitute a majority of the directors;
- (f) the Board adopts a resolution to the effect that a transaction or series of transactions involving the Corporation or any of its affiliates that has occurred or is imminent is a Change in Control,

and for purposes of the foregoing, “**voting securities**” means the Shares and any other shares entitled to vote for the election of directors, and shall include any securities which are not shares entitled to vote for the election of directors but which are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities;

“**consultant**” has the meaning ascribed to such term in Policy 4.4 of the Exchange Corporate Finance Manual;

“**Corporation**” means Century Lithium Corp., a corporation existing under the laws of British Columbia;

“**Deferred Annual Amount**” has the meaning ascribed thereto in Section 8.1(b);

**“Deferred Share Unit”** or **“DSU”** means a deferred share unit granted in accordance with Section 8.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Deferred Share Unit;

**“Disability”** means a medical condition that would qualify a Participant for benefits under a long-term disability plan of the Corporation or a subsidiary of the Corporation;

**“Disinterested Shareholder Approval”** means approval by a majority of the votes cast by all the Corporation’s shareholders at a duly constituted shareholders’ meeting excluding, as applicable in accordance with policies of the Exchange and the Exchange Corporate Finance Manual, (i) votes attached to shares of the Corporation beneficially owned by Insiders to whom Awards may be granted under the Plan and their associates and affiliates, or (ii) Persons that hold or will hold Awards subject to the grant, issue, or amendment, as the case may be, of Awards and their associates and affiliates;

**“Dividend Equivalents”** means the right, if any, granted under Section 14, to receive payments in cash or in Shares, based on dividends declared on Shares;

**“DSU Account”** has the meaning ascribed thereto in Section 8.3;

**“DSU Award Agreement”** means a written confirmation agreement, substantially in the form of **Schedule D – DSU Award Agreement**, setting out the terms and conditions relating to a Deferred Share Unit and entered into in accordance with Section 8.2;

**“DSU Separation Date”** means, with respect to Deferred Share Units granted to a Participant, the date on which the Participant ceases to be a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation for any reason, without regard to any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law);

**“Effective Date”** means September 28, 2021;

**“Eligible Person”** means any director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation who is eligible to receive Awards under the Plan;

**“Exchange”** means the TSXV or the Toronto Stock Exchange (at such time as the Corporation graduates from the TSXV to the Toronto Stock Exchange) or, if the Shares are no longer listed for trading on the TSXV or the Toronto Stock Exchange, as applicable, such other exchange or quotation system on which the Shares are listed or quoted for trading;

**“Exchange Corporate Finance Manual”** means the corporate finance manual published by the Exchange, as amended from time to time, or if the Shares are no longer listed for trading on the Exchange, the policies of such other exchange or quotation system on which the Shares are listed or quoted for trading;

**“Grant Date”** means the date on which an Award is made to an Eligible Person in accordance with the provisions hereof;

**“Insider”** has the meaning ascribed to such term in Policy 1.1 of the Exchange Corporate Finance Manual provided, however, that at such time as the Corporation graduates from the TSX Venture Exchange to the Toronto Stock Exchange, “Insider” shall have the meaning as set out in the Toronto Stock Exchange Company Manual;

**“Investor Relations Service Provider”** has the meaning ascribed to such term in Policy 1.1 of the Exchange Corporate Finance Manual;

**“Management Corporation Employee”** has the meaning ascribed to such term in Policy 1.1 of the Exchange Corporate Finance Manual;

**“Market Price”** at any date in respect of the Shares shall be the volume weighted average trading price of the Shares on the Exchange, for the five (5) trading days immediately preceding the Grant Date (or, if such Shares are not then listed and posted for trading on the Exchange, on such stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board); provided that, for so long as the Shares are listed and posted for trading on the Exchange, the Market Price shall not be less than the Market Price as defined in Policy 1.1; and provided, further, that with respect to an Option granted to a U.S. Taxpayer, such Participant and the number of Shares subject to such Award shall be identified by the Board or a committee of the Board prior to the start of the applicable five (5) trading day period. In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion and, with respect to an Award made to a U.S. Taxpayer, in accordance with Section 409A of the United States Internal Revenue Code of 1986, as amended from time to time, including any regulations promulgated thereunder;

**“Option”** means an option to purchase Shares granted under Section 5.1;

**“Option Award Agreement”** means a written award agreement, substantially in the form of Schedule A – Option Award Agreement, setting out the terms and conditions relating to an Option and entered into in accordance with Section 5.2;

**“Option Price”** has the meaning ascribed thereto in Section 5.2(a);

**“Participant”** means an Eligible Person selected by the Board to participate in the Plan in accordance with the Plan, or his or her Personal Representatives, as the context requires;

**“Performance Share Unit”** or **“PSU”** means a performance share unit granted in accordance with Section 6.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Performance Share Unit;

**“Person”** means any individual, firm, partnership, limited partnership, limited liability company or partnership, unlimited liability company, joint stock company, association, trust, trustee,

executor, administrator, legal or personal representative, government, governmental body, entity or authority, group, body corporate, corporation, unincorporated organization or association, syndicate, joint venture or any other entity, whether or not having legal personality, and any of the foregoing in any derivative, representative or fiduciary capacity and pronouns have a similar meaning;

**“Personal Representative”** means, in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so;

**“Plan”** means this Long-Term Incentive Plan, as amended or amended and restated from time to time;

**“PSU Account”** has the meaning ascribed thereto in Section 6.3;

**“PSU Award Agreement”** means a written confirmation agreement, substantially in the form of Schedule B – PSU Award Agreement, setting out the terms and conditions relating to a Performance Share Unit and entered into in accordance with Section 6.2;

**“PSU Vesting Date”** means, with respect to Performance Share Units granted to a Participant, the date determined in accordance with Section 6.4, which date, for Canadian Taxpayers, shall not be later than the date referred to in Section 6.2(b);

**“Restricted Share Unit”** or **“RSU”** means a restricted share unit granted in accordance with Section 7.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Restricted Share Unit;

**“Retirement”** means:

- (a) Age 62; or
- (b) Age 55 and 10 years Service; or
- (c) Age plus Service is equal to 70,

Or the Board agrees to treat the Participant as a retiree for the purposes of this Plan. Notwithstanding the foregoing, such a determination by the Board does not extend beyond the purposes of this Plan

**“RSU Account”** has the meaning ascribed thereto in Section 7.3;

**“RSU Award Agreement”** means a written confirmation agreement, substantially in the form of Schedule C – RSU Award Agreement, setting out the terms and conditions relating to a Restricted Share Unit and entered into in accordance with Section 7.2;

“**RSU Vesting Date**” means, with respect to Restricted Share Units granted to a Participant, the date determined in accordance with Section 7.4, which date, for Canadian Taxpayers, shall not be later than the date referred to in Section 7.2(b);

“**Securities Act**” means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof;

“**Security-Based Compensation Plan**” has the meaning given to it in Policy 4.4 of the Exchange Corporate Finance Manual .

“**Service Agreement**” means any written agreement between a Participant and the Corporation or any subsidiary of the Corporation (as applicable), in connection with that Participant’s employment, service or engagement as a director, officer, employee or consultant or the termination of such employment, service or engagement, as amended, replaced or restated from time to time;

“**Shares**” mean common shares of the Corporation;

“**subsidiary**” means a “**subsidiary**” determined in accordance with National Instrument 45-106 - *Prospectus Exemptions*;

“**Termination Date**” means:

- (a) for Awards granted before the Effective Date, the date on which a Participant ceases to be an Eligible Person; and
- (b) for Awards granted on and after the Effective Date, the date on which the Participant ceases to be actively employed by, ceases to actively perform services to, or ceases to be actively engaged by the Corporation and/or any subsidiary of the Corporation (and not, for greater certainty, the date that is the end of any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law)), without regard to whether the Participant continues thereafter to receive any compensatory payments or other amounts from the Corporation or any subsidiary of the Corporation;

“**TSXV**” means the TSX Venture Exchange;

“**U.S. Taxpayer**” shall mean a Participant who, with respect to an Award, is subject to taxation under the applicable U.S. tax laws.]

- 2.2 Headings.** The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.
- 2.3 Construction.** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.
- 2.4 Statutes.** Any reference to a statute, regulation, rule, instrument, or policy statement shall refer to such statute, regulation, rule, instrument, or policy statement as the same may be amended, replaced or re-enacted from time to time.

**2.5 Canadian Funds.** Unless otherwise specifically provided, all references to dollar amounts in the Plan are references to lawful money of Canada. Any amounts paid on exercise or in settlement of an Award shall be paid in Canadian dollars.

**2.6 Addendum.** The following addendum is attached to, forms part of, and shall be deemed to be incorporated in, the Plan:

<b>Addendum</b>	<b>Title</b>
Addendum A	Special Provisions Applicable to US Taxpayers

**2.7 Schedules.** The following schedules are attached to, form part of, and shall be deemed to be incorporated in, the Plan:

<b>Schedule</b>	<b>Title</b>
A	Option Award Agreement (including Schedule 1 - Notice of Exercise of Option)
B	PSU Award Agreement (including Schedule 1 - Notice of Settlement of Performance Share Units)
C	RSU Award Agreement (including Schedule 1 - Notice of Settlement of Restricted Share Units)
D – 1	Deferred Share Unit Election Notice
D – 2	DSU Award Agreement (including Schedule 1 - Notice of Settlement of Deferred Share Units)

### **3. ADMINISTRATION OF THE PLAN**

**3.1** The Plan shall be administered by the Board.

**3.2** 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 or revoke such policies, rules and regulations;
- (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Award awarded pursuant to the Plan, and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;
- (c) to determine the time or times when Awards will be awarded, subject to the requirements of applicable securities laws and regulatory requirements;
- (d) to determine which Eligible Persons should be granted Awards;
- (e) to determine the number of Awards to be awarded to Eligible Persons;

- (f) to determine the term of Awards and the vesting criteria applicable to Awards (including performance vesting, if applicable);
- (g) to determine if Shares which are subject to an Award will be subject to any restrictions upon the exercise or vesting of such Award;
- (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of Awards including the form of Option Award Agreements, RSU Award Agreements, DSU Award Agreements and all ancillary documents and instruments related to the Plan and Awards; and
- (i) subject to Section 13, to make all other determinations under, and such interpretations of, and to take all such other steps and actions in connection with the proper administration of the Plan as it, in its sole discretion, may deem necessary or advisable.

The Board's guidelines, rules, regulation, interpretations and determinations shall be conclusive and binding upon the Corporation and all other Persons.

Prior to its implementation by the Corporation, the Plan is subject to approval by the Exchange.

**3.3 Delegation.** The Board may delegate to any director, officer or employee of the Corporation, including but not limited to a committee of the Board, such of the Board's duties and powers relating to the Plan as the Board may see fit, subject to applicable law.

**3.4 Use of Administrative Agent.** The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer Awards granted under the Plan and to act as trustee to hold and administer the Plan and the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion.

**3.5 Limitation of Liability and Indemnification.** No member of the Board or a Committee of the Board will be liable for any action or determination taken or made in good faith with respect to the Plan or any Awards granted thereunder and each such member shall be entitled to indemnification by the Corporation with respect to any such action or determination in the manner provided for by the Board or a Committee of the Board.

### **3.6 Hold Period**

All Awards and any Shares issued on the exercise of Awards may be subject to and legended with a four month hold period commencing on the date the Awards were granted pursuant to the rules of the Exchange and applicable securities laws. Any Shares issued on the exercise of Awards may be subject to resale restrictions contained in National Instrument 45-102 – Resale of Securities which would apply to the first trade of the Shares. Awards granted to U.S. Award Holders and any Shares issued on the exercise of such Awards may be subject to additional resale restrictions as outlined in the Award Agreement.

## **4. SHARES SUBJECT TO THE PLAN AND PARTICIPATION LIMITS**

**4.1 Shares Subject to Awards.** Subject to adjustment under the provisions of Section 10, the aggregate number of Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all Awards granted under this Plan, together with all other established



Security-Based Compensation Plans of the Corporation, shall not exceed 10% of the Corporation's issued and outstanding common shares as at the date of the grant. In respect of Performance Share Units, the maximum Shares issuable under the grant shall be included in the calculation for purposes of this Section 4.1.

**4.2 Shares Available for Future Grants.** Any Shares subject to an Award which for any reason expires without having been exercised or is forfeited or terminated shall again be available for future Awards under the Plan and any Shares subject to an Award that is settled in cash and not Shares shall again be available for future Awards under the Plan.

**4.3 Participation Limits.** The Plan, when combined with all of the Corporation's other previously established Security Based Compensation Arrangements, including the limitation imposed on the maximum number of Shares which may be issued pursuant to the exercise or redemption and settlement of DSUs, PSUs and RSUs set out in Section 4.1 above, shall not result at any time in the grant of an Award:

- (a) to any one Person in any 12 month period which could, when exercised, result in the issuance of Shares exceeding 5% of the issued and outstanding Shares of the Corporation, calculated at the Award Date, unless the Corporation has obtained the requisite Disinterested Shareholder Approval to the grant;
- (b) to any one Consultant in any 12 month period which could, when exercised, result in the issuance of Shares exceeding 2% of the issued and outstanding Shares of the Corporation, calculated at the Award Date;
- (c) in any 12 month period, to any Investor Relations Service Provider which could, when exercised, result in the issuance of Shares exceeding, in aggregate, 2% of the issued and outstanding Shares of the Corporation, calculated at the Award Date, provided that for so long as the Shares are listed and posted for trading on the Exchange, Investor Relations Service Providers may not receive any Award other than Options;
- (d) unless the Corporation has obtained Disinterested Shareholder approval, where the aggregate number of Shares issuable to Insiders at any time exceeds 10% of the issued and outstanding Shares; and
- (e) unless the Corporation has obtained Disinterested Shareholder approval, in any 12 month period, of a number of Shares issued or granted to Insiders exceeding 10% of the issued and outstanding shares of the Corporation, calculated as at the date any Awards are granted or issued to any Insider.

**4.4 Fractional Shares.** No fractional Shares shall be issued upon the exercise of Options or the settlement of Performance Share Units, Restricted Share Units or Deferred Share Units in Shares, and the Board may determine the manner in which fractional share value shall be treated.

## **5. OPTIONS**

**5.1 Grant.** Options may be granted to Eligible Persons and Management Corporation Employees at such time or times as shall be determined by the Board by resolution. The Grant Date of an Option for purposes of the Plan will be the date on which the Option is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

**5.2 Terms and Conditions of Options.** Options shall be evidenced by an Option Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Shares to which the Options to be awarded to the Participant pertain;
- (b) the exercise price per Share subject to each Option (the “**Option Price**”), which shall in no event be lower than the Market Price at the Grant Date. Options may not be awarded unless and until the Options have been allocated to specific Persons, and then, once allocated, a minimum Option Price can be established;
- (c) the Option’s scheduled expiry date, which shall not exceed ten years from the Grant Date (provided that if no specific determination as to the scheduled expiry date is made by the Board, the scheduled expiry date shall be ten years from the Grant Date); and
- (d) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each Option Award Agreement may contain terms and conditions in addition to those set forth in the Plan.

**5.3 Vesting.** Subject to Section 12, all options granted pursuant to the Plan will be subject to such vesting requirements as may be imposed by the Board or unless otherwise specified in the Participant’s Service Agreement. The Option Award Agreement representing any such Option will disclose any vesting conditions. Notwithstanding the foregoing, Options issued to Investor Relations Service Providers will vest in stages over at least 12 months with no more than 1/4 of the Options vesting in any three month period.

**5.4 Exercise of Option.** Options may be exercised only to the extent vested. Options may be exercised by the Participant by delivering to the Corporation a notice of exercise, substantially in the form attached as “Schedule 1 - Notice of Exercise of Option” attached to the Option Award Agreement, specifying the number of Shares with respect to which the Option is being exercised. Payment of the Option Price may be made in cash, by certified cheque made payable to the Corporation, by wire transfer of immediately available funds, or other instrument acceptable to the Board.

No certificates for Shares so purchased will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance and sale of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the exercise of the Option. For greater certainty, for so long as the Shares are listed and posted for trading on the TSXV, this Section 5.4 shall not be applied in any manner that is inconsistent with any of the requirements of Policy 4.4 of the Exchange Corporate Finance Manual or result in any amendment to the Option Price of any Option. The delivery of certificates representing the Shares to be purchased pursuant to the exercise of an Option will be contingent upon receipt from the Participant by the Corporation of the full purchase price for such Shares and the fulfillment of any other requirements contained in the Option Award Agreement or applicable provisions of laws.

**5.5 Termination of Option Due to Termination of Employment, Service or Engagement.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant’s Service

Agreement or Option Award Agreement, if a Participant's employment, service or engagement terminates in any of the following circumstances, subject to Section 12, Options shall be treated in the manner set forth below (provided that, notwithstanding anything else in this Section 5.5, for so long as the Shares are listed and posted for trading on the TSXV no accelerated vesting of Options held by an Investor Relations Service Provider is permitted without the prior approval of the TSXV):

<b>Reason for Termination</b>	<b>Vesting</b>	<b>Expiry of Option</b>
Death	Unvested Options automatically vest as of the date of death.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of death.
Disability	Unvested Options automatically vest on the date Participant is determined to be disabled.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of Disability.
Retirement	Unvested Options automatically vest on the date of Retirement.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of Retirement.
Resignation	Unvested Options as of the date of resignation automatically terminate and shall be forfeited.	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of resignation.  Options granted to Investor Relations Service Providers expire on the scheduled expiry date of the Option and 30 days following the date of resignation, or as otherwise allowed by the Board.
Termination without Cause/Constructive Dismissal - No Change in Control Involved	Unvested Options automatically vest as of the Termination Date	Options expire on the earlier of scheduled expiry date of the Option and 90 days following the Termination Date, or as otherwise allowed by the Board.
Change in Control	Options shall vest and become immediately exercisable.	Expiry Date to be determined in accordance with Section 12.
Termination with Cause	Options, whether vested or unvested as of the Termination Date, automatically terminate and shall be forfeited.	Options, whether vested or unvested as of the Termination Date, automatically terminate and shall be forfeited.

## 6. PERFORMANCE SHARE UNITS

**6.1 Grant.** Performance Share Units may be granted to Eligible Persons, other than any Investor Relations Service Provider, at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant Date of a

Performance Share Unit for purposes of the Plan will be the date on which the Performance Share Unit is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

**6.2 Terms and Conditions of Performance Share Units.** Performance Share Units shall be evidenced by a PSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Performance Share Units to be awarded to the Participant;
- (b) the performance cycle applicable to each Performance Share Unit, which shall be the period of time between the Grant Date and the date on which the performance criteria specified in Section 6.2(c) must be satisfied before the Performance Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination, which period of time, for Canadian Taxpayers, shall in no case end later than December 31 of the calendar year which is three years after the calendar year in which the Grant Date occurs;
- (c) the performance criteria, which may include criteria based on the Participant's personal performance and/or the performance of the Corporation and/or its subsidiaries, that shall be used to determine the vesting of the Performance Share Units;
- (d) whether and to what extent Dividend Equivalents will be credited to a Participant's PSU Account in accordance with Section 14; and
- (e) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each PSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

**6.3 PSU Accounts.** A separate notional account shall be maintained for each Participant with respect to Performance Share Units granted to such Participant (a "**PSU Account**") in accordance with Section 15.3. Performance Share Units awarded to the Participant from time to time pursuant to Section 6.1 shall be credited to the Participant's PSU Account and shall vest in accordance with Section 6.4. On the vesting of the Performance Share Units pursuant to Section 6.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 6.5, or on the forfeiture or termination of the Performance Share Units pursuant to the terms of the Award, the Performance Share Units credited to the Participant's PSU Account will be cancelled.

**6.4 Vesting.** Subject to Section 12, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant's Service Agreement or PSU Award Agreement, each Performance Share Unit shall vest and shall be settled as at the date that is the end of the performance cycle (which shall be the "**PSU Vesting Date**"), subject to any performance criteria having been satisfied, and provided that in all cases, no PSUs may vest before the date that is one year following the Grant Date.

**6.5 Settlement.**

- (a) The Performance Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as Schedule 1 - Notice of Settlement of Performance Share Units attached to the PSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each vested Performance Share Unit being settled, deliver to the Participant a cash payment equal to the Market Price of one Share as of the PSU Vesting Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the PSU Vesting Date, in the sole discretion of the Board. No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Performance Share Units. For greater certainty, for so long as the Shares are listed and posted for trading on the TSXV, this Section 6.5(a) shall not be applied in any manner that is inconsistent with any of the requirements of Policy 4.4 of the Exchange Corporate Finance Manual. The delivery of certificates representing the Shares to be issued in settlement of Performance Share Units will be contingent upon the fulfillment of any requirements contained in the PSU Award Agreement or applicable provisions of laws.
- (b) A Participant may elect to defer the date of settlement following the PSU Vesting Date by providing written notice to the Corporation of the deferred settlement dates not later than five days prior to the PSU Vesting Date. For greater certainty, for Canadian Taxpayers, in no event shall such deferred settlement date be later than the period of time specified in Section 6.2(b).

**6.6 Termination of Performance Share Unit Due to Termination of Employment, Service or Engagement.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant’s Service Agreement or PSU Award Agreement, if a Participant’s employment, service or engagement terminates in any of the following circumstances, Performance Share Units shall be treated in the manner set forth below:

Reason for Termination	Treatment of Performance Share Units
Death	All outstanding Performance Share Units shall vest as of the date of death and be available for settlement in accordance with Section 6.5.
Retirement or Disability	All outstanding Performance Share Units that were vested on or before the date of Retirement or Disability shall be available for settlement in accordance with Section 6.5 as of the date of Retirement or Disability. All outstanding Performance Share Units that that have not vested as of the date of Retirement or Disability shall continue to vest in accordance with their terms and, if any such Performance Share Units vest shall be available for settlement in accordance with Section 6.5.
Resignation	Outstanding Performance Share Units that were vested on or before the date of resignation shall be available for settlement in accordance with Section 6.5 as of the date of resignation, after which time all remaining unvested Performance Share Units shall in all respects terminate.
Termination	Outstanding Performance Share Units that were vested on or before the Termination

Reason for Termination	Treatment of Performance Share Units
without Cause/Wrongful Dismissal - No Change in Control Involved	Date shall be available for settlement in accordance with Section 6.5 as of the Termination Date. Outstanding Performance Share Units that would have vested on the next vesting date following the Termination Date, shall be available for settlement in accordance with Section 6.5 as of such vesting date. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate as of the Termination Date.
Change in Control and Participant's employment, service or engagement is terminated without Cause within 12 months of Change in Control	All outstanding Performance Share Units shall vest as of termination date and shall be available for settlement in accordance with Section 6.5
Termination of the Participant for Cause	All outstanding Performance Share Units, whether vested or unvested, shall automatically terminate on the Termination Date and be forfeited.

**7. RESTRICTED SHARE UNITS**

**7.1 Grant.** Restricted Share Units may be granted to Eligible Persons, other than any Investor Relations Service Provider, at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant Date of a Restricted Share Unit for purposes of the Plan will be the date on which the Restricted Share Unit is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

**7.2 Terms and Conditions of Restricted Share Units.** Restricted Share Units shall be evidenced by an RSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Restricted Share Units to be awarded to the Participant;
- (b) the period of time between the Grant Date and the date on which the Restricted Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination, which period of time, for Canadian Taxpayers, shall in no case be later than December 31 of the calendar year which is three years after the calendar year in which the Grant Date occurs;
- (c) whether and to what extent Dividend Equivalents will be credited to a Participant's RSU Account in accordance with Section 14;

- (d) in the case of a Canadian Taxpayer, in respect of each Restricted Share Unit that may be awarded under the RSU Award Agreement, the year in which the services to which the Restricted Share Unit relates were rendered; and
- (e) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each RSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan and, if applicable, the Addendum. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

**7.3 RSU Accounts.** A separate notional account shall be maintained for each Participant with respect to Restricted Share Units granted to such Participant (an “**RSU Account**”) in accordance with Section 15.3. Restricted Share Units awarded to the Participant from time to time pursuant to Sections 7.1 shall be credited to the Participant’s RSU Account and shall vest in accordance with Section 7.4. On the vesting of the Restricted Share Units pursuant to Section 7.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 7.5, or on the forfeiture or termination of the Restricted Share Units pursuant to the terms of the Award, the Restricted Share Units credited to the Participant’s RSU Account will be cancelled.

**7.4 Vesting.** Subject to Section 12, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant’s Service Agreement or RSU Award Agreement, each Restricted Share Unit shall vest and shall be settled when all applicable restrictions shall have lapsed (which shall be the “**RSU Vesting Date**”). Unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant’s Service Agreement or RSU Award Agreement, each Restricted Share Unit shall vest and shall be settled in three approximately equal instalments on the first three anniversaries of the Grant Date, provided that no RSUs may vest before the date that is one year following the Grant Date.

**7.5 Settlement.**

- (a) The Restricted Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as Schedule 1 - Notice of Settlement of Restricted Share Units attached to the RSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each vested Restricted Share Unit being settled, deliver to the Participant a cash payment equal to the Market Price of one Share as of the RSU Vesting Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the RSU Vesting Date, in the sole discretion of the Board.<sup>1</sup> No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Restricted Share Units. For greater certainty, for so long as the Shares are listed and posted for trading on the TSXV, this Section 7.5(a) shall not be applied in any manner that is inconsistent with any of the requirements of Policy 4.4 of the Exchange Corporate Finance Manual. The delivery of certificates representing the

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<sup>1</sup> For Participants who are US Taxpayers, settlements shall take place in accordance with such further limitations as may be prescribed by the Addendum.

Shares to be issued in settlement of Restricted Share Units will be contingent upon the fulfillment of any requirements contained in the RSU Award Agreement or applicable provisions of laws.

- (b) For greater certainty, for Canadian Taxpayers, in no event shall such settlement be later than the period of time specified in Section 7.2(b).

**7.6 Termination of Restricted Share Unit Due to Termination of Employment, Service or Engagement.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant’s Service Agreement or RSU Award Agreement, if a Participant’s employment, service or engagement terminates in any of the following circumstances, Restricted Share Units shall be treated in the manner set forth below:

Reason for Termination	Treatment of Restricted Share Units
Death	All outstanding Restricted Share Units shall vest as of the date of death and be available for settlement in accordance with Section 7.5.
Retirement or Disability	All outstanding Restricted Share Units that were vested on or before the date of Retirement or Disability shall be available for settlement in accordance with Section 6.5 as of the date of Retirement or Disability. All outstanding Restricted Share Units that that have not vested as of the date of Retirement or Disability shall continue to vest in accordance with their terms and, if any such Restricted Share Units vest shall be available for settlement in accordance with Section 7.5.
Resignation	Outstanding Restricted Share Units that were vested on or before the date of resignation shall be available for settlement in accordance with Section 7.5 as of the date of resignation, after which time all remaining unvested Restricted Share Units shall in all respects terminate.
Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding Restricted Share Units that were vested on or before the Termination Date shall be available for settlement in accordance with Section 7.5 as of the Termination Date. Outstanding Restricted Share Units that would have vested on the next vesting date following the Termination Date, shall be available for settlement in accordance with Section 7.5 as of such vesting date. Subject to the foregoing, any remaining Restricted Share Units shall in all respects terminate as of the Termination Date.
Change in Control and Participant’s employment, service or engagement is terminated without Cause within 12 months of Change in Control	All outstanding Restricted Share Units shall vest as of termination date and shall be available for settlement in accordance with Section 7.5.



Reason for Termination	Treatment of Restricted Share Units
Termination of the Participant for Cause	All outstanding Restricted Share Units, whether vested or unvested, shall automatically terminate on the Termination Date and be forfeited.



**8. DEFERRED SHARE UNITS**

**8.1 Grant.**

- (a) **Discretionary Deferred Share Units.** Deferred Share Units may be granted to Eligible Persons, other than any Investor Relations Service Provider, at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant Date of a Deferred Share Unit for purposes of the Plan will be the date on which the Deferred Share Unit is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.
- (b) **Mandatory or Elective Deferred Share Units.** In addition to the foregoing, on fixed dates established by the Board and subject to such terms and conditions and other procedures as the Board shall determine, pursuant to recommendations of the Board, the Board may require a Participant to defer, or may permit a Participant to elect to defer, receipt of all or a portion of the following amounts payable by the Corporation or any subsidiary of the Corporation:
  - (i) Director's Retainer - in the case of a member of the Board who is not also an officer or employee of the Corporation, an amount equal to all or a portion of his or her annual directors' retainer payable on account of his or her services as a member of the Board (which amount shall not include committee chairperson

retainers, committee members retainers, Board or committee meeting fees, or special remuneration for ad hoc services rendered to the Board); or

- (ii) Officers' and Employees' Annual Incentive - in the case of an officer or employee of the Corporation or any subsidiary of the Corporation, an amount equal to all or a portion of his or her annual incentive bonus for a calendar year,

(the “**Deferred Annual Amount**”), and receive in lieu thereof an Award of Deferred Share Units equal to the greatest whole number which may be obtained by dividing (i) the amount of the Deferred Annual Amount, by (ii) the Market Price of one Share on the date of payment of such Deferred Annual Amount. For elective Deferred Share Units, the form of election shall be substantially in the form of the form of “Schedule D - 1 - DSU Election Notice”.

**8.2 Terms and Conditions of Deferred Share Units.** Deferred Share Units shall be evidenced by a DSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Deferred Share Units to be awarded to the Participant;
- (b) for Deferred Share Units awarded under Section 8.1(a):
  - (i) the period of time between the Grant Date and the date on which the Deferred Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination, subject to Section 8.5(b) for Canadian Taxpayers;
  - (ii) any performance criteria, which may include criteria based on the Participant’s personal performance and/or the financial performance of the Corporation and/or its subsidiaries, that may be used to determine the vesting of the Deferred Share Units (if applicable); and
  - (iii) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters;
- (c) in the case of Deferred Share Units awarded to a Canadian Taxpayer, such terms and conditions as may be necessary to meet the requirements of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada); and
- (d) in the case of Deferred Share Units awarded to a US Taxpayer, such terms and conditions as may be necessary to meet the requirements of US Code Section 409A (as defined in the Addendum).

For greater certainty, each DSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan and, if applicable, the Addendum. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

**8.3 DSU Accounts.** A separate notional account shall be maintained for each Participant with respect to Deferred Share Units granted to such Participant (a “**DSU Account**”) in accordance

with Section 15.3. Deferred Share Units awarded to the Participant from time to time pursuant to Section 8.1 shall be credited to the Participant's DSU Account and shall vest in accordance with Section 8.4. On the vesting of the Deferred Share Units pursuant to Section 8.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 8.5, or on the forfeiture and termination of the Deferred Share Units pursuant to the terms of the Award, the Deferred Share Units credited to the Participant's DSU Account will be cancelled.

**8.4 Vesting.** Subject to Section 12, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant's Service Agreement or DSU Award Agreement:

- (a) each Deferred Share Unit awarded under Section 8.1(a) shall vest in accordance with the DSU Award Agreement; and
- (b) each Deferred Share Unit awarded under Section 8.1(b) shall immediately vest at the time it is credited to the Participant's DSU Account;

provided that no DSUs may vest before the date that is one year following the Grant Date.

**8.5 Settlement.**

- (a) The Deferred Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as "Schedule 1 - Notice of Settlement of Deferred Share Units" attached to the DSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each such vested Deferred Share Unit, deliver to the Participant a cash payment equal to the Market Price of one Share as of the DSU Separation Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the DSU Separation Date, in the sole discretion of the Board. No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Deferred Share Units. For greater certainty, for so long as the Shares are listed and posted for trading on the TSXV, this Section 8.5(a) shall not be applied in any manner that is inconsistent with any of the requirements of Policy 4.4 of the Exchange Corporate Finance Manual. The delivery of certificates representing the Shares to be issued in settlement of Deferred Share Units will be contingent upon the fulfillment of any requirements contained in the DSU Award Agreement or applicable provisions of laws.
- (b) Notwithstanding the foregoing, all settlements of Deferred Share Units granted to a Participant who is a Canadian Taxpayer shall take place (i) after the DSU Separation Date; and (ii) by December 31 of the first calendar year that commences after such time.

**8.6 Termination of Deferred Share Unit Due to Termination of Employment, Service or Engagement.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant's Service Agreement or DSU Award Agreement, if a Participant's employment, service or engagement terminates in any of the following circumstances, Deferred Share Units shall be treated in the manner set forth below:

Reason for Termination	Treatment of Deferred Share Units
Death	All outstanding Deferred Share Units shall vest as of the date of death and be available for settlement in accordance with Section 7.5.
Retirement or Disability	All outstanding Deferred Share Units that were vested on or before the date of Retirement or Disability shall be available for settlement in accordance with Section 6.5 as of the date of Retirement or Disability. All outstanding Deferred Share Units that have not vested as of the date of Retirement or Disability shall continue to vest in accordance with their terms and, if any such Deferred Share Units vest shall be available for settlement in accordance with Section 7.5.
Resignation	Outstanding Deferred Share Units that were vested on or before the date of resignation shall be available for settlement in accordance with Section 7.5 as of the date of resignation, after which time all remaining unvested Deferred Share Units shall in all respects terminate.
Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding Deferred Share Units that were vested on or before the Termination Date shall be available for settlement in accordance with Section 7.5 as of the Termination Date. Outstanding Deferred Share Units that would have vested on the next vesting date following the Termination Date, shall be available for settlement in accordance with Section 7.5 as of such vesting date. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the Termination Date.
Change in Control and Participant's employment, service or engagement is terminated without Cause within 12 months of Change in Control	All outstanding Deferred Share Units shall vest as of termination date and shall be available for settlement in accordance with Section 7.5.
Termination of the Participant for Cause	All outstanding Deferred Share Units, whether vested or unvested, shall automatically terminate on the Termination Date and be forfeited.

**9. NON-ASSIGNABILITY AND NON-TRANSFERABILITY OF AWARDS**

Except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the

same, such Awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding Award pass to a beneficiary or legal representative upon death of a Participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one year from the Participant's death.

## **10. ADJUSTMENTS**

- 10.1** Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Board will, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.
- 10.2** In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number and/or type of Shares that may be acquired on the vesting of outstanding Awards or by reference to which such Awards may be settled (as applicable), and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Board will, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.
- 10.3** If at any time the Corporation grants to its shareholders the right to subscribe for and purchase pro rata additional securities of any other corporation or entity, there shall be no adjustments made to the Shares or other securities subject to an Award in consequence thereof and the Awards shall remain unaffected.
- 10.4** The adjustments provided for in this Section 10 shall be cumulative.
- 10.5** On the happening of each and every of the foregoing events, the applicable provisions of the Plan shall be deemed to be amended accordingly and the Board shall take all necessary action so as to make all necessary adjustments in the number and kind of securities subject to any outstanding Award (and the Plan) and, with respect to Options, the Option Price.

## **11. PRIORITY OF AGREEMENTS**

- 11.1 Priority of Agreements.** In the event of any inconsistency or conflict between the provisions of a Participant's Award Agreement and the Plan, the provisions of the Plan shall prevail with respect to such Participant. In the event of any inconsistency or conflict between the provisions of (i) the Plan and/or a Participant's Award Agreement, and (ii) a Participant's Service Agreement, the provisions of the Participant's Service Agreement shall prevail with respect to such Participant unless the terms of the Participant's Service Agreement would either (i) cause a violation of US Code 409A in respect of a US Taxpayer (as defined in the Addendum) or (ii) cause the Plan to be a "salary deferral arrangement" as defined in the *Income Tax Act* (Canada) in respect of a Participant that is a Canadian Taxpayer, in which case the terms of the Plan shall prevail.

**11.2 Vesting and Termination Provisions in Service Agreements.** In the event that a Participant's Service Agreement contains provisions respecting the vesting of the dates upon which any or all outstanding Awards shall be exercisable or settled, without regard to whether such Awards have otherwise vested in accordance with their terms, or provisions respecting the expiry, forfeiture and termination of such Awards, the vesting or expiry, forfeiture and termination of such Awards, as applicable, shall be governed by the terms and conditions of the Participant's Service Agreement with respect to such Participant.

## **12. CHANGE IN CONTROL - TREATMENT OF AWARDS**

**12.1 Change in Control.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant's Service Agreement or Award Agreement, if a Change in Control shall conclusively be deemed to have occurred, then there shall be immediate full vesting of each outstanding Award granted subject to any required approval of the Exchange, which may be exercised and settled, in whole or in part, even if such Award is not otherwise exercisable or vested by its terms.

In addition, if the Board determines that a Change of Control is imminent the Board, in its discretion, may authorize and implement any one or more of the following additional courses of action:

- (a) terminate without any payment or consideration, any Awards not exercised, settled or surrendered by the effective time of the Change of Control;
- (b) cause the Corporation to offer to acquire from each Award holder his or her Awards for a cash payment, and any Awards not so acquired, surrendered or exercised by the effective time of the Change of Control will be deemed to have expired; and
- (c) cause an option granted under this Plan to be exchanged for an option to acquire for the same exercise price, the number and type of securities as would be distributed to the Option holder in respect of the Shares to be issued to the Option holder had he or she exercised the Option prior to the effective time of the Change of Control, provided that any such replacement option must provide that it survives for a period of not less than one year from the effective time of the Change of Control regardless of the continuing directorship, officership or employment of the holder.

**12.2 Change in Control.** Notwithstanding Section 12.1, in the event of a Change in Control, the Board shall have the right, but not the obligation, and without the consent of any Participant, to permit each Participant, within a specified period of time prior to the completion of the Change in Control as determined by the Board, to exercise all of the Participant's outstanding Options and to settle all of the Participant's outstanding Performance Share Units, Restricted Share Units and Deferred Share Units (to the extent then vested and exercisable, including by reason of acceleration by the Board pursuant to Section 12.3 or in accordance with the Award Agreement) but subject to and conditional upon the completion of the Change in Control and any required approval of the Exchange.

**12.3 Discretion to Accelerate Awards.** Notwithstanding Section 12.1, and subject to any required approval of the Exchange, in the event of a Change in Control, the Board may accelerate the dates upon which any or all outstanding Awards shall vest and be exercisable or settled, without regard to whether such Awards have otherwise vested in accordance with their terms.

- 12.4 Termination of Awards on Change in Control.** Subject to and conditional upon completion of the Change in Control event, the Plan and all outstanding Awards, vested and unvested, shall be deemed to be terminated, without further act or formality, except to the extent required under Sections 12.1 and 16.1, if applicable.
- 12.5 Further Assurances on Change in Control.** The Participant shall execute such documents and instruments and take such other actions, including exercise or settlement of Awards vesting pursuant to Section 12.2 or the Award Agreement, as may be required consistent with the foregoing; provided, however, that the exercise or settlement of Awards vesting pursuant to Section 12.2 or the Award Agreement shall be subject to the completion of the Change in Control event.
- 12.6 Awards Need Not be Treated Identically.** In taking any of the actions contemplated by this Section 12, the Board shall not be obligated to treat all Awards held by any Participant, or all Awards in general, identically.
- 12.7 Canadian Taxpayer.** In the case of a Deferred Share Unit held by a Participant that is a Canadian Taxpayer, and subject to any further limitations provided in any Award Agreement, (i) no payment settlement shall be made to the Participant under this Section 12 until after the time that the Participant ceases to be a Director of the Corporation or any subsidiary of the Corporation / an Employee or consultant of the Corporation or any subsidiary of the Corporation for any reason, without regard to any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law); and (ii) all settlements to such Participant under this Section 12 shall be made by December 31 of the first calendar year that commences after such time.

### **13. AMENDMENT, SUSPENSION OR TERMINATION OF PLAN AND AWARDS**

- 13.1 Discretion to Amend the Plan and Awards.** The Board may, subject to any rules of the Exchange and approval rights of the Exchange, amend the Plan or Awards at any time without obtaining shareholder approval, *provided, however*, that no such amendment may materially and adversely affect any Award previously granted to a Participant without the consent of the Participant, except to the extent required by applicable law (including Exchange requirements). Any amendment under this Section shall be subject to all necessary regulatory approvals. Without limiting the generality of the foregoing, but subject to Section 13.2, the Board may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:
- (a) making any amendments to the general vesting provisions of each Award;
  - (b) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Board shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
  - (c) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Board shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and directors;  
or

- (d) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Board shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

**13.2 Amendments Requiring Shareholder Approval.** Notwithstanding Section 13.1 and subject to any rules of the Exchange and approval rights of the Exchange, no amendments to the Plan or Awards to:

- (a) increases the percentage of the Corporation's issued and outstanding Shares from time to time that can be reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increases or removes the 10% limits on Shares issuable or issued to Insiders as set forth in Subsections 4.3(d) and 4.3(e);
- (c) reduces the exercise price of an Award (for this purpose, a cancellation or termination of an Award of a Participant prior to its expiry date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option Award) except pursuant to the provisions in the Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (d) extends the term of an Award beyond the original expiry date (except where an expiry date would have fallen within a Blackout Period applicable to the Participant);
- (e) permits an Award to be exercisable beyond 10 years from its Grant Date (except where an expiry date would have fallen within a Blackout Period of the Corporation);
- (f) increases or removes the limits on the participation of directors;
- (g) permits Awards to be transferred to a Person;
- (h) changes the eligible participants of the Plan;
- (i) is a matter expressly subject to approval of the holders of Shares pursuant to the applicable rules of the Exchange;
- (j) deletes or reduces the range of amendments which require approval of shareholders under this Section 13.2; or
- (k) any other change that requires Disinterested Shareholder approval pursuant to Policy 4.4 of the Exchange Corporate Finance Manual,

shall be made without obtaining approval of the shareholders or Disinterested Shareholders, of the Corporation, as applicable, in accordance with the requirements of the Exchange.

**13.3 Amendment, Suspension or Discontinuance.** No amendment, suspension or discontinuance of the Plan or of any Award may contravene the requirements of the Exchange or any securities commission or other regulatory body to which the Plan or the Corporation is now or may hereafter be subject to. Termination of the Plan shall not affect the ability of the Board to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.



**13.4 Tax Provisions.** Notwithstanding the foregoing:

- (a) no amendment to the Plan shall cause the Plan or Performance Share Units, Restricted Share Units or Deferred Share Units granted to a Canadian Taxpayer hereunder to be made without the consent of such Canadian Taxpayer if the result of such amendment would be to cause the Performance Share Units, Restricted Share Units or Deferred Share Units to be a “salary deferral arrangement” under the *Income Tax Act* (Canada); and
- (b) no amendment to the Plan shall cause the Plan or Deferred Share Units granted to a Canadian Taxpayer hereunder to cease to meet the conditions of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada) without the consent of such Canadian Taxpayer.

For greater certainty, for so long as the Shares are listed and posted for trading on the TSXV, this Section 13.4 shall not be applied in any manner that is inconsistent with any of the requirements of Policy 4.4 of the Exchange Corporate Finance Manual or result in any amendment to the Option Price of any Option.

**14. DIVIDEND EQUIVALENTS**

The Board may determine whether and to what extent Dividend Equivalents will be credited to a Participant’s PSU Account, RSU Account and DSU Account with respect to Awards of Performance Share Units, Restricted Share Units or Deferred Share Units. Dividend Equivalents to be credited to a Participant’s PSU Account, RSU Account or DSU Account shall be credited as follows:

- (a) any cash dividends or distributions credited to the Participant’s PSU Account, RSU Account or DSU Account shall be deemed to have been invested in additional Performance Share Units, Restricted Share Units or Deferred Share Units, as applicable, on the record date established for the related dividend or distribution in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date by (ii) the Market Price of one Share on such record date, and such additional Performance Share Units, Restricted Share Unit or Deferred Share Unit, as applicable, shall be subject to the same terms and conditions as are applicable in respect of the Performance Share Unit, Restricted Share Unit or Deferred Share Unit, as applicable, with respect to which such dividends or distributions were payable; and
- (b) if any such dividends or distributions are paid in Shares or other securities, such Shares and other securities shall be subject to the same vesting, performance and other restrictions as apply to the Performance Share Units, Restricted Share Units or Deferred Share Unit, as applicable, with respect to which they were paid.

No Dividend Equivalent will be credited to or paid on Awards of Performance Share Units, Restricted Share Units or Deferred Share Units that have expired or that have been forfeited or terminated.

For clarity, any Dividend Equivalents granted shall be included in calculating the limits set forth in Section 4.

## 15. MISCELLANEOUS

- 15.1 No Rights as a Shareholder.** Nothing contained in the Plan nor in any Award granted hereunder shall be deemed to give any Person any interest or title in or to any Shares or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation whatsoever with respect to Shares issuable pursuant to an Award until such Person becomes the holder of record of Shares.
- 15.2 Employment.** Nothing contained in the Plan shall confer upon any Participant any right with respect to employment or continued employment or the right to continue to serve as a Director or a consultant as the case may be, or interfere in any way with the right of the Corporation to terminate such employment or service at any time. Participation in the Plan by an Eligible Person is voluntary. The Corporation and the Participant shall be responsible for ensuring and confirming that the Participant is a bona fide director, officer, Employee, Consultant or Management Corporation Employee, as the case may be.
- 15.3 Record Keeping.** The Corporation shall maintain appropriate registers in which shall be recorded all pertinent information with respect to the granting, amendment, exercise, vesting, expiry, forfeiture and termination of Awards. Such registers shall include, as appropriate:
- (a) the name and address of each Participant;
  - (b) the number of Awards credited to each Participant's account;
  - (c) any and all adjustments made to Awards recorded in each Participant's account; and
  - (d) such other information which the Corporation considers appropriate to record in such registers.
- 15.4 Income Taxes.** As a condition of and prior to participation in the Plan, an Eligible Person shall authorize the Corporation in written form to withhold from any payment otherwise payable to such Eligible Person any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of such participation in the Plan, the issuance of any Shares pursuant to the Plan or the settlement in cash and/or Shares of any Awards under the Plan. In addition, as a condition for the exercise of an Option, the Corporation may require a Participant to deliver to the Corporation all or a portion of the taxes required to be withheld or remitted by the Corporation under the *Income Tax Act* (Canada) and any applicable Canadian provincial taxation statute as a result of the exercise of the Option. For greater certainty, for so long as the Shares are listed and posted for trading on the TSXV, this Section 15.4 shall not be applied in any manner that is inconsistent with any of the requirements of Policy 4.4 of the Exchange Corporate Finance Manual or result in any amendment to the Option Price of any Option.
- 15.5 No Representation or Warranty.** The Corporation makes no representation or warranty as to the future market value of any Shares issued pursuant to the Plan.
- 15.6 Direction to Transfer Agents.** Upon receipt of a certificate of an authorized officer of the Corporation directing the issue of Shares issuable under the Plan, the transfer agent of the Corporation is authorized and directed to issue and countersign share certificates for the Shares subject to the applicable Award in the name of such Participant or as may be directed in writing by the Participant.

**15.7 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 Awards 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.

**16. TERM OF AWARD, EXPIRY, FORFEITURE AND TERMINATION OF AWARDS / BLACKOUT PERIODS**

**16.1 Expiry, Forfeiture and Termination of Awards.** If for any reason an Award expires without having been exercised or is forfeited or terminated, and subject to any extension thereof in accordance with the Plan, such Award shall forthwith expire and be forfeited and shall terminate and be of no further force or effect.

**16.2 Blackout Periods.** Notwithstanding any other provision of the Plan, except as provided in Section 2.2 of the Addendum, if the expiry date or vesting date of an Award, other than a Performance Share Unit, Restricted Share Unit or Deferred Share Unit awarded to a Canadian Taxpayer, as applicable, is during a Blackout Period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten Trading Days following the end of the Blackout Period, provided that the following requirements are satisfied:

- (a) the Blackout Period must be formally imposed by the Corporation pursuant to its internal trading policies;
- (b) the Blackout Period must expire upon the general disclosure of the undisclosed Material Information; and
- (c) the automatic extension of a Participant's Award will not be permitted where the Participant or the Corporation is subject to a cease trade order (or similar order under securities laws) in respect of the Corporation's securities.

In the case of a Performance Share Unit, Restricted Share Unit or Deferred Share Unit awarded to a Canadian Taxpayer or US Taxpayer (as defined in the Addendum), any settlement that is effected during a Blackout Period in order to comply with Section 13.4 in the case of a Canadian Taxpayer or the Addendum in the case of a US Taxpayer shall (subject to the requirements of applicable law) be settled in cash, notwithstanding any other provision hereof.

**17. GOVERNING LAW**

The Plan shall be construed in accordance with and be governed by the laws of British Columbia and shall be deemed to have been made therein.

**18. REGULATORY AND SHAREHOLDER APPROVAL**

**18.1** The Plan shall be subject to the approval of any relevant regulatory authority whose approval is required. Any Awards granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Awards may be exercised or shall vest unless such approval and acceptance is given.

**18.2** The Plan shall be subject to the approval of the shareholders of the Corporation (or if required, Disinterested Shareholder Approval) to be sought at the Corporation's next duly called annual general meeting.

**19. EFFECTIVE DATE OF THE PLAN**

The Plan is dated with original effect as of the Effective Date as on September 28, 2021. For greater certainty, the Plan amends and restates, in its entirety, the Long-Term Incentive Plan approved by the Board on September 28, 2021.

## ADDENDUM A

### SPECIAL PROVISIONS APPLICABLE TO US TAXPAYERS

This Addendum sets forth special provisions of the Plan that apply to US Taxpayers (as defined below) and forms part of the Plan. All capitalized terms, to the extent not otherwise defined herein, shall have the meanings set forth in the Plan.

#### 1. DEFINITIONS

##### 1.1 For the purposes of this Addendum:

“**Change of Control**” has the meaning ascribed to that term in US Code Section 409A;

“**Disability**” means “disability” as defined in US Code Section 409A;

“**Fair Market Price**” shall be last closing price of the Issuer’s Shares before either the issuance of a press release or the filing with the Exchange of a price reservation form (Form A) required to fix the price at which the Shares are to be issued, less any applicable discount or, if the Shares are not listed on the Exchange, on such other principal stock exchange or over-the-counter market on which the Shares are listed or quoted, as the case may be. If the Shares are not publicly traded or quoted, then the “**Fair Market Price**” shall be the fair market value of the Shares, as determined by the Board, on the Grant Date. In the resolution allocating any Option, the Board may determine that the Grant Date shall be a future date determined in the manner specified in such resolution, in which case, for the purpose of this definition, “**Fair Market Price**” shall be deemed to be the last closing price of the Issuer’s Shares before either the issuance of a press release or the filing with the Exchange of a price reservation form (Form A) required to fix the price at which the Shares are to be issued, less any applicable discount, or, if the Shares are not listed on the Exchange, on such other principal stock exchange or over-the-counter market on which the Shares are listed or quoted, as the case may be, or, if the Shares are not publicly traded or quoted, then the “Market Price” shall be the fair market value of the Shares, as determined by the Board, on the Grant Date; and “**Fair Market Price**” with respect to a Non-Qualified Stock Option will be the fair market value determined by the reasonable application of a reasonable valuation method, within the meaning of US Code Section 409A;

“**Incentive Stock Option**” means any Award designated and qualified as an “incentive stock option” as defined in Section 422 of the US Code;

“**Non-Qualified Stock Option**” means any Award that is not an Incentive Stock Option;

“**Separation From Service**” shall mean that employment with the Corporation and any entity that is to be treated as a single employer with the Corporation for purposes of United States Treasury Regulation Section 1.409A-1(h) terminates such that it is reasonably anticipated that no further services will be performed;

“**Specified Employee**” means a US Taxpayer who meets the definition of “specified employee,” as defined in Section 409A(a)(2)(B)(i) of the US Code;

“**subsidiary corporation**” means “subsidiary corporation” as defined in Section 424(f) of the US Code;

“**Ten Percent Owner**” means a US Taxpayer who, at the time an Award is granted, owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the US Code) more than 10% of the total combined voting power of all classes of stock of the Corporation or any parent or subsidiary corporation, within the meaning of Section 422(b)(6) of the US Code;

“**US Code**” means the United States *Internal Revenue US Code of 1986* and any applicable United States Treasury Regulations and other binding regulatory guidance thereunder;

“**US Code Section 409A**” means Section 409A of the US Code and the regulations and other guidance promulgated thereunder;

“**US Code Section 409A Award**” means an Award that is “nonqualified deferred compensation” within the meaning of US Code Section 409A;

“**US Exchange Act**” means the *Securities Exchange Act of 1934*, and the rules and regulations thereunder;

“**US Securities Act**” means the *Securities Act of 1933*, and the rules and regulations thereunder; and

“**US Taxpayer**” means a Participant who is a citizen or resident of the United States for purposes of the US Code, or whose Awards under the Plan are subject, or would be subject, absent an exemption, to US Code Section 409A.

## **2. INCENTIVE STOCK OPTIONS**

**2.1 Incentive Stock Options and Non-Qualified Stock Options.** Awards granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. Notwithstanding Sections 3.2 and 5.1 of the Plan, Incentive Stock Options may only be granted to an Eligible Person who is an employee of the Corporation or a subsidiary corporation. To the extent that any Award does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

**2.2 Term of Option.** Notwithstanding any provision of the Plan arguably to the contrary:

- (a) in no circumstances shall the term of an Option exceed ten years from the Grant Date or be exercisable after the expiration of ten years from the Grant Date; and
- (b) in no circumstances shall the term of an Incentive Stock Option granted to a Ten Percent Owner exceed five years from the Grant Date or be exercisable after the expiration of five years from the Grant Date.

**2.3 Plan Limit on Incentive Stock Options.** Subject to adjustment pursuant to Section 10 of the Plan and Sections 422 and 424 of the US Code, the aggregate number of Shares which may be issued under the Plan and which may be made subject to Incentive Stock Options shall not exceed 1,500,000.

**2.4 Annual Limit on Incentive Stock Options.** To the extent required for “incentive stock option” treatment under Section 422(d) of the US Code, the aggregate Market Price (determined as of the Grant Date) of the Shares with respect to which Incentive Stock Options granted under the Plan and any other plan of the Corporation and its parent and subsidiary corporations that become

exercisable or vest for the first time by a Participant during any calendar year shall not exceed US\$100,000 or such other limit as may be in effect from time to time under Section 422 of the US Code. To the extent that any Award exceeds this limit, it shall constitute a Non-Qualified Stock Option.

### 3. OPTIONS

**3.1 Option Price.** In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the Option Price of such Incentive Stock Option shall not be less than 110% of the Fair Market Price of the Shares determined as of the Grant Date. For all other US Taxpayers, the Option Price of an Incentive Stock Option shall not be less than 100% of the Fair Market Price of the Shares determined as of the Grant Date. The Option Price of a Non-Qualified Stock Option shall not be less than 100% of the Fair Market Price of the Shares as determined as of the Grant Date.

**3.2 Method of Exercise of Options.** Section **Error! Reference source not found.** of the Plan shall not be available if the Option being exercised is an Incentive Stock Option.

**3.3 Option Award Agreement.** The Option Award Agreement for US Taxpayers shall specify whether such Option is an Incentive Stock Option or a Non-Qualified Stock Option. If no such specification is made, the Option will be (a) an Incentive Stock Option if all of the requirements under the US Code are satisfied, and (b) in all other cases, a Non-Qualified Stock Option.

### 4. PERFORMANCE SHARE UNITS AND RESTRICTED SHARE UNITS

**4.1 Settlement of Performance Share Units for US Taxpayers.** Notwithstanding the timing of settlement described in Sections 6.5 and 6.6 of the Plan, but subject to Section 7.4 of this Addendum, for US Taxpayers, all settlements of Performance Share Units credited to a US Taxpayer's PSU Account shall take place within 30 days of the date such Performance Share Units vest without receipt of the Notice of Settlement of Restricted Share Units from the US Taxpayer.

**4.2 Settlement of Restricted Share Units for US Taxpayers.** Notwithstanding the timing of settlement described in Sections 7.5 and 7.6 of the Plan, but subject to Section 7.4 of this Addendum, for US Taxpayers, all settlements of Restricted Share Units credited to a US Taxpayer's RSU Account shall take place within 30 days of the date such Restricted Share Units vest without receipt of the Notice of Settlement of Restricted Share Units from the US Taxpayer.

### 5. DEFERRED SHARE UNITS

**5.1 Elections for US Taxpayers.** Section 8.1(b) of the Plan shall be applied in a manner consistent with United States Treasury Regulation Section 1.409A-2(a). Except as otherwise permitted under such regulation, a Participant's election to defer a Deferred Annual Amount must be made by the end of the calendar year prior to the calendar year in which services giving rise to the right to payment of such amounts are to be performed. Without limiting the generality of the foregoing, during a US Taxpayer's first calendar year of eligibility in the Plan (as described in United States Treasury Regulation Section 1.409A-2(a)(7)) such US Taxpayer may, within 30 days of becoming eligible, elect to participate in the Plan for such calendar year solely with respect to compensation to be paid for services to be performed after the date such election is made.

**5.2 Distribution Date for Settlement of DSUs Held By US Taxpayers.** Notwithstanding the timing of settlement described in Sections 8.5 or 8.6 of the Plan, but subject to Section 7.4 of this Addendum, for US Taxpayers, all settlements of Deferred Share Units credited to a US Taxpayer's DSU Account shall take place within 30 days of the date of the US Taxpayer's Separation From Service without receipt of the Notice of Settlement of Deferred Share Units from the US Taxpayer, unless a different fixed settlement date was specified in the applicable DSU Award Agreement at the time of grant of the Deferred Share Units (the "**distribution date**"). Notwithstanding any provision of the Plan arguably to the contrary (including Sections 12.2 and 13 of the Plan), any acceleration of the vesting of Deferred Share Units held by US Taxpayers will not result in the acceleration of the distribution date for such Deferred Share Units unless permitted under US Code Section 409A.

**5.3 Special Limitation Applicable to Eligible Persons Who Are Both a Canadian Taxpayer and a US Taxpayer.** If the Deferred Share Units of a US Taxpayer are subject to tax under the income tax laws of Canada and also are subject to tax under US Code Section 409A, the following special rules regarding forfeiture will apply. For greater clarity, these forfeiture provisions are intended to avoid adverse tax consequences under US Code Section 409A and/or under paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada), that may result because of the different requirements as to the time of distribution of Deferred Share Units (and thus the time of taxation) with respect to a US Taxpayer's separation from service (under US tax law) and his retirement or loss of office (under Canadian tax law). The intended consequence of this Section 5.3 of the Plan is that distributions to US Taxpayers in payment of Deferred Share Units only will occur if such US Taxpayer experiences both a Separation From Service under US Code Section 409A and a retirement or loss of office within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada). If a US Taxpayer otherwise would be entitled to payment with respect to Deferred Share Units in any of the following circumstances, such Deferred Share Units shall instead be immediately and irrevocably forfeited, unless the relevant taxation authorities have provided guidance that the payment with respect to Deferred Share Units in such circumstances would not result in adverse tax consequences to the Eligible Person or the Corporation under either the *Income Tax Act* (Canada) or the US Code, or that compliance with the tax rules of only one jurisdiction would not cause a failure to comply with the rules of the other taxing jurisdiction:

- (a) a US Taxpayer experiences a Separation From Service as a result of a permanent decrease in the level of services such US Taxpayer provides to the Corporation and its affiliates to less than 20% of his past service, but such US Taxpayer continues to provide some level of service to the Corporation or an affiliate such that he has not had a retirement from, or loss of office or employment with, the Corporation or a corporation related thereto, within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada); or
- (b) a US Taxpayer experiences a Separation From Service for purposes of a distribution required under US Code Section 409A as a result of ceasing to be a member of the Board, but such person continues providing services as an employee or as a member of the board of an affiliate, and as a result he has not experienced a retirement from, or loss of office or employment with, the Corporation or a corporation related thereto, within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada); or
- (c) a US Taxpayer experiences a retirement from, or loss of office or employment with, the Corporation or a corporation related thereto, within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada), by virtue of ceasing employment as



both an employee and as a director, but he continues to provide services as an independent contractor such that he has not experienced a Separation from Service.

## 6. TAXES

**6.1 Payment of Taxes.** Each US Taxpayer is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such US Taxpayer in connection with the Plan or any other plan maintained by the Corporation (including any taxes and penalties under US Code Section 409A), and neither the Corporation nor any subsidiary of the Corporation shall have any obligation to indemnify or otherwise hold such US Taxpayer (or any Participant ) harmless from any or all of such taxes or penalties.

**6.2 Tax Withholding.** A US Taxpayer shall be required to pay to the Corporation, and the Corporation shall have the right and is hereby authorized to withhold, from any cash or other compensation payable under the Plan, or from any other compensation or amounts owing to the US Taxpayer, the amount of any required withholding taxes in respect of amounts paid under the Plan and to take such other action as may be necessary in the opinion of the Corporation to satisfy all obligations for the payment of such withholding and taxes.

## 7. MISCELLANEOUS

**7.1 Non-Assignability.** Section 9 of the Plan shall only be available to US Taxpayers if the Option to be transferred is a Non-Qualified Stock Option and to the extent permissible under US law. No Incentive Stock Option shall be transferable by the Participant otherwise than by will or by the laws of descent and distribution and all Incentive Stock Options shall be exercisable, during the Participant's lifetime, only by the Participant, or by the Participant's legal representative or guardian in the event of the Participant's Disability. Section 9 of the Plan shall only be available to US Taxpayers with respect to Performance Share Units, Deferred Share Units and Restricted Share Units to the extent permissible under US law.

**7.2 Amendments.** In addition to the provisions of Section 13 of the Plan, to the extent determined by the Board to be required either by the US Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the US Code or otherwise, Plan amendments as they relate to or affect US Taxpayers shall be subject to approval by the Corporation shareholders entitled to vote at a meeting of shareholders. An amendment to increase the aggregate number of Shares which may be issued under the Plan and which may be made subject to Incentive Stock Options as set forth in Section 2.3 of this Addendum must be approved by shareholders within 12 months of adoption of such amendment. Notwithstanding the provisions of Section 13 of the Plan, no amendment in respect of an Award to a US Taxpayer shall be made without the consent of such US Taxpayer if the result of such amendment would be to cause the Award to violate the requirements of US Code Section 409A.

**7.3 Effective Date; Shareholder Approval.** The Plan including the Addendum shall become effective upon the Effective Date. Awards may be granted under this Addendum from and after the Effective Date; provided however that if Corporation's shareholders fail to approve the Plan and this Addendum within 12 months of the Effective Date, any Incentive Stock Options granted under the Plan to a US Taxpayer from and after the Effective Date to the date that is 12 months of the Effective Date shall be deemed to be Non-Qualified Stock Options. No Incentive Stock Options may be granted after the tenth anniversary of the earlier of the Effective Date or the date the Plan including the Addendum are approved by the Corporation's shareholders.

- 7.4 US Code Section 409A Awards.** If an Award is determined to constitute a US Code Section 409A Award, the Award shall be subject to such additional rules and requirements as specified by the Board from time to time in order to comply with US Code Section 409A. In this regard, if any amount under a US Code Section 409A Award is payable upon a Separation From Service to a Participant who is considered a Specified Employee, then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the Participant's date of Separation From Service, or (ii) the Participant's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to US Code Section 409A.
- 7.5 Priority.** Except as specifically provided in this Addendum, the provisions of the Plan and the Participant's Award Agreement shall govern. For Participants who are US Taxpayers, in the event of any inconsistency or conflict between the provisions of (i) the Plan and/or a Participant's Award Agreement, and (ii) this Addendum, the terms of this Addendum shall prevail.